STATE OF ILLINOIS

HOUSE JOURNAL

HOUSE OF REPRESENTATIVES

NINETY-THIRD GENERAL ASSEMBLY

67TH LEGISLATIVE DAY

THURSDAY, MAY 29, 2003

11:00 O'CLOCK A.M.

NO. 67

HOUSE OF REPRESENTATIVES
Daily Journal Index
67th Legislative Day

The House met pursuant to adjournment.
Speaker Madigan in the chair.
Prayer by Mr. Dennis Strasburg of the Baha'I Faith Church in Glenview IL..
Representative Lang led the House in the Pledge of Allegiance.
By direction of the Speaker, a roll call was taken to ascertain the attendance of Members, as follows:
117 present. (ROLL CALL 1)

By unanimous consent, Representative Moffitt was excused from attendance.

LETTER OF TRANSMITTAL

May 29, 2003

Anthony D. Rossi
Chief Clerk of the House
402 State House
Springfield, IL 62706

Dear Clerk Rossi:

Please be advised that I am extending the Final Action Deadline to May 31, 2003 for the following House Bills:

House Bills: 276, 666, 841, 859, 1006, 1023, 1482, 2221, 2345, 2362, 2504, 2550, 2902, 2983.

If you have questions, please contact my Chief of Staff, Tim Mapes, at 782-6360.

With kindest personal regards, I remain.

Sincerely yours,
s/ Michael J. Madigan
MICHAEL J. MADIGAN
Speaker of the House

REPORTS FROM THE COMMITTEE ON RULES

Representative Currie, Chairperson, from the Committee on Rules to which the following were referred, action taken earlier today, and reported the same back with the following recommendations:

That the Floor Amendment be reported "recommends be adopted":
Amendment No. 2 to SENATE BILL 719.
Amendment No. 5 to SENATE BILL 843.
Amendment No. 2 to SENATE BILL 945.
Amendment No. 1 to SENATE BILL 1606.
Amendment No. 3 to SENATE BILL 1701.
Amendment No. 1 to SENATE BILL 1725.
Amendment No. 3 to SENATE BILL 1784.

That the Floor Amendment be reported "recommends be adopted":
Motion to Concur in Senate Amendment No. 1 to HOUSE BILL 3036.
Motion to Concur in Senate Amendments numbered 1 and 2 to HOUSE BILL 3556.

The committee roll call vote on the foregoing Legislative Measures is as follows:
4, Yeas; 0, Nays; 0, Answering Present.

Y Currie,Barbara(D), Chairperson
A Hannig,Gary(D)
Y Turner,Arthur(D)
Y Black,William(R)
Y Hassert,Brent(R), Republican Spokesperson

That the Floor Amendment be reported "recommends be adopted":
Amendment No. 1 to SENATE BILL 719.

The committee roll call vote on the foregoing Legislative Measures is as follows:
3, Yeas; 1, Nays; 0, Answering Present.

Y Currie,Barbara(D), Chairperson
Y Hannig,Gary(D)
Y Turner,Arthur(D)
N Black,William(R)
A Hassert,Brent(R), Republican Spokesperson

That the Floor Amendment be reported "recommends be adopted":
Amendment No. 2 to SENATE BILL 1606.

The committee roll call vote on the foregoing Legislative Measures is as follows:
3, Yeas; 1, Nays; 0, Answering Present.

Y Currie,Barbara(D), Chairperson
Y Hannig,Gary(D)
Y Turner,Arthur(D)
A Black,William(R)
N Hassert,Brent(R), Republican Spokesperson

That the Floor Amendment be reported "recommends be adopted":
Amendment No. 2 to SENATE BILL 703.

The committee roll call vote on the foregoing Legislative Measures is as follows:
5, Yeas; 0, Nays; 0, Answering Present.

Y Currie,Barbara(D), Chairperson
Y Hannig,Gary(D)
Y Turner,Arthur(D)
Y Black,William(R)
Y Hassert,Brent(R), Republican Spokesperson

COMMITTEE ON RULES REFERRALS

Representative Currie, Chairperson of the Committee on Rules, reported the following legislative measures and/or joint action motions have been assigned as follows:

Housing & Urban Development: Motion to Concur in SENATE AMENDMENT No. 1 to HOUSE BILL 625.

Human Services: Motion to Concur in SENATE AMENDMENT No. 1 to HOUSE BILL 685.

Insurance; Motion to Concur in SENATE AMENDMENTS Numbered 2, 5 and 6 to HOUSE BILL 3661. Judiciary II - Criminal Law: Motion to Concur in SENATE AMENDMENT No. 1 to HOUSE BILL 2843.

State Government Administration: HOUSE AMENDMENT No. 1 to SENATE BILL 703; Motion to Concur in SENATE AMENDMENTS Numbered 1 and 3 to HOUSE BILL 235

Executive: HOUSE AMENDMENT No. 3 to SENATE BILL 75.

MOTIONS SUBMITTED

Representative Saviano submitted the following written motion, which was referred to the Committee on Rules:

MOTION

I move to concur with Senate Amendments numbered 1 and 2 to HOUSE BILL 1074.

Representative Ryg submitted the following written motion, which was referred to the Committee on Rules:

MOTION

I move to concur with Senate Amendment No. 1 to HOUSE BILL 685.

Representative Novak submitted the following written motion, which was referred to the Committee on Rules:

MOTION

I move to concur with Senate Amendment No. 1 to HOUSE BILL 858.

Representative Jones submitted the following written motion, which was referred to the Committee on Rules:

MOTION

I move to concur with Senate Amendment No. 1 to HOUSE BILL 687.

Representative Kelly submitted the following written motion, which was referred to the Committee on Rules:

MOTION

I move to concur with Senate Amendment No. 1 to HOUSE BILL 764.

Representative Lang submitted the following written motion, which was referred to the Committee on Rules:

MOTION

I move to concur with Senate Amendment No. 1 to HOUSE BILL 920.

Representative McCarthy submitted the following written motion, which was referred to the Committee on Rules:

MOTION

I move to concur with Senate Amendment No. 1 to HOUSE BILL 1038.

Representative Burke submitted the following written motion, which was referred to the Committee on Rules:

MOTION

I move to concur with Senate Amendment No. 1 to HOUSE BILL 1043.

Representative Currie submitted the following written motion, which was referred to the Committee on Rules:

MOTION

I move to concur with Senate Amendments numbered 1 and 2 to HOUSE BILL 276.

Representative Hamos submitted the following written motion, which was referred to the Committee on Rules:

MOTION

I move to concur with Senate Amendments numbered 1 and 2 to HOUSE BILL 2345.

Representative Feigenholtz submitted the following written motion, which was referred to the Committee on Rules:

MOTION

I move to concur with Senate Amendment No. 1 to HOUSE BILL 2504.

Representative Myers submitted the following written motion, which was placed on the order of Motions:

MOTION

Pursuant to Rule 60(b), I move to table SENATE BILL 1075.

JUDICIAL NOTES SUPPLIED

Judicial Notes have been supplied for SENATE BILLS 75, as amended, 802, as amended, and 1784, as amended.

FISCAL NOTE SUPPLIED

Fiscal Note have been supplied for HOUSE BILL 142, as amended, 144, 145, as amended, 146, as amended, 147, as amended, 148, and SENATE BILLS 75, as amended, 802, as amended and 1784, as amended.

HOME RULE NOTE SUPPLIED

Home Rule Notes have been supplied for SENATE BILLS 75, as amended, 461, as amended, 802, as amended, and 1784, as amended.

PENSION NOTE SUPPLIED

Pension Notes have been supplied for SENATE BILL 75, as amended, and 802, as amended.

BALANCED BUDGET NOTE SUPPLIED

Balanced Budget Notes have been supplied for HOUSE BILL 143, as amended, and SENATE BILLS 75, as amended, and 802, as amended.

STATE DEBT IMPACT NOTE SUPPLIED

State Debt Impact Notes have been supplied for SENATE BILLS 75, as amended, 802, as amended, and 1784, as amended.

LAND CONVEYANCE APPRAISAL NOTE SUPPLIED

Land Conveyance Appraisal Notes have been supplied for SENATE BILLS 75, as amended, and 802, as amended.

HOUSING AFFORDABILITY IMPACT NOTE SUPPLIED

Housing Affordability Impact Notes have been supplied for SENATE BILL 75, as amended, 802, as amended, and 1784, as amended.

STATE MANDATES FISCAL NOTE SUPPLIED

State Mandates Fiscal Notes have been supplied for SENATE BILLS 75, as amended, 461, as amended, 802, as amended, and 1784, as amended.

CORRECTIONAL NOTE SUPPLIED

Correctional Notes have been supplied for SENATE BILL 75, as amended, and 802, as amended.

REQUEST FOR LAND CONVEYANCE APPRAISAL NOTE

Representative Krause requested that a Land Conveyance Appraisal Note be supplied for SENATE BILL 802, as amended.

REQUEST FOR FISCAL NOTE

Representative Parke requested that a Fiscal Note be supplied for SENATE BILL 461, as amended.

REQUEST FOR STATE MANDATES FISCAL NOTE

Representative Parke requested that a State Mandates Fiscal Note be supplied for SENATE BILL 461, as amended.

REQUEST FOR HOME RULE NOTE

Representative Parke requested that a Home Rule Note be supplied for SENATE BILL 461, as amended.

MESSAGES FROM THE SENATE

A message from the Senate by
Ms. Hawker, Secretary:
Mr. Speaker -- I am directed to inform the House of Representatives that the Senate has concurred with the House in the adoption of their amendment to a bill of the following title, to-wit:

SENATE BILL NO. 690

A bill for AN ACT concerning freedom of information.
House Amendment No. 1 to SENATE BILL NO. 690.
Action taken by the Senate, May 29, 2003.

Linda Hawker, Secretary of the Senate

A message from the Senate by
Ms. Hawker, Secretary:
Mr. Speaker -- I am directed to inform the House of Representatives that the Senate has concurred with the House in the adoption of their amendment to a bill of the following title, to-wit:

SENATE BILL NO. 698

A bill for AN ACT concerning land surveyors.
House Amendment No. 1 to SENATE BILL NO. 698.
Action taken by the Senate, May 29, 2003.

Linda Hawker, Secretary of the Senate

A message from the Senate by
Ms. Hawker, Secretary:
Mr. Speaker -- I am directed to inform the House of Representatives that the Senate has concurred with the House in the adoption of their amendment to a bill of the following title, to-wit:

SENATE BILL NO. 729

A bill for AN ACT in relation to civil procedure.
House Amendment No. 1 to SENATE BILL NO. 729.
Action taken by the Senate, May 29, 2003.

Linda Hawker, Secretary of the Senate

A message from the Senate by
Ms. Hawker, Secretary:
Mr. Speaker -- I am directed to inform the House of Representatives that the Senate has concurred with the House in the adoption of their amendment to a bill of the following title, to-wit:

SENATE BILL NO. 813

A bill for AN ACT concerning taxes.
House Amendment No. 1 to SENATE BILL NO. 813.
Action taken by the Senate, May 29, 2003.

Linda Hawker, Secretary of the Senate

A message from the Senate by
Ms. Hawker, Secretary:
Mr. Speaker -- I am directed to inform the House of Representatives that the Senate has concurred with the House in the adoption of their amendments to a bill of the following title, to-wit:

SENATE BILL NO. 881

A bill for AN ACT in relation to taxes.
House Amendment No. 1 to SENATE BILL NO. 881.
House Amendment No. 2 to SENATE BILL NO. 881.
Action taken by the Senate, May 29, 2003.

Linda Hawker, Secretary of the Senate

A message from the Senate by
Ms. Hawker, Secretary:
Mr. Speaker -- I am directed to inform the House of Representatives that the Senate has concurred with the House in the adoption of their amendment to a bill of the following title, to-wit:

SENATE BILL NO. 884

A bill for AN ACT concerning telecommunications.
House Amendment No. 1 to SENATE BILL NO. 884.
Action taken by the Senate, May 29, 2003.

Linda Hawker, Secretary of the Senate

A message from the Senate by
Ms. Hawker, Secretary:
Mr. Speaker -- I am directed to inform the House of Representatives that the Senate has concurred with the House in the adoption of their amendment to a bill of the following title, to-wit:

SENATE BILL NO. 886

A bill for AN ACT concerning cable television.
House Amendment No. 1 to SENATE BILL NO. 886.
Action taken by the Senate, May 29, 2003.

Linda Hawker, Secretary of the Senate

A message from the Senate by
Ms. Hawker, Secretary:
Mr. Speaker -- I am directed to inform the House of Representatives that the Senate has concurred with the House in the adoption of their amendment to a bill of the following title, to-wit:

SENATE BILL NO. 903

A bill for AN ACT concerning education.
House Amendment No. 1 to SENATE BILL NO. 903.
Action taken by the Senate, May 29, 2003.

Linda Hawker, Secretary of the Senate

A message from the Senate by
Ms. Hawker, Secretary:
Mr. Speaker -- I am directed to inform the House of Representatives that the Senate has concurred with the House in the adoption of their amendment to a bill of the following title, to-wit:

SENATE BILL NO. 922

A bill for AN ACT in relation to child support.
House Amendment No. 1 to SENATE BILL NO. 922.
Action taken by the Senate, May 29, 2003.

Linda Hawker, Secretary of the Senate

A message from the Senate by
Ms. Hawker, Secretary:
Mr. Speaker -- I am directed to inform the House of Representatives that the Senate has concurred with the House in the adoption of their amendment to a bill of the following title, to-wit:

SENATE BILL NO. 1053

A bill for AN ACT in relation to criminal law.
House Amendment No. 1 to SENATE BILL NO. 1053.
Action taken by the Senate, May 29, 2003.

Linda Hawker, Secretary of the Senate

A message from the Senate by
Ms. Hawker, Secretary:
Mr. Speaker -- I am directed to inform the House of Representatives that the Senate has concurred with the House in the adoption of their amendment to a bill of the following title, to-wit:

SENATE BILL NO. 1069

A bill for AN ACT concerning finance.
House Amendment No. 1 to SENATE BILL NO. 1069.
Action taken by the Senate, May 29, 2003.

Linda Hawker, Secretary of the Senate

A message from the Senate by

Ms. Hawker, Secretary:

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

SENATE BILL NO. 1098

A bill for AN ACT concerning telecommunications.

House Amendment No. 1 to SENATE BILL NO. 1098.

Action taken by the Senate, May 29, 2003.

Linda Hawker, Secretary of the Senate

A message from the Senate by

Ms. Hawker, Secretary:

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

SENATE BILL NO. 1156

A bill for AN ACT in relation to health.

House Amendment No. 2 to SENATE BILL NO. 1156.

Action taken by the Senate, May 29, 2003.

Linda Hawker, Secretary of the Senate

A message from the Senate by

Ms. Hawker, Secretary:

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

SENATE BILL NO. 1124

A bill for AN ACT in relation to sanitary districts.

House Amendment No. 2 to SENATE BILL NO. 1124.

Action taken by the Senate, May 29, 2003.

Linda Hawker, Secretary of the Senate

A message from the Senate by

Ms. Hawker, Secretary:

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

SENATE BILL NO. 1353

A bill for AN ACT in relation to transportation.

House Amendment No. 1 to SENATE BILL NO. 1353.

Action taken by the Senate, May 29, 2003.

Linda Hawker, Secretary of the Senate

A message from the Senate by

Ms. Hawker, Secretary:

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

SENATE BILL NO. 1364

A bill for AN ACT in relation to public aid.

House Amendment No. 2 to SENATE BILL NO. 1364.

Action taken by the Senate, May 29, 2003.

Linda Hawker, Secretary of the Senate

A message from the Senate by

Ms. Hawker, Secretary:

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

SENATE BILL NO. 1401

A bill for AN ACT concerning taxes.

House Amendment No. 1 to SENATE BILL NO. 1401.

Action taken by the Senate, May 29, 2003.

Linda Hawker, Secretary of the Senate

A message from the Senate by

Ms. Hawker, Secretary:

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

SENATE BILL NO. 1414

A bill for AN ACT to amend the Hospital Licensing Act.

House Amendment No. 1 to SENATE BILL NO. 1414.

Action taken by the Senate, May 29, 2003.

Linda Hawker, Secretary of the Senate

A message from the Senate by

Ms. Hawker, Secretary:

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

SENATE BILL NO. 1440

A bill for AN ACT in relation to criminal law.

House Amendment No. 1 to SENATE BILL NO. 1440.

Action taken by the Senate, May 29, 2003.

Linda Hawker, Secretary of the Senate

A message from the Senate by

Ms. Hawker, Secretary:

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

SENATE BILL NO. 1457

A bill for AN ACT in relation to criminal law.

House Amendment No. 1 to SENATE BILL NO. 1457.

Action taken by the Senate, May 29, 2003.

Linda Hawker, Secretary of the Senate

A message from the Senate by

Ms. Hawker, Secretary:

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

SENATE BILL NO. 1542

A bill for AN ACT in relation to public health.

House Amendment No. 1 to SENATE BILL NO. 1542.

Action taken by the Senate, May 29, 2003.

Linda Hawker, Secretary of the Senate

A message from the Senate by

Ms. Hawker, Secretary:

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

SENATE BILL NO. 1785

A bill for AN ACT concerning whistleblower protection.

House Amendment No. 1 to SENATE BILL NO. 1785.

Action taken by the Senate, May 29, 2003.

Linda Hawker, Secretary of the Senate

A message from the Senate by

Ms. Hawker, Secretary:

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

SENATE BILL NO. 61

A bill for AN ACT concerning language assistance services.

House Amendment No. 1 to SENATE BILL NO. 61.

Action taken by the Senate, May 29, 2003.

Linda Hawker, Secretary of the Senate

A message from the Senate by

Ms. Hawker, Secretary:

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

SENATE BILL NO. 76

A bill for AN ACT in relation to health and nutrition.

House Amendment No. 1 to SENATE BILL NO. 76.

Action taken by the Senate, May 29, 2003.

Linda Hawker, Secretary of the Senate

A message from the Senate by

Ms. Hawker, Secretary:

Mr. Speaker -- I am directed to inform the House of Representatives that the Senate has refused to concur with the House in the adoption of their amendment to a bill of the following title, to-wit:

SENATE BILL NO. 155

A bill for AN ACT concerning procurement.

House Amendment No. 1 to SENATE BILL NO. 155.

Action taken by the Senate, May 29, 2003.

Linda Hawker, Secretary of the Senate

A message from the Senate by

Ms. Hawker, Secretary:

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

SENATE BILL NO. 196

A bill for AN ACT in relation to taxes.

House Amendment No. 1 to SENATE BILL NO. 196.

Action taken by the Senate, May 29, 2003.

Linda Hawker, Secretary of the Senate

A message from the Senate by

Ms. Hawker, Secretary:

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

SENATE BILL NO. 252

A bill for AN ACT concerning the Department of Human Services.

House Amendment No. 1 to SENATE BILL NO. 252.
Action taken by the Senate, May 29, 2003.

Linda Hawker, Secretary of the Senate

A message from the Senate by
Ms. Hawker, Secretary:
Mr. Speaker -- I am directed to inform the House of Representatives that the Senate has concurred with the House in the adoption of their amendment to a bill of the following title, to-wit:

SENATE BILL NO. 267

A bill for AN ACT concerning counties.
House Amendment No. 1 to SENATE BILL NO. 267.
Action taken by the Senate, May 29, 2003.

Linda Hawker, Secretary of the Senate

A message from the Senate by
Ms. Hawker, Secretary:
Mr. Speaker -- I am directed to inform the House of Representatives that the Senate has concurred with the House in the adoption of their amendment to a bill of the following title, to-wit:

SENATE BILL NO. 280

A bill for AN ACT concerning corrections.
House Amendment No. 1 to SENATE BILL NO. 280.
Action taken by the Senate, May 29, 2003.

Linda Hawker, Secretary of the Senate

A message from the Senate by
Ms. Hawker, Secretary:
Mr. Speaker -- I am directed to inform the House of Representatives that the Senate has concurred with the House in the adoption of their amendments to a bill of the following title, to-wit:

SENATE BILL NO. 319

A bill for AN ACT concerning abuse and neglect.
House Amendment No. 1 to SENATE BILL NO. 319.
House Amendment No. 2 to SENATE BILL NO. 319.
Action taken by the Senate, May 29, 2003.

Linda Hawker, Secretary of the Senate

A message from the Senate by
Ms. Hawker, Secretary:
Mr. Speaker -- I am directed to inform the House of Representatives that the Senate has concurred with the House in the adoption of their amendments to a bill of the following title, to-wit:

SENATE BILL NO. 354

A bill for AN ACT concerning professional regulation.
House Amendment No. 1 to SENATE BILL NO. 354.
House Amendment No. 2 to SENATE BILL NO. 354.
Action taken by the Senate, May 29, 2003.

Linda Hawker, Secretary of the Senate

A message from the Senate by
Ms. Hawker, Secretary:
Mr. Speaker -- I am directed to inform the House of Representatives that the Senate has concurred with the House in the adoption of their amendment to a bill of the following title, to-wit:

SENATE BILL NO. 361

A bill for AN ACT concerning environmental safety.

House Amendment No. 1 to SENATE BILL NO. 361.

Action taken by the Senate, May 29, 2003.

Linda Hawker, Secretary of the Senate

A message from the Senate by

Ms. Hawker, Secretary:

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

SENATE BILL NO. 371

A bill for AN ACT in relation to public health.

House Amendment No. 1 to SENATE BILL NO. 371.

House Amendment No. 2 to SENATE BILL NO. 371.

Action taken by the Senate, May 29, 2003.

Linda Hawker, Secretary of the Senate

A message from the Senate by

Ms. Hawker, Secretary:

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

SENATE BILL NO. 372

A bill for AN ACT relating to education.

House Amendment No. 1 to SENATE BILL NO. 372.

House Amendment No. 3 to SENATE BILL NO. 372.

House Amendment No. 4 to SENATE BILL NO. 372.

Action taken by the Senate, May 29, 2003.

Linda Hawker, Secretary of the Senate

A message from the Senate by

Ms. Hawker, Secretary:

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

SENATE BILL NO. 385

A bill for AN ACT concerning professional regulation.

House Amendment No. 1 to SENATE BILL NO. 385.

House Amendment No. 2 to SENATE BILL NO. 385.

Action taken by the Senate, May 29, 2003.

Linda Hawker, Secretary of the Senate

A message from the Senate by

Ms. Hawker, Secretary:

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

SENATE BILL NO. 386

A bill for AN ACT concerning professional regulation.

House Amendment No. 1 to SENATE BILL NO. 386.

House Amendment No. 3 to SENATE BILL NO. 386.

Action taken by the Senate, May 29, 2003.

Linda Hawker, Secretary of the Senate

A message from the Senate by

Ms. Hawker, Secretary:

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

SENATE BILL NO. 472

A bill for AN ACT in relation to criminal law.

House Amendment No. 1 to SENATE BILL NO. 472.

Action taken by the Senate, May 29, 2003.

Linda Hawker, Secretary of the Senate

A message from the Senate by

Ms. Hawker, Secretary:

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

SENATE BILL NO. 408

A bill for AN ACT concerning sanitary districts.

House Amendment No. 1 to SENATE BILL NO. 408.

Action taken by the Senate, May 29, 2003.

Linda Hawker, Secretary of the Senate

A message from the Senate by

Ms. Hawker, Secretary:

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

SENATE BILL NO. 524

A bill for AN ACT concerning fire protection.

House Amendment No. 1 to SENATE BILL NO. 524.

Action taken by the Senate, May 29, 2003.

Linda Hawker, Secretary of the Senate

A message from the Senate by

Ms. Hawker, Secretary:

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

SENATE BILL NO. 553

A bill for AN ACT concerning security on State computers.

House Amendment No. 2 to SENATE BILL NO. 553.

Action taken by the Senate, May 29, 2003.

Linda Hawker, Secretary of the Senate

A message from the Senate by

Ms. Hawker, Secretary:

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

SENATE BILL NO. 679

A bill for AN ACT concerning human rights.

House Amendment No. 1 to SENATE BILL NO. 679.

Action taken by the Senate, May 29, 2003.

Linda Hawker, Secretary of the Senate

A message from the Senate by

Ms. Hawker, Secretary:

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

HOUSE BILL 940

A bill for AN ACT in relation to State procurement.

Together with the attached amendments thereto (which amendments have been printed by the Senate), in the adoption of which I am instructed to ask the concurrence of the House, to-wit:

Senate Amendment No. 1 to HOUSE BILL NO. 940

Senate Amendment No. 2 to HOUSE BILL NO. 940

Passed the Senate, as amended, May 29, 2003.

Linda Hawker, Secretary of the Senate

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend House Bill 940 by replacing the title with the following:

"AN ACT concerning public works contracts."; and

by replacing everything after the enacting clause with the following:

"Section 1. Short title. This Act may be cited as the Public Works Contract Change Order Act.

Section 5. Change orders; bidding. If a change order for any public works contract (i) is entered into by a unit of local government or school district and (ii) authorizes or necessitates any increase in the contract price that is 25% or more of the original contract price, then portion of the contract that is covered by the change order must be resubmitted for bidding in the same manner for which the original contract was bid. Bidding for the portion of the contract covered by the change order is subject to any requirements to employ females and minorities on the public works project that existed at the bidding for the original contract, together with any later requirements imposed by law.

Section 10. Home rule. A home rule unit may not regulate its public works contracts in manner that is inconsistent with this Act. This Section is a limitation of home rule powers under subsection (i) of Section 6 of Article VII of the Illinois Constitution.

Section 15. Mandates. This Act is exempt from the reimbursement requirements of the State Mandates Act.

Section 90. The State Mandates Act is amended by adding Section 8.27 as follows:

(30 ILCS 805/8.27 new)

Sec. 8.27. 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 the Public Works Contract Change Order Act.".

AMENDMENT NO. 2

AMENDMENT NO. 2____. Amend House Bill 940, AS AMENDED, with reference to page and line numbers of Senate Amendment No. 1, on page 1, by replacing lines 11 and 12 with the following:

"of local government or school district, (ii) is not procured in accordance with the Illinois Procurement Code and the State Finance Act, and (iii) authorizes or necessitates any increase in the contract price that is 50%".

The foregoing message from the Senate reporting Senate Amendments numbered 1 and 2 to HOUSE BILL 940 was placed on the Calendar on the order of Concurrence.

A message from the Senate by

Ms. Hawker, Secretary:

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

HOUSE BILL 859

A bill for AN ACT in relation to taxes.

Together with the attached amendment thereto (which amendment has been printed by the Senate), in the adoption of which I am instructed to ask the concurrence of the House, to-wit:

Senate Amendment No. 1 to HOUSE BILL NO. 859

Passed the Senate, as amended, May 29, 2003.

Linda Hawker, Secretary of the Senate

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend House Bill 859 by replacing everything after the enacting clause with the following:

"Section 5. The Property Tax Code is amended by changing Sections 21-295 as follows:

(35 ILCS 200/21-295)

Sec. 21-295. Creation of indemnity fund. (a) In counties of less than 3,000,000 inhabitants, each person purchasing any property at a sale under this Code shall pay to the County Collector, prior to the issuance of any certificate of purchase, a fee of $20 for each item purchased. A like sum shall be paid for each year that all or a portion of subsequent taxes are paid by the tax purchaser and posted to the tax judgment, sale, redemption and forfeiture record where the underlying certificate of purchase is recorded.

(a-5) In counties of 3,000,000 or more inhabitants, each person purchasing property at a sale under this Code shall pay to the County Collector a fee of $80 for each item purchased plus an additional sum equal to 5% of taxes, interest, and penalties paid by the purchaser, including the taxes, interest, and penalties paid under Section 21-240. In these counties, the certificate holder shall also pay to the County Collector a fee of $80 for each year that all or a portion of subsequent taxes are paid by the tax purchaser and posted to the tax judgment, sale, redemption, and forfeiture record, plus an additional sum equal to 5% of all subsequent taxes, interest, and penalties. The additional 5% fees shall not be paid after June 30, 2003 ~~are not required after December 31, 2006~~. The changes to this subsection made by this amendatory Act of the 91st General Assembly are not a new enactment, but declaratory of existing law.

(b) The amount paid prior to issuance of the certificate of purchase pursuant to subsection (a) or (a-5) shall be included in the purchase price of the property in the certificate of purchase and all amounts paid under this Section shall be included in the amount required to redeem under Section 21-355. Except as otherwise provided in subsection (b) of Section 21-300, all money received under subsection (a) or (a-5) shall be paid by the Collector to the County Treasurer of the County in which the land is situated, for the purpose of an indemnity fund. The County Treasurer, as trustee of that fund, shall invest all of that fund, principal and income, in his or her hands from time to time, if not immediately required for payments of indemnities under subsection (a) of Section 21-305, in investments permitted by the Illinois State Board of Investment under Article 22A of the Illinois Pension Code. The county collector shall report annually to the Circuit Court on the condition and income of the fund. The indemnity fund shall be held to satisfy judgments obtained against the County Treasurer, as trustee of the fund. No payment shall be made from the fund, except upon a judgment of the court which ordered the issuance of a tax deed. (Source: P.A. 91-564, eff. 8-14-99; 91-924, eff. 7-7-00.)

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

The foregoing message from the Senate reporting Senate Amendment No. 1 to HOUSE BILL 859 was placed on the Calendar on the order of Concurrence.

A message from the Senate by

Ms. Hawker, Secretary:

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

HOUSE BILL 841

A bill for AN ACT in relation to county government.

Together with the attached amendment thereto (which amendment has been printed by the Senate), in the adoption of which I am instructed to ask the concurrence of the House, to-wit:

Senate Amendment No. 1 to HOUSE BILL NO. 841
Passed the Senate, as amended, May 29, 2003.

Linda Hawker, Secretary of the Senate

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend House Bill 841 by replacing everything after the enacting clause with the following:

"Section 5. The Counties Code is amended by changing Section 5-11001 as follows:

(55 ILCS 5/5-11001) (from Ch. 34, par. 5-11001)

Sec. 5-11001. Construction and maintenance of parking facilities. Any county is hereby authorized to:

(a) Own, construct, equip, manage, control, erect, improve, extend, maintain and operate motor vehicle parking lots, garages, parking meters, and any other revenue producing facilities necessary or incidental to the regulation, control and parking of motor vehicles (hereinafter referred to as parking facilities), and to purchase real estate to be used for parking facilities, as the county board finds necessary;

(b) Maintain, improve, extend and operate any such parking facilities and to charge for the use thereof;

(c) Borrow money and issue and sell bonds in such amount or amounts as the county board may determine for the purpose of acquiring, completing, erecting, constructing, equipping, improving, extending, maintaining or operating any or all of its parking facilities, and to refund and refinance the same from time to time as often as it shall be advantageous and to the public interest to do so.

(d) Acquire by eminent domain sufficient real estate for motor vehicle parking lots or garages. (Source: P.A. 86-962.)

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

The foregoing message from the Senate reporting Senate Amendment No. 1 to HOUSE BILL 841 was placed on the Calendar on the order of Concurrence.

A message from the Senate by
Ms. Hawker, Secretary:

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

HOUSE BILL 666

A bill for AN ACT in relation to conservation.

Together with the attached amendment thereto (which amendment has been printed by the Senate), in the adoption of which I am instructed to ask the concurrence of the House, to-wit:

Senate Amendment No. 1 to HOUSE BILL NO. 666
Passed the Senate, as amended, May 29, 2003.

Linda Hawker, Secretary of the Senate

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend House Bill 666 by replacing everything after the enacting clause with the following:

"Section 5. The Illinois Exotic Weed Act is amended by changing Section 3 as follows:

(525 ILCS 10/3) (from Ch. 5, par. 933)

Sec. 3. Designated Exotic Weeds. Japanese honeysuckle (Lonicera japonica), multiflora rose (Rosa multiflora), ~~and~~ purple loosestrife (Lythrum salicaria), common buckthorn (Rhamnus cathartica), glossy buckthorn (Rhamnus frangula), saw-toothed buckthorn (Rhamnus arguta), dahurian buckthorn (Rhamnus davurica), Japanese buckthorn (Rhamnus japonica), Chinese buckthorn (Rhamnus utilis), and kudzu (Pueraria lobata) are hereby designated exotic weeds. Upon petition the Director of Natural Resources, by rule, shall exempt varieties of any species listed in this Act that can be demonstrated by published or current research not to be an exotic weed as defined in Section 2. (Source: P.A. 89-445, eff. 2-7-96.)

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

The foregoing message from the Senate reporting Senate Amendment No. 1 to HOUSE BILL 666 was placed on the Calendar on the order of Concurrence.

A message from the Senate by
Ms. Hawker, Secretary:

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

HOUSE BILL 276

A bill for AN ACT in relation to tobacco product manufacturers.

Together with the attached amendments thereto (which amendments have been printed by the Senate), in the adoption of which I am instructed to ask the concurrence of the House, to-wit:

Senate Amendment No. 1 to HOUSE BILL NO. 276
Senate Amendment No. 2 to HOUSE BILL NO. 276
Passed the Senate, as amended, May 29, 2003.

Linda Hawker, Secretary of the Senate

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend House Bill 276 by replacing everything after the enacting clause with the following:

"Section 1. Short title. This Act may be cited as the Tobacco Products Manufacturers' Escrow Enforcement Act of 2003.

Section 5. Findings; purpose. The General Assembly finds that violations of the Tobacco Product Manufacturers' Escrow Act threaten the integrity of the tobacco Master Settlement Agreement, the fiscal soundness of the State, and the public health. The General Assembly finds that enacting procedural enhancements will help prevent violations and aid the enforcement of the Tobacco Product Manufacturers' Escrow Act and thereby safeguard the Master Settlement Agreement, the fiscal soundness of the State, and the public health. The provisions of this Act are not intended to and shall not be interpreted to amend the Tobacco Product Manufacturers' Escrow Act.

Section 10. Definitions. As used in this Act:

"Brand family" means all styles of cigarettes sold under the same trade mark and differentiated from one another by means of additional modifiers or descriptors, including, but not limited to, menthol, lights, kings, and 100s and includes any brand name (alone or in conjunction with any other word) trademark, logo, symbol, motto, selling message, recognizable pattern of colors, or any other indicia of product identification identical or similar to, or identifiable with, a previously known brand of cigarettes.

"Cigarette" has the same meaning in Section 10 of the Escrow Act.

"Director" means the Director of Revenue.

"Distributor" has the same meaning prescribed in Section 1 of the Cigarette Tax Act, Section 1 of the Cigarette Use Tax Act, and, in addition, means a distributor of roll-your-own tobacco in accordance with Section 10-5 of the Tobacco Products Tax Act of 1995, as appropriate.

"Escrow Act" means the Tobacco Product Manufacturers' Escrow Act.

"Non-participating manufacturer" means any Tobacco Product Manufacturer that is not a participating manufacturer.

"Participating manufacturer" has the meaning given that term in Section II(jj) of the Master Settlement Agreement and all amendments thereto.

"Qualified escrow fund" has the same meaning as that term is defined in Section 10 of the Escrow Act.

"Tobacco product manufacturer" has the same meaning as that term is defined in Section 10 of the Escrow Act.

"Units sold" has the same meaning as that term is defined in Section 10 of the Escrow Act.

Section 15. Certifications; directory; tax stamps.

(a) Every tobacco product manufacturer whose cigarettes are sold in this State whether directly or through a distributor, retailer, or similar intermediary or intermediaries shall execute and deliver on a form

prescribed by the Attorney General a certification to the Attorney General, no later than the thirtieth day of April each year, certifying under penalty of perjury that, as of the date of the certification, the tobacco product manufacturer either: (i) is a participating manufacturer and has generally performed its financial obligations under the Master Settlement Agreement; or (ii) is in full compliance with the Escrow Act, including all quarterly installment payments.

(1) A participating manufacturer shall include in its certification a list of its brand families. The participating manufacturer shall update the list 30 days prior to any addition to or modification of its brand families by executing and delivering a supplemental certification to the Attorney General.

(2) A non-participating manufacturer shall include in its certification a complete list of all of its brand families: (i) separately listing brand families of cigarettes and the number of units sold for each brand family that were sold in the State during the preceding calendar year; (ii) listing all of its brand families that have been sold in the State at any time during the current calendar year; (iii) indicating by an asterisk, any brand family sold in the State during the preceding calendar year that is no longer being sold in the State as of the date of the certification; and (iv) identifying by name and address any other manufacturer of the brand families in the preceding calendar year. The non-participating manufacturer shall update the list 30 days prior to any addition to or modification of its brand families by executing and delivering a supplemental certification to the Attorney General.

(3) In the case of a non-participating manufacturer, the certification shall further certify:

(A) that the non-participating manufacturer is registered to do business in this State or has appointed a resident agent for service of process and provided notice thereof as required by item 4 of subsection (a) of this Section;

(B) that the non-participating manufacturer has (i) established and continues to maintain a qualified escrow fund as that term is defined in Section 10 of the Escrow Act, and (ii) executed a qualified escrow agreement that has been reviewed and approved by the Attorney General and that governs the qualified escrow fund;

(C) that the non-participating manufacturer is in full compliance with the Escrow Act and this Section, and any regulations promulgated pursuant thereto;

(D) the name, address and telephone number of the financial institution where the non-participating manufacturer has established the qualified escrow fund required pursuant to Section 15 of the Escrow Act and all regulations promulgated thereto;

(E) the account number of the qualified escrow fund and sub-account number for this State;

(F) the amount the non-participating manufacturer placed in the fund for cigarettes sold in the State during the preceding calendar year, including the dates and amount of each deposit, and such evidence or verification as may be deemed necessary by the Attorney General to confirm the foregoing; and

(G) the amounts of and dates of any withdrawal or transfer of funds the non-participating manufacturer made at any time from the fund or from any other qualified escrow fund into which it ever made escrow payments pursuant to Section 15 of the Escrow Act and all regulations promulgated thereto.

(4) A tobacco product manufacturer may not include a brand family in its certification unless: (i) in the case of a participating manufacturer, the participating manufacturer affirms that the brand family is to be deemed to be its cigarettes for purposes of calculating its payments under the master settlement agreement for the relevant year, in the volume and shares determined pursuant to the master settlement agreement; and (ii) in the case of a non-participating manufacturer, the non-participating manufacturer affirms that the brand family is to be deemed to be its cigarettes for purposes of Section 15 of the Escrow Act.

Nothing in this Section shall be construed as limiting or otherwise affecting the State's right to maintain that a brand family constitutes cigarettes of a different tobacco product manufacturer for purposes of calculating payments under the master settlement agreement or for purposes of Section 15 of the Escrow Act.

(5) The tobacco product manufacturers shall maintain all invoices and documentation of sales and other information relied upon for certification for a period of 5 years, unless otherwise required by law to maintain them for a greater period of time.

(b) Not later than 6 months after the effective date of this Act, the Attorney General shall develop and make available for public inspection, through publishing on its website, a directory listing all tobacco product manufacturers that have provided current and accurate certifications conforming to the requirements of subsection (a) of Section 15 and all brand families that are listed in the certifications,

except for the following:

(1) The Attorney General shall not include or retain in the directory the name or brand families of any non-participating manufacturer that fails to provide the required certification or whose certification the Attorney General determines is not in compliance with subsections (a)(2) or (a)(3) of Section 15, unless the Attorney General has determined that the violation has been cured to the satisfaction of the Attorney General.

(2) Neither a tobacco product manufacturer nor brand family shall be included or retained in the directory if the Attorney General concludes that: (i) in the case of a non-participating manufacturer all escrow payments required pursuant to Section 15 of the Escrow Act for any period for any brand family, whether or not listed by the non-participating manufacturer, have not been fully paid into a qualified escrow fund governed by a qualified escrow agreement that has been approved by the Attorney General; or (ii) all outstanding final judgments, including interest thereon, for violations of Section 15 of the Escrow Act have not been fully satisfied for that brand family and manufacturer.

(3) The Attorney General shall update the directory as necessary in order to correct mistakes and to add or remove a tobacco product manufacturer or brand families to keep the directory in conformity with the requirements of this Act.

(4) Every distributor shall provide and update as necessary an electronic mail address to the Attorney General for the purpose of receiving any notifications as may be required by this Act.

(c) It shall be unlawful for any person: (i) to affix a stamp to a package or other container of cigarettes of a tobacco product manufacturer or brand family not included in the directory or to sell, offer, or possess for sale in this State; or (ii) import for personal consumption in this State, cigarettes of a tobacco product manufacturer or brand family not included in the directory.

Section 20. Agent for service of process.

(a) Any non-resident or foreign non-participating manufacturer that has not registered to do business in this State as a foreign corporation or business entity shall, as a condition precedent to having its brand families listed or retained in the directory, appoint and continually engage without interruption the services of an agent in this State to act as agent for the service of process on whom all process, and any action or proceeding against it concerning or arising out of the enforcement of this Act and the Escrow Act, may be served in any manner authorized by law. The service shall constitute legal and valid service of process on the non-participating manufacturer. The non-participating manufacturer shall provide the name, address, phone number, and proof of the appointment and availability of the agent to and to the satisfaction of the Director and Attorney General.

(b) The non-participating manufacturer shall provide notice to the Director and Attorney General 30 calendar days prior to termination of the authority of an agent and shall further provide proof to the satisfaction of the Attorney General of the appointment of a new agent no less than 5 calendar days prior to the termination of an existing agent appointment. In the event an agent terminates an agency appointment, the non-participating manufacturer shall notify the Director and Attorney General of the termination within 5 calendar days and shall include proof to the satisfaction of the Attorney General of the appointment of a new agent.

(c) Any non-participating manufacturer whose products are sold in this State, without appointing or designating an agent as herein required shall be deemed to have appointed the Secretary of State as the agent and may be proceeded against in courts of this State by service of process upon the Secretary of State; however, the appointment of the Secretary of State as an agent shall not satisfy the condition precedent to having its brand families listed or retained in the directory.

Section 25. Reporting of information; escrow installments.

(a) Not later than 20 days after the end of each calendar quarter, and more frequently if so directed by the Attorney General, each distributor shall submit the information as the Attorney General requires to facilitate compliance with this Section, including, but not limited to, a list by brand family of the total number of cigarettes or in the case of roll-your-own, the equivalent stick count for which the distributor affixed stamps during the previous calendar quarter or otherwise paid the tax due for these cigarettes. The distributor shall maintain, and make available to the Attorney General, all invoices and documentation of sales of all non-participating manufacturer cigarettes and any other information relied upon in reporting to the Attorney General for a period of 5 years.

(b) The Director is authorized to disclose to the Attorney General any information received under this Act and requested by the Attorney General for purposes of determining compliance with and enforcing the provisions of this Act. The Director and Attorney General shall share with each other the information received under this Act, and may share the information with other federal, State, or local agencies only for

purposes of enforcement of this Act, the Escrow Act, or corresponding laws of other states.

(c) The Attorney General may require at any time, from the non-participating manufacturer, proof from the financial institution in which the manufacturer has established a qualified escrow fund for the purpose of compliance with the Escrow Act of the amount of money in the fund being held on behalf of the State and the dates of deposits, and listing the amounts of all withdrawals from the fund and the dates thereof.

(d) In addition to the information required to be submitted pursuant to this Act, the Attorney General may require a distributor or tobacco product manufacturer to submit any additional information including, but not limited to, samples of the packaging or labeling of each brand family, as is necessary to enable the Attorney General to determine whether a tobacco product manufacturer is in compliance with this Act.

(e) To promote compliance with the provisions of this Act, the Attorney General may promulgate regulations requiring a tobacco product manufacturer subject to the requirements of subsection (a)(2) of Section 15 to make the escrow deposits required in quarterly installments during the year in which the sales covered by the deposits are made. The Attorney General may require production of information sufficient to enable the Attorney General to determine the adequacy of the amount of the installment deposit.

Section 30. Penalties and other remedies.

(a) In addition to or in lieu of any other civil or criminal remedy provided by law, upon a determination that a distributor has violated subsection (c) of Section 15 or any regulation adopted pursuant thereto, the Director may revoke or suspend the license of any stamping agent in the manner provided by Section 6 of the Cigarette Tax Act, Section 6 of the Cigarette Use Tax Act, or Section 10-25 of the Tobacco Products Tax Act of 1995, as appropriate. Each stamp affixed and each offer to sell cigarettes in violation of subsection (c) of Section 15 shall constitute a separate violation. For each violation, the Director may also impose a civil penalty in an amount not to exceed the greater of 500% of the retail value of the cigarettes sold or $5,000 upon a determination of violation of subsection (c) of Section 15 or any regulations adopted pursuant thereto.

(b) Any cigarettes that have been sold, offered for sale, or possessed for sale in this State, or imported for personal consumption in this State in violation of subsection (c) of Section 15 shall be subject to seizure and forfeiture as provided in Sections 18, 18a, and 20 of the Cigarette Tax Act and Sections 24, 25, 25a and 26 of the Cigarette Use Tax Act, and all cigarettes so seized and forfeited shall be destroyed and not resold.

(c) The Attorney General may seek an injunction to restrain a threatened or actual violation of subsection (c) of Section 15, subsection (a) of Section 25, or subsection (d) of Section 25 by a stamping agent and to compel the stamping agent to comply with such subsections. In any action brought pursuant to this Section, the State shall be entitled to recover the costs of investigation, costs of the action, and reasonable attorney fees.

(d) It shall be unlawful for a person to: (i) sell or distribute cigarettes; or (ii) acquire, hold, own, possess, transport, import, or cause to be imported cigarettes that the person knows or should know are intended for distribution or sale in the State in violation of subsection (c) of Section 15. A violation of this Section shall be a Class 2 felony.

(e) A person who violates subsection (c) of Section 15 engages in an unfair and deceptive trade practice in violation of the Uniform Deceptive Trade Practices Act.

Section 35. Miscellaneous provisions.

(a) A determination of the Attorney General to not list or to remove from the directory a brand family or tobacco product manufacturer shall be subject to review in the manner prescribed by rule.

(b) No person shall be issued a license or granted a renewal of a license to act as a distributor unless the person has certified in writing, under penalty of perjury, that the person will comply fully with this Section.

(c) The Attorney General may promulgate regulations necessary to effect the purposes of this Act.

(d) In any action brought by the State to enforce this Act, the State shall be entitled to recover the costs of investigation, expert witness fees, costs of the action, and reasonable attorney fees.

(e) If a court determines that a person has violated this Act, the court shall order any profits, gain, gross receipts, or other benefit from the violation to be disgorged and paid to the General Revenue Fund.

(f) Unless otherwise expressly provided the remedies or penalties provided by this Act are cumulative to each other and to the remedies or penalties available under all other laws of this State.

Section 40. Severability.

(a) If any provision of this Act or its application to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of this Act that can be given effect without the invalid provision or application.

(b) If a court of competent jurisdiction finds that the provisions of this Act and of the Escrow Act conflict and cannot be harmonized, then the provisions of the Escrow Act shall control.

(c) If any Section, subsection, subdivision, paragraph, sentence, clause, or phrase of this Act (excluding the amendatory provisions of Section 300) causes the Escrow Act to no longer constitute a qualifying or model statute, as those terms are defined in the Master Settlement Agreement, then that portion of this Act shall not be valid.

(30 ILCS 169/Act rep.)

Section 200. The Tobacco Products Manufacturers' Escrow Enforcement Act is repealed.

Section 300. The Tobacco Product Manufacturers' Escrow Act is amended by changing Section 15 and by adding Section 20 as follows:

(30 ILCS 168/15)

Sec. 15. Requirements. (a) Any tobacco product manufacturer selling cigarettes to consumers within the State of Illinois (whether directly or through a distributor, retailer, or similar intermediary or intermediaries) after the effective date of this Act shall do one of the following:

(1) become a participating manufacturer (as that term is defined in Section II(jj) of the Master Settlement Agreement) and generally perform its financial obligations under the Master Settlement Agreement; or

(2) (A) place into a qualified escrow fund by April 15 of the year following the year in question the following amounts (as such amounts are adjusted for inflation):

(i) For 1999: $0.0094241 per unit sold after the effective date of this Act;

(ii) For 2000: $0.0104712 per unit sold;

(iii) For each of 2001 and 2002: $0.0136125 per unit sold;

(iv) For each of 2003 through 2006: $0.0167539 per unit sold;

(v) For each of 2007 and each year thereafter: $0.0188482 per unit sold.

(B) A tobacco product manufacturer that places funds into escrow pursuant to subdivision (a)(2)(A) shall receive the interest or other appreciation on the funds as earned. The funds themselves shall be released from escrow only under the following circumstances:

(i) to pay a judgment or settlement on any released claim brought against the tobacco product manufacturer by the State or any releasing party located or residing in the State. Funds shall be released from escrow under this subdivision (a)(2)(B)(i): (I) in the order in which they were placed into escrow; and (II) only to the extent and at the time necessary to make payments required under such judgment or settlement;

(ii) to the extent that a tobacco product manufacturer establishes that the amount it was required to place into escrow <u>on account of units sold in the State</u> in a particular year was greater than <u>the Master Settlement Agreement payments, as determined pursuant to Section IX(i) of that Agreement, including after final determination of all adjustments, that such manufacturer would have been required to make on account of such units sold</u> ~~the State's allocable share of the total payments that such manufacturer would have been required to make in that year under the Master Settlement Agreement (as determined pursuant to Section IX(i)(2) of the Master Settlement Agreement, and before any of the adjustments or offsets described in Section IX(i)(3) of that Agreement other than the Inflation Adjustment)~~ had it been a Participating Manufacturer, the excess shall be released from escrow and revert back to such tobacco product manufacturer; or

(iii) to the extent not released from escrow under subdivisions (a)(2)(B)(i) or (a)(2)(B)(ii), funds shall be released from escrow and revert back to such tobacco product manufacturer 25 years after the date on which they were placed into escrow.

(C) Each tobacco product manufacturer that elects to place funds into escrow pursuant to this subdivision (a)(2) shall annually certify to the Attorney General that it is in compliance with this subdivision (a)(2). The Attorney General may bring a civil action on behalf of the State of Illinois against any tobacco product manufacturer that fails to place into escrow the funds required under this subdivision (a)(2). Any tobacco product manufacturer that fails in any year to place into escrow the funds required under this subdivision (a)(2) shall:

(i) be required within 15 days to place such funds into escrow as shall bring it into compliance with this Section. The court, upon a finding of a violation of this subdivision (a)(2), may impose a civil penalty to be paid into the General Revenue Fund in an amount not to exceed 5% of the amount improperly withheld from escrow per day of the violation and in a total amount not to exceed 100% of the original amount improperly withheld from escrow;

(ii) in the case of a knowing violation, be required within 15 days to place such funds into escrow as shall bring it into compliance with this Section. The court, upon a finding of a knowing violation of this subdivision (a)(2), may impose a civil penalty to be paid into the General

Revenue Fund in an amount not to exceed 15% of the amount improperly withheld from escrow per day of the violation and in a total amount not to exceed 300% of the original amount improperly withheld from escrow; and

(iii) in the case of a second knowing violation, be prohibited from selling cigarettes to consumers within the State of Illinois (whether directly or through a distributor, retailer, or similar intermediary) for a period not to exceed 2 years.

(b) Each failure to make an annual deposit required under this Section shall constitute a separate violation. If a tobacco product manufacturer is successfully prosecuted by the Attorney General for a violation of subdivision (a)(2), the tobacco product manufacturer must pay, in addition to any fine imposed by a court, the State's costs and attorney's fees incurred in the prosecution. (Source: P.A. 91-41, eff. 6-30-99.)

(30 ILCS 168/20 new)

Sec. 20. If this amendatory Act of the 93rd General Assembly or any portion of the amendment to subdivision (2)(B)(ii) of subsection (a) of Section 15 made by this amendatory Act of the 93rd General Assembly is held by a court of competent jurisdiction to be unconstitutional, then such subdivision (2)(B)(ii) of subsection (a) of Section 15 shall be deemed to be repealed in its entirety. If subdivision (2)(B)(ii) of subsection (a) of Section 15 shall thereafter be held by a court of competent jurisdiction to be unconstitutional, then this amendatory Act of the 93rd General Assembly shall be deemed repealed and subdivision (2)(B)(ii) of subsection (a) of Section 15 shall be restored as if no such amendments had been made. Neither any holding of unconstitutionality nor the repeal of subdivision (2)(B)(ii) of subsection (a) of Section 15 shall affect, impair, or invalidate any other portion of Section 15 or the application of such Section to any other person or circumstance, and such remaining portions of Section 15 shall at all times continue in full force and effect.".

AMENDMENT NO. 2

AMENDMENT NO. 2____. Amend House Bill 276, AS AMENDED, with reference to page and line numbers of Senate Amendment No. 1, on line 15 on page 4, on line 14 on page 8, and on line 9 on page 11, by replacing "Section" each time it appears with "Act"; and

on page 6, by replacing lines 23 through 31 with the following:

"(c) The Attorney General shall update the directory as necessary in order to correct mistakes and to add or remove a tobacco product manufacturer or brand families to keep the directory in conformity with the requirements of this Act.

(d) Every distributor shall provide and update as necessary an electronic mail address to the Attorney General for the purpose of receiving any notifications as may be required by this Act."; and

on page 6, line 32, by replacing "(c)" with "(e)"; and

on page 11, line 10, by replacing "regulations" with "rules".

The foregoing message from the Senate reporting Senate Amendments numbered 1 and 2 to HOUSE BILL 276 was placed on the Calendar on the order of Concurrence.

A message from the Senate by

Ms. Hawker, Secretary:

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

HOUSE BILL 1023

A bill for AN ACT in relation to real property.

Together with the attached amendments thereto (which amendments have been printed by the Senate), in the adoption of which I am instructed to ask the concurrence of the House, to-wit:

Senate Amendment No. 1 to HOUSE BILL NO. 1023

Senate Amendment No. 2 to HOUSE BILL NO. 1023

Passed the Senate, as amended, May 29, 2003.

Linda Hawker, Secretary of the Senate

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend House Bill 1023 by replacing everything after the enacting clause with the following:

"Section 5. The Code of Civil Procedure is amended by adding Section 7-103.102 as follows:

(735 ILCS 5/7-103.102 new)

Sec. 7-103.102. Quick-take; Village of Morton Grove. Quick-take proceedings under Section 7-103 may be used for a period of 36 months after the effective date of this amendatory Act of the 93rd General Assembly by the Village of Morton Grove for the acquisition of the following described property, located in the Lehigh/Ferris Tax Increment Financing District, for the purpose of redevelopment projects:

THOSE PARTS OF SECTIONS 17, 18, 19, AND 20, ALL IN TOWNSHIP 41 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: BEGINNING AT THE INTERSECTION OF THE NORTH RIGHT OF WAY LINE OF DEMPSTER STREET AND THE WEST RIGHT OF WAY LINE OF THE CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD; THENCE EAST ON THE NORTH RIGHT OF WAY LINE OF DEMPSTER STREET TO THE EAST RIGHT OF WAY LINE OF CALLIE AVENUE, EXTENDED NORTH, IN THE SUBDIVISION OF LOTS 4, 5, AND 6 OF HENNING'S SUBDIVISION OF LOTS 42 AND 43, ALSO THE NORTH 16 FEET OF LOT 44 OF COUNTY CLERK'S DIVISION OF SECTION 20 AND THE EAST HALF OF THE NORTH EAST QUARTER OF SECTION 19, TOWNSHIP 41 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN; THENCE SOUTH ALONG SAID EAST LINE AND EXTENSION THEREOF TO THE SOUTH LINE OF LOTS 14 AND 3, EXTENDED EAST, IN SAID SUBDIVISION; THENCE WEST ALONG SAID SOUTH LINE OF LOTS 14 AND 3 AND EXTENSIONS, TO THE EAST LINE OF FERRIS AVENUE IN SAID SUBDIVISION; THENCE SOUTH ALONG THE EAST LINE OF FERRIS AVENUE IN OWNER'S DIVISION OF BLOCK 3 OF AHRENSFELD'S ADDITION TO MORTON GROVE, IN THE NORTH WEST QUARTER OF SECTION 20, TOWNSHIP 41 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, TO A LINE BEING THE SOUTH LINE OF THE NORTH 15 FEET OF LOT 44 IN AFORESAID COUNTY CLERK'S DIVISION, EXTENDED EAST; THENCE WEST ALONG SAID SOUTH LINE AND EXTENSION THEREOF TO A POINT ON A LINE 27.23 FEET EAST OF THE WEST LINE OF THE NORTH WEST QUARTER OF SAID SECTION 20; THENCE SOUTH ALONG SAID PARALLEL LINE TO THE NORTH LINE OF CAPULINA AVENUE DEDICATED PER DOCUMENT NO. 16129148; THENCE EAST ALONG SAID NORTH LINE OF CAPULINA AVENUE AND ALSO BEING THE NORTH LINE OF CAPULINA AVENUE IN AHRENSFELD'S ADDITION TO MORTON GROVE, A SUBDIVISION OF LOT 41 OF COUNTY CLERK'S DIVISION IN THE NORTH WEST QUARTER OF SECTION 20, TOWNSHIP 41 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, AND CONTINUING EAST ALONG THE NORTH LINE EXTENDED, AND THE NORTH LINE OF CAPULINA AVENUE IN AFORESAID OWNER'S DIVISION AND EXTENSION THEREOF, TO THE EAST LINE OF THE NORTH-SOUTH ALLEY IN SAID OWNER'S DIVISION; THENCE SOUTH TO THE EAST LINE OF THE NORTH-SOUTH ALLEY IN BLOCK 2 IN BINGHAM AND FERNALD'S MORTON GROVE SUBDIVISION, BEING LOT 40 OF COUNTY CLERK'S DIVISION OF SECTION 20 AND THE EAST HALF OF THE NORTH EAST QUARTER OF SECTION 19, (EXCEPT A TRACT 200 FEET NORTH AND SOUTH BY 118.9 FEET EAST AND WEST AT THE SOUTH WEST CORNER OF SAID LOT 40; THENCE CONTINUING SOUTH ALONG SAID EAST LINE OF THE ALLEY, BEING THE EAST LINE OF THE NORTH-SOUTH ALLEY IN AUGUST PETERS SUBDIVISION OF BLOCK 3 OF BINGHAM AND FERNALD'S MORTON GROVE SUBDIVISION OF LOT 40 OF COUNTY CLERK'S DIVISION OF SECTION 20, TOWNSHIP 41 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, TO THE NORTH LINE OF THE EAST-WEST ALLEY IN SAID AUGUST PETERS SUBDIVISION; THENCE EASTERLY ALONG SAID NORTH LINE OF THE EAST-WEST ALLEY TO THE WEST RIGHT OF WAY LINE OF CALLIE AVENUE IN SAID AUGUST PETERS SUBDIVISION; THENCE NORTH ALONG SAID WEST RIGHT OF WAY LINE TO THE EXTENSION OF THE NORTH LINE OF LOT 41 IN BLOCK 4 IN AFORESAID BINGHAM AND FERNALD'S MORTON GROVE SUBDIVISION; THENCE EAST ALONG SAID NORTH LINE AND EXTENSIONS THEREOF TO THE EAST LINE OF THE NORTH-SOUTH ALLEY IN SAID BLOCK 4; THENCE SOUTH ALONG THE EAST LINE OF SAID ALLEY TO THE SOUTH LINE OF THE NORTH 6 FEET OF LOT 26 IN BLOCK 4 IN AFORESAID BINGHAM AND FERNALD'S MORTON GROVE SUBDIVISION; THENCE EAST ALONG THE SAID SOUTH LINE OF THE NORTH 6 FEET OF LOT 26 AND THE EXTENSION THEREOF TO THE EAST RIGHT OF THE WAY LINE OF

FERNALD AVENUE IN BLOCK 5 IN SAID BINGHAM AND FERNALD'S MORTON GROVE SUBDIVISION; THENCE SOUTH ALONG SAID EAST LINE OF FERNALD AVENUE TO THE NORTH LINE OF THE EAST-WEST ALLEY IN SAID BLOCK 5; THENCE EAST AND SOUTHEASTERLY ALONG THE NORTH LINES OF THE EAST-WEST ALLEY AND EXTENSION THEREOF TO THE WEST RIGHT OF WAY LINE OF GEORGIANA AVENUE IN SAID BLOCK 5; THENCE NORTH ALONG THE SAID WEST RIGHT OF WAY LINE OF GEORGIANA AVENUE TO AN EXTENSION OF THE NORTH LINE OF LOT 14 IN HESSLER'S SUBDIVISION OF LOTS 1 TO 8 IN CIRCUIT COURT PARTITION OF LOTS 19 AND 24 IN COUNTY CLERK'S DIVISION AND THAT PART OF THE SOUTH EAST QUARTER OF THE NORTH WEST QUARTER OF SECTION 20 LYING BETWEEN AND BOUNDED BY THE SOUTH LINE OF SAID LOT 24 IN COUNTY CLERK'S DIVISION AND THE NORTH LINE OF MILLER'S MILL ROAD IN SECTION 20, TOWNSHIP 41 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN; THENCE EAST ALONG THE NORTH LINE AND EXTENSIONS THEREOF TO THE EAST LINE OF THE NORTH-SOUTH ALLEY IN SCHMITZ'S MORTON GROVE SUBDIVISION OF LOTS 2 AND 9 IN CIRCUIT COURT PARTITION OF LOTS 19 AND 24 IN COUNTY CLERK'S DIVISION AND THAT PART OF THE SOUTH EAST QUARTER OF THE NORTH WEST QUARTER OF SECTION 20 LYING BETWEEN AND BOUNDED BY THE SOUTH LINE OF SAID LOT 24 IN COUNTY CLERK'S DIVISION AND THE NORTH LINE OF MILLER'S MILL ROAD IN SECTION 20, TOWNSHIP 41 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN; THENCE SOUTH ALONG SAID EAST LINE OF THE ALLEY TO THE NORTH LINE OF THE EAST-WEST ALLEY; THENCE EAST ALONG THE NORTH LINE OF THE EAST-WEST ALLEY TO AN EXTENSION OF THE EAST LINE OF THE WEST 14 FEET 11 INCHES OF LOT 12 IN SAID SCHMITZ'S MORTON GROVE SUBDIVISION; THENCE SOUTH ALONG SAID LINE AND EXTENSIONS THEREOF TO THE SOUTH RIGHT OF WAY LINE OF LINCOLN AVENUE; THENCE WEST AND NORTHWESTERLY ALONG THE SOUTH LINE OF LINCOLN AVENUE IN NICHOLAS HAUPT HEIRS SUBDIVISION OF THE SOUTH 20 ACRES OF THE SOUTH EAST QUARTER OF THE NORTH WEST QUARTER OF SECTION 20, TOWNSHIP 41 NORTH, RANGE 13, (EXCEPT THE SOUTH 8.5 FEET AND THAT PART OF THE WEST 264 FEET LYING SOUTH OF THE CENTER OF ROAD), EAST OF THE THIRD PRINCIPAL MERIDIAN; ALSO, THE SUBDIVISION OF THAT PART OF THE WEST 264 FEET OF THE SOUTH EAST QUARTER OF THE NORTH WEST QUARTER OF SECTION 20, TOWNSHIP 41 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING SOUTH OF LINCOLN AVENUE, (EXCEPT THE SOUTH 8.5 FEET THEREOF); ALSO, OWNER'S SUBDIVISION OF LOTS 36 TO 39 OF COUNTY CLERK'S DIVISION OF SECTION 20 AND THE EAST HALF OF THE NORTH EAST QUARTER OF SECTION 19, TOWNSHIP 41 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID SOUTHERLY LINE OF LINCOLN AVENUE IN SAID OWNER'S SUBDIVISION HAVING A BEARING OF NORTH 69 DEGREES 17 MINUTES 16 SECONDS WEST, FOR PURPOSES OF THIS LEGAL DESCRIPTION, TO THE INTERSECTION OF THE WEST LINE OF LOT 5 IN SAID OWNERS SUBDIVISION WITH THE SAID SOUTH LINE OF LINCOLN AVENUE; THENCE SOUTH 3 DEGREES 20 MINUTES 59 SECONDS WEST, TO A POINT BEING 245.84 FEET SOUTH OF THE CENTER LINE OF LINCOLN AVENUE; THENCE SOUTH 17 DEGREES 04 MINUTES 08 SECONDS WEST, 177.71 FEET; THENCE SOUTH 0 DEGREES WEST, 78.20 FEET; THENCE SOUTH 88 DEGREES 50 MINUTES 53 SECONDS WEST, 105.41 FEET; THENCE SOUTH 01 DEGREES 08 MINUTES 13 SECONDS EAST, 122.07 FEET; THENCE SOUTH 88 DEGREES 52 MINUTES 56 SECONDS WEST, 59.90 FEET; THENCE SOUTH 01 DEGREES 11 MINUTES 10 SECONDS EAST, 519.36 FEET TO THE SOUTH LINE OF THE NORTH HALF OF THE SOUTH HALF OF THE NORTH HALF OF THE NORTH HALF OF THE SOUTH WEST QUARTER OF SAID SECTION 20, SAID LINE BEING THE SOUTH LINE OF LOT "A" IN BAXTER LAB CONSOLIDATION OF PART OF THE WEST HALF OF THE NORTH WEST QUARTER AND OF PART OF THE NORTH WEST QUARTER OF THE SOUTH WEST QUARTER OF SECTION 20, TOWNSHIP 41 NORTH RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN; THENCE WEST ALONG SAID LINE TO THE EASTERLY RIGHT OF WAY LINE OF THE CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD; THENCE NORTHWESTERLY ALONG THE EASTERLY RIGHT OF WAY LINE TO THE SOUTH RIGHT OF WAY LINE OF MAIN STREET (WALNUT STREET) EXTENDED EAST, SAID LINE BEING THE SOUTH LINE OF THE NORTH 33 FEET OF LOT 34 IN AFORESAID COUNTY CLERK'S DIVISION AND THE SOUTH LINE OF MAIN STREET (WALNUT STREET) IN BLOCK 4 IN MORTON GROVE IN SECTIONS 19 AND 20, TOWNSHIP 41 NORTH, RANGE 13, EAST OF THE THIRD

PRINCIPAL MERIDIAN; THENCE WEST TO THE WEST LINE OF BLOCKS 3, 2 AND 1 AND EXTENSIONS THEREOF OF SAID MORTON GROVE; THENCE NORTH ALONG SAID WEST LINE OF SAID BLOCKS AND EXTENSIONS TO THE NORTH LINE OF THE SOUTH 120 FEET OF LOTS 6, 7, 8, 9, 10 AND 11 IN BLOCK 1 IN SAID MORTON GROVE, THENCE EAST ALONG THE SAID NORTH LINE OF THE SOUTH 120 FEET TO THE WEST LINE OF LOT 12 IN SAID MORTON GROVE; THENCE NORTH ALONG THE WEST LINE OF SAID LOT 12 TO THE NORTH LINE OF LOT 12; THENCE EAST ALONG THE NORTH LINE OF LOT 12 TO THE WESTERLY RIGHT OF WAY OF LEHIGH AVENUE, IN THE SUBDIVISION OF LOTS 1 AND 2 IN BLOCK 1 IN SAID MORTON GROVE; THENCE NORTHWESTERLY ALONG THE WESTERLY RIGHT OF WAY LINE OF LEHIGH AVENUE, TO THE SOUTHERLY RIGHT OF WAY LINE OF LINCOLN AVENUE IN SAID SUBDIVISION; THENCE NORTHWESTERLY ALONG THE SOUTHERLY LINE OF LINCOLN AVENUE IN SAID SUBDIVISION AND SOUTHERLY LINE OF LINCOLN AVENUE IN AFORESAID BLOCK 1 IN MORTON GROVE, TO THE EAST LINE OF LINCOLN AVENUE, AS MONUMENTED AND OCCUPIED, IN LOT 45 IN AFORESAID COUNTY CLERK'S DIVISION, EXTENDED SOUTH; THENCE NORTH ALONG THE SAID EAST LINE OF LINCOLN AVENUE AND EXTENSIONS TO THE INTERSECTION WITH THE WEST RIGHT OF WAY LINE OF THE CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD; THENCE NORTHERLY ALONG THE SAID WEST RIGHT OF WAY LINE TO THE PLACE OF BEGINNING, (EXCEPTING THEREFROM ALL OF THE SUBDIVISION OF PART OF LOT 45 AND PART OF LOT 40 OF COUNTY CLERK'S DIVISION IN SECTIONS 19 AND 20, TOWNSHIP 41 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN), ALL IN COOK COUNTY, ILLINOIS.

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

AMENDMENT NO. 2

AMENDMENT NO. 2. Amend House Bill 1023, AS AMENDED, after the end of Section 5, by inserting the following:

"Section 10. The Code of Civil Procedure is amended by adding Section 7-103.106 as follows:

(735 ILCS 5/7-103.106 new)

Sec. 7-103.106. Quick-take; Urbana-Champaign Sanitary District. Quick-take proceedings under Section 7-103 may be used for a period of 24 months after the effective date of this amendatory Act of the 93rd General Assembly by the Urbana-Champaign Sanitary District for the acquisition of permanent and temporary easements for the purpose of implementing phase 2 of the Curtis Road - Windsor Road sanitary interceptor sewer project and constructing and operating the proposed sewers.".

The foregoing message from the Senate reporting Senate Amendments numbered 1 and 2 to HOUSE BILL 1023 was placed on the Calendar on the order of Concurrence.

A message from the Senate by

Ms. Hawker, Secretary:

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

HOUSE BILL 2221

A bill for AN ACT concerning disabled persons.

Together with the attached amendment thereto (which amendment has been printed by the Senate), in the adoption of which I am instructed to ask the concurrence of the House, to-wit:

Senate Amendment No. 3 to HOUSE BILL NO. 2221

Passed the Senate, as amended, May 29, 2003.

Linda Hawker, Secretary of the Senate

AMENDMENT NO. 3

AMENDMENT NO. 3. Amend House Bill 2221 by replacing everything after the enacting clause with the following:

"Section 5. The Illinois Public Labor Relations Act is amended by changing Sections 3 and 7 as follows:

(5 ILCS 315/3) (from Ch. 48, par. 1603)

Sec. 3. Definitions. As used in this Act, unless the context otherwise requires:

(a) "Board" means the Illinois Labor Relations Board or, with respect to a matter over which the jurisdiction of the Board is assigned to the State Panel or the Local Panel under Section 5, the panel having jurisdiction over the matter.

(b) "Collective bargaining" means bargaining over terms and conditions of employment, including hours, wages, and other conditions of employment, as detailed in Section 7 and which are not excluded by Section 4.

(c) "Confidential employee" means an employee who, in the regular course of his or her duties, assists and acts in a confidential capacity to persons who formulate, determine, and effectuate management policies with regard to labor relations or who, in the regular course of his or her duties, has authorized access to information relating to the effectuation or review of the employer's collective bargaining policies.

(d) "Craft employees" means skilled journeymen, crafts persons, and their apprentices and helpers.

(e) "Essential services employees" means those public employees performing functions so essential that the interruption or termination of the function will constitute a clear and present danger to the health and safety of the persons in the affected community.

(f) "Exclusive representative", except with respect to non-State fire fighters and paramedics employed by fire departments and fire protection districts, non-State peace officers, and peace officers in the Department of State Police, means the labor organization that has been (i) designated by the Board as the representative of a majority of public employees in an appropriate bargaining unit in accordance with the procedures contained in this Act, (ii) historically recognized by the State of Illinois or any political subdivision of the State before July 1, 1984 (the effective date of this Act) as the exclusive representative of the employees in an appropriate bargaining unit, ~~or~~ (iii) after July 1, 1984 (the effective date of this Act) recognized by an employer upon evidence, acceptable to the Board, that the labor organization has been designated as the exclusive representative by a majority of the employees in an appropriate bargaining unit; or (iv) recognized as the exclusive representative of personal care attendants or personal assistants under Executive Order 2003-8 prior to the effective date of this amendatory Act of the 93rd General Assembly, and the organization shall be considered to be the exclusive representative of the personal care attendants or personal assistants as defined in this Section.

With respect to non-State fire fighters and paramedics employed by fire departments and fire protection districts, non-State peace officers, and peace officers in the Department of State Police, "exclusive representative" means the labor organization that has been (i) designated by the Board as the representative of a majority of peace officers or fire fighters in an appropriate bargaining unit in accordance with the procedures contained in this Act, (ii) historically recognized by the State of Illinois or any political subdivision of the State before January 1, 1986 (the effective date of this amendatory Act of 1985) as the exclusive representative by a majority of the peace officers or fire fighters in an appropriate bargaining unit, or (iii) after January 1, 1986 (the effective date of this amendatory Act of 1985) recognized by an employer upon evidence, acceptable to the Board, that the labor organization has been designated as the exclusive representative by a majority of the peace officers or fire fighters in an appropriate bargaining unit.

(g) "Fair share agreement" means an agreement between the employer and an employee organization under which all or any of the employees in a collective bargaining unit are required to pay their proportionate share of the costs of the collective bargaining process, contract administration, and pursuing matters affecting wages, hours, and other conditions of employment, but not to exceed the amount of dues uniformly required of members. The amount certified by the exclusive representative shall not include any fees for contributions related to the election or support of any candidate for political office. Nothing in this subsection (g) shall preclude an employee from making voluntary political contributions in conjunction with his or her fair share payment.

(g-1) "Fire fighter" means, for the purposes of this Act only, any person who has been or is hereafter appointed to a fire department or fire protection district or employed by a state university and sworn or commissioned to perform fire fighter duties or paramedic duties, except that the following persons are not included: part-time fire fighters, auxiliary, reserve or voluntary fire fighters, including paid on-call fire fighters, clerks and dispatchers or other civilian employees of a fire department or fire protection district who are not routinely expected to perform fire fighter duties, or elected officials.

(g-2) "General Assembly of the State of Illinois" means the legislative branch of the government of the

State of Illinois, as provided for under Article IV of the Constitution of the State of Illinois, and includes but is not limited to the House of Representatives, the Senate, the Speaker of the House of Representatives, the Minority Leader of the House of Representatives, the President of the Senate, the Minority Leader of the Senate, the Joint Committee on Legislative Support Services and any legislative support services agency listed in the Legislative Commission Reorganization Act of 1984.

(h) "Governing body" means, in the case of the State, the State Panel of the Illinois Labor Relations Board, the Director of the Department of Central Management Services, and the Director of the Department of Labor; the county board in the case of a county; the corporate authorities in the case of a municipality; and the appropriate body authorized to provide for expenditures of its funds in the case of any other unit of government.

(i) "Labor organization" means any organization in which public employees participate and that exists for the purpose, in whole or in part, of dealing with a public employer concerning wages, hours, and other terms and conditions of employment, including the settlement of grievances.

(j) "Managerial employee" means an individual who is engaged predominantly in executive and management functions and is charged with the responsibility of directing the effectuation of management policies and practices.

(k) "Peace officer" means, for the purposes of this Act only, any persons who have been or are hereafter appointed to a police force, department, or agency and sworn or commissioned to perform police duties, except that the following persons are not included: part-time police officers, special police officers, auxiliary police as defined by Section 3.1-30-20 of the Illinois Municipal Code, night watchmen, "merchant police", court security officers as defined by Section 3-6012.1 of the Counties Code, temporary employees, traffic guards or wardens, civilian parking meter and parking facilities personnel or other individuals specially appointed to aid or direct traffic at or near schools or public functions or to aid in civil defense or disaster, parking enforcement employees who are not commissioned as peace officers and who are not armed and who are not routinely expected to effect arrests, parking lot attendants, clerks and dispatchers or other civilian employees of a police department who are not routinely expected to effect arrests, or elected officials.

(l) "Person" includes one or more individuals, labor organizations, public employees, associations, corporations, legal representatives, trustees, trustees in bankruptcy, receivers, or the State of Illinois or any political subdivision of the State or governing body, but does not include the General Assembly of the State of Illinois or any individual employed by the General Assembly of the State of Illinois.

(m) "Professional employee" means any employee engaged in work predominantly intellectual and varied in character rather than routine mental, manual, mechanical or physical work; involving the consistent exercise of discretion and adjustment in its performance; of such a character that the output produced or the result accomplished cannot be standardized in relation to a given period of time; and requiring advanced knowledge in a field of science or learning customarily acquired by a prolonged course of specialized intellectual instruction and study in an institution of higher learning or a hospital, as distinguished from a general academic education or from apprenticeship or from training in the performance of routine mental, manual, or physical processes; or any employee who has completed the courses of specialized intellectual instruction and study prescribed in this subsection (m) and is performing related work under the supervision of a professional person to qualify to become a professional employee as defined in this subsection (m).

(n) "Public employee" or "employee", for the purposes of this Act, means any individual employed by a public employer, including interns and residents at public hospitals and, as of the effective date of this amendatory Act of the 93rd General Assembly, but not before, personal care attendants and personal assistants working under the Home Services Program under Section 3 of the Disabled Persons Rehabilitation Act, subject to the limitations set forth in this Act and in the Disabled Persons Rehabilitation Act, but excluding all of the following: employees of the General Assembly of the State of Illinois; elected officials; executive heads of a department; members of boards or commissions; employees of any agency, board or commission created by this Act; employees appointed to State positions of a temporary or emergency nature; all employees of school districts and higher education institutions except firefighters and peace officers employed by a state university; managerial employees; short-term employees; confidential employees; independent contractors; and supervisors except as provided in this Act.

Personal care attendants and personal assistants shall not be considered public employees for any purposes not specifically provided for in this amendatory Act of the 93rd General Assembly, including but not limited to, purposes of vicarious liability in tort and purposes of statutory retirement or health insurance benefits. Personal care attendants and personal assistants shall not be covered by the State Employees

Group Insurance Act of 1971 (5 ILCS 375/).

Notwithstanding Section 9, subsection (c), or any other provisions of this Act, all peace officers above the rank of captain in municipalities with more than 1,000,000 inhabitants shall be excluded from this Act.

(o) "Public employer" or "employer" means the State of Illinois; any political subdivision of the State, unit of local government or school district; authorities including departments, divisions, bureaus, boards, commissions, or other agencies of the foregoing entities; and any person acting within the scope of his or her authority, express or implied, on behalf of those entities in dealing with its employees. As of the effective date of this amendatory Act of the 93rd General Assembly, but not before, the State of Illinois shall be considered the employer of the personal care attendants and personal assistants working under the Home Services Program under Section 3 of the Disabled Persons Rehabilitation Act, subject to the limitations set forth in this Act and in the Disabled Persons Rehabilitation Act. The State shall not be considered to be the employer of personal care attendants and personal assistants for any purposes not specifically provided for in this amendatory Act of the 93rd General Assembly, including but not limited to, purposes of vicarious liability in tort and purposes of statutory retirement or health insurance benefits. Personal care attendants and personal assistants shall not be covered by the State Employees Group Insurance Act of 1971 (5 ILCS 375/). "Public employer" or "employer" as used in this Act, however, does not mean and shall not include the General Assembly of the State of Illinois and educational employers or employers as defined in the Illinois Educational Labor Relations Act, except with respect to a state university in its employment of firefighters and peace officers. County boards and county sheriffs shall be designated as joint or co-employers of county peace officers appointed under the authority of a county sheriff. Nothing in this subsection (o) shall be construed to prevent the State Panel or the Local Panel from determining that employers are joint or co-employers.

(p) "Security employee" means an employee who is responsible for the supervision and control of inmates at correctional facilities. The term also includes other non-security employees in bargaining units having the majority of employees being responsible for the supervision and control of inmates at correctional facilities.

(q) "Short-term employee" means an employee who is employed for less than 2 consecutive calendar quarters during a calendar year and who does not have a reasonable assurance that he or she will be rehired by the same employer for the same service in a subsequent calendar year.

(r) "Supervisor" is an employee whose principal work is substantially different from that of his or her subordinates and who has authority, in the interest of the employer, to hire, transfer, suspend, lay off, recall, promote, discharge, direct, reward, or discipline employees, to adjust their grievances, or to effectively recommend any of those actions, if the exercise of that authority is not of a merely routine or clerical nature, but requires the consistent use of independent judgment. Except with respect to police employment, the term "supervisor" includes only those individuals who devote a preponderance of their employment time to exercising that authority, State supervisors notwithstanding. In addition, in determining supervisory status in police employment, rank shall not be determinative. The Board shall consider, as evidence of bargaining unit inclusion or exclusion, the common law enforcement policies and relationships between police officer ranks and certification under applicable civil service law, ordinances, personnel codes, or Division 2.1 of Article 10 of the Illinois Municipal Code, but these factors shall not be the sole or predominant factors considered by the Board in determining police supervisory status.

Notwithstanding the provisions of the preceding paragraph, in determining supervisory status in fire fighter employment, no fire fighter shall be excluded as a supervisor who has established representation rights under Section 9 of this Act. Further, in new fire fighter units, employees shall consist of fire fighters of the rank of company officer and below. If a company officer otherwise qualifies as a supervisor under the preceding paragraph, however, he or she shall not be included in the fire fighter unit. If there is no rank between that of chief and the highest company officer, the employer may designate a position on each shift as a Shift Commander, and the persons occupying those positions shall be supervisors. All other ranks above that of company officer shall be supervisors.

(s) (1) "Unit" means a class of jobs or positions that are held by employees whose collective interests may suitably be represented by a labor organization for collective bargaining. Except with respect to non-State fire fighters and paramedics employed by fire departments and fire protection districts, non-State peace officers, and peace officers in the Department of State Police, a bargaining unit determined by the Board shall not include both employees and supervisors, or supervisors only, except as provided in paragraph (2) of this subsection (s) and except for bargaining units in existence on July 1, 1984 (the effective date of this Act). With respect to non-State fire fighters and paramedics employed by fire departments and fire protection districts, non-State peace officers, and peace officers in the Department

of State Police, a bargaining unit determined by the Board shall not include both supervisors and nonsupervisors, or supervisors only, except as provided in paragraph (2) of this subsection (s) and except for bargaining units in existence on January 1, 1986 (the effective date of this amendatory Act of 1985). A bargaining unit determined by the Board to contain peace officers shall contain no employees other than peace officers unless otherwise agreed to by the employer and the labor organization or labor organizations involved. Notwithstanding any other provision of this Act, a bargaining unit, including a historical bargaining unit, containing sworn peace officers of the Department of Natural Resources (formerly designated the Department of Conservation) shall contain no employees other than such sworn peace officers upon the effective date of this amendatory Act of 1990 or upon the expiration date of any collective bargaining agreement in effect upon the effective date of this amendatory Act of 1990 covering both such sworn peace officers and other employees.

(2) Notwithstanding the exclusion of supervisors from bargaining units as provided in paragraph (1) of this subsection (s), a public employer may agree to permit its supervisory employees to form bargaining units and may bargain with those units. This Act shall apply if the public employer chooses to bargain under this subsection.

(Source: P.A. 90-14, eff. 7-1-97; 90-655, eff. 7-30-98; 91-798, eff. 7-9-00.)

(5 ILCS 315/7) (from Ch. 48, par. 1607)

Sec. 7. Duty to bargain. A public employer and the exclusive representative have the authority and the duty to bargain collectively set forth in this Section.

For the purposes of this Act, "to bargain collectively" means the performance of the mutual obligation of the public employer or his designated representative and the representative of the public employees to meet at reasonable times, including meetings in advance of the budget-making process, and to negotiate in good faith with respect to wages, hours, and other conditions of employment, not excluded by Section 4 of this Act, or the negotiation of an agreement, or any question arising thereunder and the execution of a written contract incorporating any agreement reached if requested by either party, but such obligation does not compel either party to agree to a proposal or require the making of a concession.

The duty "to bargain collectively" shall also include an obligation to negotiate over any matter with respect to wages, hours and other conditions of employment, not specifically provided for in any other law or not specifically in violation of the provisions of any law. If any other law pertains, in part, to a matter affecting the wages, hours and other conditions of employment, such other law shall not be construed as limiting the duty "to bargain collectively" and to enter into collective bargaining agreements containing clauses which either supplement, implement, or relate to the effect of such provisions in other laws.

The duty "to bargain collectively" shall also include negotiations as to the terms of a collective bargaining agreement. The parties may, by mutual agreement, provide for arbitration of impasses resulting from their inability to agree upon wages, hours and terms and conditions of employment to be included in a collective bargaining agreement. Such arbitration provisions shall be subject to the Illinois "Uniform Arbitration Act" unless agreed by the parties.

The duty "to bargain collectively" shall also mean that no party to a collective bargaining contract shall terminate or modify such contract, unless the party desiring such termination or modification:

(1) serves a written notice upon the other party to the contract of the proposed termination or modification 60 days prior to the expiration date thereof, or in the event such contract contains no expiration date, 60 days prior to the time it is proposed to make such termination or modification;

(2) offers to meet and confer with the other party for the purpose of negotiating a new contract or a contract containing the proposed modifications;

(3) notifies the Board within 30 days after such notice of the existence of a dispute, provided no agreement has been reached by that time; and

(4) continues in full force and effect, without resorting to strike or lockout, all the terms and conditions of the existing contract for a period of 60 days after such notice is given to the other party or until the expiration date of such contract, whichever occurs later.

The duties imposed upon employers, employees and labor organizations by paragraphs (2), (3) and (4) shall become inapplicable upon an intervening certification of the Board, under which the labor organization, which is a party to the contract, has been superseded as or ceased to be the exclusive representative of the employees pursuant to the provisions of subsection (a) of Section 9, and the duties so imposed shall not be construed as requiring either party to discuss or agree to any modification of the terms and conditions contained in a contract for a fixed period, if such modification is to become effective before such terms and conditions can be reopened under the provisions of the contract.

Collective bargaining for personal care attendants and personal assistants under the Home Services

Program shall be limited to the terms and conditions of employment under the State's control, as defined in this amendatory Act of the 93rd General Assembly. (Source: P.A. 83-1012.)

Section 10. The Disabled Persons Rehabilitation Act is amended by changing Section 3 as follows:

(20 ILCS 2405/3) (from Ch. 23, par. 3434)

Sec. 3. Powers and duties. The Department shall have the powers and duties enumerated herein:

(a) To co-operate with the federal government in the administration of the provisions of the federal Rehabilitation Act of 1973, as amended, of the Workforce Investment Act of 1998, and of the federal Social Security Act to the extent and in the manner provided in these Acts.

(b) To prescribe and supervise such courses of vocational training and provide such other services as may be necessary for the habilitation and rehabilitation of persons with one or more disabilities, including the administrative activities under subsection (e) of this Section, and to co-operate with State and local school authorities and other recognized agencies engaged in habilitation, rehabilitation and comprehensive rehabilitation services; and to cooperate with the Department of Children and Family Services regarding the care and education of children with one or more disabilities.

(c) (Blank).

(d) To report in writing, to the Governor, annually on or before the first day of December, and at such other times and in such manner and upon such subjects as the Governor may require. The annual report shall contain (1) a statement of the existing condition of comprehensive rehabilitation services, habilitation and rehabilitation in the State; (2) a statement of suggestions and recommendations with reference to the development of comprehensive rehabilitation services, habilitation and rehabilitation in the State; and (3) an itemized statement of the amounts of money received from federal, State and other sources, and of the objects and purposes to which the respective items of these several amounts have been devoted.

(e) (Blank).

(f) To establish a program of services to prevent unnecessary institutionalization of persons with Alzheimer's disease and related disorders or persons in need of long term care who are established as blind or disabled as defined by the Social Security Act, thereby enabling them to remain in their own homes or other living arrangements. Such preventive services may include, but are not limited to, any or all of the following:

(1) home health services;
(2) home nursing services;
(3) homemaker services;
(4) chore and housekeeping services;
(5) day care services;
(6) home-delivered meals;
(7) education in self-care;
(8) personal care services;
(9) adult day health services;
(10) habilitation services;
(11) respite care; or
(12) other nonmedical social services that may enable the person to become self-supporting.

The Department shall establish eligibility standards for such services taking into consideration the unique economic and social needs of the population for whom they are to be provided. Such eligibility standards may be based on the recipient's ability to pay for services; provided, however, that any portion of a person's income that is equal to or less than the "protected income" level shall not be considered by the Department in determining eligibility. The "protected income" level shall be determined by the Department, shall never be less than the federal poverty standard, and shall be adjusted each year to reflect changes in the Consumer Price Index For All Urban Consumers as determined by the United States Department of Labor. Additionally, in determining the amount and nature of services for which a person may qualify, consideration shall not be given to the value of cash, property or other assets held in the name of the person's spouse pursuant to a written agreement dividing marital property into equal but separate shares or pursuant to a transfer of the person's interest in a home to his spouse, provided that the spouse's share of the marital property is not made available to the person seeking such services.

The services shall be provided to eligible persons to prevent unnecessary or premature institutionalization, to the extent that the cost of the services, together with the other personal maintenance expenses of the persons, are reasonably related to the standards established for care in a group facility appropriate to their condition. These non-institutional services, pilot projects or experimental facilities may be provided as part of or in addition to those authorized by federal law or those funded and administered by

the Illinois Department on Aging.

Personal care attendants shall be paid:

(i) A $5 per hour minimum rate beginning July 1, 1995.

(ii) A $5.30 per hour minimum rate beginning July 1, 1997.

(iii) A $5.40 per hour minimum rate beginning July 1, 1998.

Solely for the purposes of coverage under the Illinois Public Labor Relations Act (5 ILCS 315/), personal care attendants and personal assistants providing services under the Department's Home Services Program shall be considered to be public employees and the State of Illinois shall be considered to be their employer as of the effective date of this amendatory Act of the 93rd General Assembly, but not before. The State shall engage in collective bargaining with an exclusive representative of personal care attendants and personal assistants working under the Home Services Program concerning their terms and conditions of employment that are within the State's control. Nothing in this paragraph shall be understood to limit the right of the persons receiving services defined in this Section to hire and fire personal care attendants and personal assistants or supervise them within the limitations set by the Home Services Program. The State shall not be considered to be the employer of personal care attendants and personal assistants for any purposes not specifically provided in this amendatory Act of the 93rd General Assembly, including but not limited to, purposes of vicarious liability in tort and purposes of statutory retirement or health insurance benefits. Personal care attendants and personal assistants shall not be covered by the State Employees Group Insurance Act of 1971 (5 ILCS 375/).

The Department shall execute, relative to the nursing home prescreening project, as authorized by Section 4.03 of the Illinois Act on the Aging, written inter-agency agreements with the Department on Aging and the Department of Public Aid, to effect the following: (i) intake procedures and common eligibility criteria for those persons who are receiving non-institutional services; and (ii) the establishment and development of non-institutional services in areas of the State where they are not currently available or are undeveloped. On and after July 1, 1996, all nursing home prescreenings for individuals 18 through 59 years of age shall be conducted by the Department.

The Department is authorized to establish a system of recipient cost-sharing for services provided under this Section. The cost-sharing shall be based upon the recipient's ability to pay for services, but in no case shall the recipient's share exceed the actual cost of the services provided. Protected income shall not be considered by the Department in its determination of the recipient's ability to pay a share of the cost of services. The level of cost-sharing shall be adjusted each year to reflect changes in the "protected income" level. The Department shall deduct from the recipient's share of the cost of services any money expended by the recipient for disability-related expenses.

The Department, or the Department's authorized representative, shall recover the amount of moneys expended for services provided to or in behalf of a person under this Section by a claim against the person's estate or against the estate of the person's surviving spouse, but no recovery may be had until after the death of the surviving spouse, if any, and then only at such time when there is no surviving child who is under age 21, blind, or permanently and totally disabled. This paragraph, however, shall not bar recovery, at the death of the person, of moneys for services provided to the person or in behalf of the person under this Section to which the person was not entitled; provided that such recovery shall not be enforced against any real estate while it is occupied as a homestead by the surviving spouse or other dependent, if no claims by other creditors have been filed against the estate, or, if such claims have been filed, they remain dormant for failure of prosecution or failure of the claimant to compel administration of the estate for the purpose of payment. This paragraph shall not bar recovery from the estate of a spouse, under Sections 1915 and 1924 of the Social Security Act and Section 5-4 of the Illinois Public Aid Code, who precedes a person receiving services under this Section in death. All moneys for services paid to or in behalf of the person under this Section shall be claimed for recovery from the deceased spouse's estate. "Homestead", as used in this paragraph, means the dwelling house and contiguous real estate occupied by a surviving spouse or relative, as defined by the rules and regulations of the Illinois Department of Public Aid, regardless of the value of the property.

The Department and the Department on Aging shall cooperate in the development and submission of an annual report on programs and services provided under this Section. Such joint report shall be filed with the Governor and the General Assembly on or before March 30 each year.

The requirement for reporting to the General Assembly shall be satisfied by filing copies of the report with the Speaker, the Minority Leader and the Clerk of the House of Representatives and the President, the Minority Leader and the Secretary of the Senate and the Legislative Research Unit, as required by Section 3.1 of the General Assembly Organization Act, and filing additional copies with the State Government

Report Distribution Center for the General Assembly as required under paragraph (t) of Section 7 of the State Library Act.

(g) To establish such subdivisions of the Department as shall be desirable and assign to the various subdivisions the responsibilities and duties placed upon the Department by law.

(h) To cooperate and enter into any necessary agreements with the Department of Employment Security for the provision of job placement and job referral services to clients of the Department, including job service registration of such clients with Illinois Employment Security offices and making job listings maintained by the Department of Employment Security available to such clients.

(i) To possess all powers reasonable and necessary for the exercise and administration of the powers, duties and responsibilities of the Department which are provided for by law.

(j) To establish a procedure whereby new providers of personal care attendant services shall submit vouchers to the State for payment two times during their first month of employment and one time per month thereafter. In no case shall the Department pay personal care attendants an hourly wage that is less than the federal minimum wage.

(k) To provide adequate notice to providers of chore and housekeeping services informing them that they are entitled to an interest payment on bills which are not promptly paid pursuant to Section 3 of the State Prompt Payment Act.

(l) To establish, operate and maintain a Statewide Housing Clearinghouse of information on available, government subsidized housing accessible to disabled persons and available privately owned housing accessible to disabled persons. The information shall include but not be limited to the location, rental requirements, access features and proximity to public transportation of available housing. The Clearinghouse shall consist of at least a computerized database for the storage and retrieval of information and a separate or shared toll free telephone number for use by those seeking information from the Clearinghouse. Department offices and personnel throughout the State shall also assist in the operation of the Statewide Housing Clearinghouse. Cooperation with local, State and federal housing managers shall be sought and extended in order to frequently and promptly update the Clearinghouse's information.

(m) To assure that the names and case records of persons who received or are receiving services from the Department, including persons receiving vocational rehabilitation, home services, or other services, and those attending one of the Department's schools or other supervised facility shall be confidential and not be open to the general public. Those case records and reports or the information contained in those records and reports shall be disclosed by the Director only to proper law enforcement officials, individuals authorized by a court, the General Assembly or any committee or commission of the General Assembly, and other persons and for reasons as the Director designates by rule. Disclosure by the Director may be only in accordance with other applicable law. (Source: P.A. 91-540, eff. 8-13-99; 92-84, eff. 7-1-02.)

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

The foregoing message from the Senate reporting Senate Amendment No. 3 to HOUSE BILL 2221 was placed on the Calendar on the order of Concurrence.

A message from the Senate by

Ms. Hawker, Secretary:

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

HOUSE BILL 2345

A bill for AN ACT in relation to housing.

Together with the attached amendments thereto (which amendments have been printed by the Senate), in the adoption of which I am instructed to ask the concurrence of the House, to-wit:

Senate Amendment No. 1 to HOUSE BILL NO. 2345

Senate Amendment No. 2 to HOUSE BILL NO. 2345

Passed the Senate, as amended, May 29, 2003.

Linda Hawker, Secretary of the Senate

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend House Bill 2345 on page 6, by replacing lines 10 through 31 with the following;

"Section 90. The Illinois Housing Development Act is amended by changing Section 7 and adding Section 7.30 as follows:

(20 ILCS 3805/7) (from Ch. 67 1/2, par. 307)

Sec. 7. The Authority may exercise the powers set forth in Sections 7. 1 through 7.30 ~~7.26~~. (Source: P.A. 87-250.)

(20 ILCS 3805/7.30 new)

Sec. 7.30. Financial assistance for new teachers. The Authority may develop and implement a program of financial assistance for new teachers purchasing a first home. The program shall consist of financial assistance to recently hired teachers to obtain 30-year mortgages, at interest rates no greater than those for mortgages under the Authority's other programs for first-time home buyers, for the purchase of primary residences for the first time. Assistance shall be available only to teachers employed by school districts defined by the State Board of Education as financially needy or experiencing a shortage of teachers. The program shall be limited to persons employed at the time of application as elementary or secondary public school teachers who have been employed in any teaching positions cumulatively for no more than 2 years at the time of application and who commit to continue teaching in the public schools of the school district for at least 3 years after their closing date. An eligible residence must be located in Illinois and must be the applicant's first purchase of a primary residence in any location.

The Authority shall adopt rules necessary for any program authorized by this Section.

Section 99. Effective date. This Section and Section 90 take effect on July 1, 2003.".

AMENDMENT NO. 2

AMENDMENT NO. 2. Amend House Bill 2345 on page 1, by replacing line 10 with the following:
"includes the development or rehabilitation of a range of permanent housing in all regions of the State"; and
on page 1, by replacing lines 25 through 27 with the following:
"developed by a task force composed of representatives of the Lieutenant Governor's Office; the State Treasurer's Office; the Illinois Housing Development Authority; the Illinois Development Finance Authority; the Department on Aging and the departments of Human Services, Commerce and Economic Opportunity, Children and Family Services, Public Health, and Public Aid; the Illinois Institute for Rural Affairs of Western Illinois University; and the United States Department of Agriculture. The Speaker of the House of Representatives, the President of the Senate, and the minority leaders of the House of Representatives and the Senate shall each appoint one representative to the task force. The Governor shall appoint 12 housing experts to the task force, with equal representation from urban and rural areas throughout the State. The task force shall be chaired by a person designated by the Governor. The"; and
on page 1, line 29, by replacing "project" with "establish"; and
on page 1, line 31, by replacing "priority" with "underserved"; and
on page 2, line 5, after the comma, by inserting "related to the underserved populations identified in subsection (a),"; and
on page 2, line 7, by replacing "identify" with "recommend"; and
on page 2, by replacing lines 9 through 11 with the following:
"not-for-profit, and government entities."; and
on page 2, line 12, by replacing "at 6-month intervals" with "annually"; and
on page 2, line 15, by replacing "6" with "12"; and
on page 3, line 8, before "number", by inserting "target"; and
on page 3, line 9, by replacing "priority" with "underserved"; and
on page 3, line 24, by replacing "Funding" with "Recommendations for funding"; and
on page 3, by replacing lines 25 through 30 with the following:
"proposals or qualifications shall be made by a subcommittee of the task force specified in Section 5, or as designated by the Governor. Final funding decisions shall be made in accordance with law."; and
on page 4, line 23, before the period, by inserting ",if available and clearly allocated for this purpose"; and
on page 4, line 27, by replacing "priority" with "underserved"; and
on page 5, line 3, by replacing "priority" with "underserved"; and
on page 5, line 15, by deleting "or closing"; and
on page 5, lines 28 and 29, by deleting "or closing".

The foregoing message from the Senate reporting Senate Amendments numbered 1 and 2 to HOUSE BILL 2345 was placed on the Calendar on the order of Concurrence.

A message from the Senate by
Ms. Hawker, Secretary:

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

HOUSE BILL 2504

A bill for AN ACT concerning fees.

Together with the attached amendment thereto (which amendment has been printed by the Senate), in the adoption of which I am instructed to ask the concurrence of the House, to-wit:

Senate Amendment No. 1 to HOUSE BILL NO. 2504

Passed the Senate, as amended, May 29, 2003.

Linda Hawker, Secretary of the Senate

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend House Bill 2504, AS AMENDED, by replacing the title with "AN ACT concerning confidential intermediaries."; and

by replacing everything after the enacting clause with the following:

"Section 5. The Adoption Act is amended by changing Sections 18.2, 18.3a, and 18.4 as follows:

(750 ILCS 50/18.2) (from Ch. 40, par. 1522.2)

Sec. 18.2. Forms. (a) The form of the Birth Parent Registration Identification Form shall be substantially as follows:

BIRTH PARENT REGISTRATION IDENTIFICATION
(Insert all known information)

I, ..., state that I am the ..... (mother or father) of the following child:

Child's original name: ..... (first) ..... (middle) ..... (last), ... (hour of birth), ... (date of birth), ... (city and state of birth), ... (name of hospital).

Father's full name: ..... (first) ..... (middle) ..... (last), ... (date of birth), ... (city and state of birth).

Name of mother inserted on birth certificate: ..... (first) ..... (middle) ..... (last), ... (race), ... (date of birth), ... (city and state of birth).

That I surrendered my child to: ..... (name of agency), ... (city and state of agency), ... (approximate date child surrendered).

That I placed my child by private adoption: ..... (date), ... (city and state).

Name of adoptive parents, if known: .....

Other identifying information: .....

.....
(Signature of parent)

....
(date) (printed name of parent)

(b) The form of the Adopted Person Registration Identification shall be substantially as follows:

ADOPTED PERSON
REGISTRATION IDENTIFICATION
(Insert all known information)

I, ..., state the following:

Adopted Person's present name: ..... (first) ..... (middle) ..... (last).

Adopted Person's name at birth (if known): ..... (first) ..... (middle) ..... (last), ... (birth date), ... (city and state of birth), ... (sex), ... (race).

Name of adoptive father: ..... (first) ..... (middle) ..... (last), ... (race).
Maiden name of adoptive mother: ..... (first) ..... (middle) ..... (last), ... (race).
Name of birth mother (if known): ..... (first) ..... (middle) ..... (last), ... (race).
Name of birth father (if known): ..... (first) ..... (middle) ..... (last), ... (race).
Name(s) at birth of sibling(s) having a common birth parent with adoptee (if known): ..... (first) ..... (middle) ..... (last), ... (race), and name of common birth parent: ..... (first) ..... (middle) ..... (last), ... (race).

I was adopted through: ..... (name of agency).
I was adopted privately: ..... (state "yes" if known).
I was adopted in ..... (city and state), ... (approximate date).
Other identifying information: .....

.....
(signature of adoptee)

....
(date) (printed name of adoptee)

(c) The form of the Surrendered Person Registration Identification shall be substantially as follows:

SURRENDERED PERSON REGISTRATION
IDENTIFICATION
(Insert all known information)

I, ..., state the following:
Surrendered Person's present name: ..... (first) ..... (middle) ..... (last).
Surrendered Person's name at birth (if known): ..... (first) ..... (middle) ..... (last), ...(birth date), ... (city and state of birth), ... (sex), ... (race).
Name of guardian father: ..... (first) ..... (middle) ..... (last), ... (race).
Maiden name of guardian mother: ..... (first) ..... (middle) ..... (last), ... (race).
Name of birth mother (if known): ..... (first) ..... (middle) ..... (last) ..... (race).
Name of birth father (if known): ..... (first) ..... (middle) ..... (last), ...(race).
Name(s) at birth of sibling(s) having a common birth parent with surrendered person (if known): ..... (first) ..... (middle) ..... (last), ... (race), and name of common birth parent: ..... (first) ..... (middle) ..... (last), ... (race).

I was surrendered for adoption to: ..... (name of agency).
I was surrendered for adoption in ..... (city and state), ... (approximate date).
Other identifying information: .....

.....
(signature of surrendered person)

....
(date) (printed name of person surrendered for adoption)

(d) The form of the Information Exchange Authorization shall be substantially as follows:

INFORMATION EXCHANGE AUTHORIZATION

I, ..., state that I am the person who completed the Registration Identification; that I am of the age of ..... years; that I hereby authorize the Department of Public Health to give to my (birth parent) (birth sibling) (surrendered child) the following (please check the information authorized for exchange):

[ ] 1. Only my name and last known address.
[ ] 2. A copy of my Illinois Adoption Registry Application.
[ ] 3. A copy of the original certificate of live birth.

I am fully aware that I can only be supplied with any information about my (birth parent) (birth sibling) (surrendered child) if such person has duly executed an Information Exchange Authorization for such information which has not been revoked; that I can be contacted by writing to: ..... (own name or name of person to contact) (address) (phone number).

Dated (insert date).

~~.....~~ .....
~~(witness)~~ (signature)

(e) The form of the Denial of Information Exchange shall be substantially as follows:

DENIAL OF INFORMATION EXCHANGE

I, ..., state that I am the person who completed the Registration Identification; that I am of the age of ..... years; that I hereby instruct the Department of Public Health not to give any identifying information

about me to my (birth parent) (birth sibling) (surrendered child); that I do not wish to be contacted.

Dated (insert date).

~~.....~~ .....

~~(witness)~~

(signature)

(f) The Information Exchange Authorization and the Denial of Information Exchange shall be acknowledged by the birth parent, birth sibling, adopted or surrendered person, adoptive parent, or legal guardian before a notary public, in form substantially as follows:

State of .....

County of .....

I, a Notary Public, in and for the said County, in the State aforesaid, do hereby certify that ..... personally known to me to be the same person whose name is subscribed to the foregoing certificate of acknowledgement, appeared before me in person and acknowledged that (he or she) signed such certificate as (his or her) free and voluntary act and that the statements in such certificate are true.

Given under my hand and notarial seal on (insert date).

.....

(signature)

(g) When the execution of an Information Exchange Authorization or a Denial of Information Exchange is acknowledged before a representative of an agency, such representative shall have his signature on said Certificate acknowledged before a notary public, in form substantially as follows:

State of.....

County of.....

I, a Notary Public, in and for the said County, in the State aforesaid, do hereby certify that ..... personally known to me to be the same person whose name is subscribed to the foregoing certificate of acknowledgement, appeared before me in person and acknowledged that (he or she) signed such certificate as (his or her) free and voluntary act and that the statements in such certificate are true.

Given under my hand and notarial seal on (insert date).

.....

(signature)

(h) When an Illinois Adoption Registry Application, Information Exchange Authorization or a Denial of Information Exchange is executed in a foreign country, the execution of such document shall be acknowledged or affirmed before an officer of the United States consular services.

(i) If the person signing an Information Exchange Authorization or a Denial of Information is in the military service of the United States, the execution of such document may be acknowledged before a commissioned officer and the signature of such officer on such certificate shall be verified or acknowledged before a notary public or by such other procedure as is then in effect for such division or branch of the armed forces.

(j) The Department shall modify these forms as necessary to implement the provisions of this amendatory Act of 1999 including creating Registration Identification Forms for non-surrendered birth siblings, adoptive parents and legal guardians. (Source: P.A. 91-357, eff. 7-29-99; 91-417, eff. 1-1-00.)

(750 ILCS 50/18.3a) (from Ch. 40, par. 1522.3a)

Sec. 18.3a. Confidential intermediary. <u>(a) General purposes. Notwithstanding any other provision of this Act, any adopted person 21 years of age or over, any adoptive parent or legal guardian of an adopted person under the age of 21, or any birth parent of an adopted person who is 21 years of age or over may petition the court in any county in the State of Illinois for appointment of a confidential intermediary as provided in this Section for the purpose of exchanging medical information with one or more mutually consenting biological relatives, obtaining identifying information about one or more mutually consenting biological relatives, or arranging contact with one or more mutually consenting biological relatives. Additionally, in cases where an adopted or surrendered person is deceased, an adult child of the adopted or surrendered person may file a petition under this Section and in cases where the birth parent is deceased, an adult birth sibling of the adopted person or of the deceased birth parent may file a petition under this Section for the purpose of exchanging medical information with one or more mutually consenting biological relatives, obtaining identifying information about one or more mutually consenting biological relatives, or arranging contact with one or more mutually consenting biological relatives.</u>

<u>(b) Petition. Upon petition by an adopted person 21 years of age or over, an adoptive parent or legal guardian of an adopted person under the age of 21, or a birth parent of an adopted person who is 21 years of age or over, the court shall appoint a confidential intermediary. Upon petition by an adult child of an</u>

adopted person who is deceased or by an adult birth sibling of an adopted person whose birth parent is deceased or by an adult sibling of a birth parent who is deceased, the court may appoint a confidential intermediary if the court finds that the disclosure is of greater benefit than nondisclosure. The petition shall state which biological relative or relatives are being sought and shall indicate if the petitioner wants to do any one or more of the following: exchange medical information with the biological relative or relatives, obtain identifying information from the biological relative or relatives, or to arrange contact with the biological relative.

(c) Order. The order appointing the confidential intermediary shall allow that intermediary to conduct a search for the sought-after relative by accessing those records described in subsection (g) of this Section.

(d) Fees and expenses. The court shall condition the appointment of the confidential intermediary on the petitioner's payment of the intermediary's fees and expenses in advance of the commencement of the work of the confidential intermediary.

(e) Eligibility of intermediary. The court may appoint as confidential intermediary either an employee of the Illinois Department of Children and Family Services designated by the Department to serve as such, any other person certified by the Department as qualified to serve as a confidential intermediary, or any employee of a licensed child welfare agency certified by the agency as qualified to serve as a confidential intermediary. Certification shall be dependent upon the confidential intermediary completing a course of training including, but not limited to, applicable federal and State privacy laws.

(f) Confidential Intermediary Council. There shall be established under the Department of Children and Family Services a Confidential Intermediary Advisory Council. One member shall be an attorney representing the Attorney General's Office appointed by the Attorney General. One member shall be a currently certified confidential intermediary appointed by the Director of the Department of Children and Family Services. The Director shall also appoint 5 additional members. When making those appointments, the Director shall consider advocates for adopted persons, adoptive parents, birth parents, lawyers who represent clients in private adoptions, lawyers specializing in privacy law, and representatives of agencies involved in adoptions. The Director shall appoint one of the 7 members as the chairperson. An attorney from the Department of Children and Family Services and the person directly responsible for administering the confidential intermediary program shall serve as ex-officio, non-voting advisors to the Council. Council members shall serve at the discretion of the Director and shall receive no compensation other than reasonable expenses approved by the Director. The Council shall meet no less than twice yearly, and shall make recommendations to the Director regarding the development of rules, procedures, and forms that will ensure efficient and effective operation of the confidential intermediary process, including:

(1) Standards for certification for confidential intermediaries.

(2) Oversight of methods used to verify that intermediaries are complying with the appropriate laws.

(3) Training for confidential intermediaries, including training with respect to federal and State privacy laws.

(4) The relationship between confidential intermediaries and the court system, including the development of sample orders defining the scope of the intermediaries' access to information.

(5) Any recent violations of policy or procedures by confidential intermediaries and remedial steps, including decertification, to prevent future violations.

(g) Access. Subject to the limitations of subsection (i) of this Section, the confidential intermediary shall have access to vital records maintained by the Department of Public Health and its local designees for the maintenance of vital records and all records of the court or any adoption agency, public or private, which relate to the adoption or the identity and location of an adopted person, of an adult child of a deceased adopted person, or of a birth parent, birth sibling, or the sibling of a deceased birth parent. The confidential intermediary shall not have access to any personal health information protected by the Standards for Privacy of Individually Identifiable Health Information adopted by the U.S. Department of Health and Human Services under the Health Insurance Portability and Accountability Act of 1996 unless the confidential intermediary has obtained written consent from the person whose information is being sought or, if that person is a minor child, that person's parent or guardian. Confidential intermediaries shall be authorized to inspect confidential relinquishment and adoption records. The confidential intermediary shall not be authorized to access medical records, financial records, credit records, banking records, home studies, attorney file records, or other personal records. In cases where a birth parent is being sought, an adoption agency shall inform the confidential intermediary of any statement filed pursuant to Section 18.3 indicating a desire of the surrendering birth parent to have identifying information shared or to not have identifying information shared. If there was a clear statement of intent by the sought-after birth parent not to have identifying information shared, the confidential intermediary shall discontinue the search and

inform the petitioning party of the sought-after relative's intent. Additional information provided to the confidential intermediary by an adoption agency shall be restricted to the full name, date of birth, place of birth, last known address, and last known telephone number of the sought-after relative or, if applicable, of the children or siblings of the sought-after relative.

(h) Adoption agency disclosure of medical information. If the petitioner is an adult adopted person or the adoptive parent of a minor and if the petitioner has signed a written authorization to disclose personal medical information, an adoption agency disclosing information to a confidential intermediary shall disclose available medical information about the adopted person from birth through adoption.

(i) Duties of confidential intermediary in conducting a search. In conducting a search under this Section, the confidential intermediary shall first confirm that there is no Denial of Information Exchange on file with the Illinois Adoption Registry. If the petitioner is an adult child of an adopted person who is deceased, the confidential intermediary shall additionally confirm that the adopted person did not file a Denial of Information Exchange with the Illinois Adoption Registry during his or her life. If the petitioner is an adult birth sibling of an adopted person or an adult sibling of a birth parent who is deceased, the confidential intermediary shall additionally confirm that the birth parent did not file a Denial of Information Exchange with the Registry during his or her life. If the confidential intermediary learns that a sought-after birth parent signed a statement indicating his or her intent not to have identifying information shared, and did not later file an Information Exchange Authorization with the Adoption Registry, the confidential intermediary shall discontinue the search and inform the petitioning party of the birth parent's intent.

In conducting a search under this Section, the confidential intermediary shall attempt to locate the relative or relatives from whom the petitioner has requested information. If the sought-after relative is deceased or cannot be located after a diligent search, the confidential intermediary may contact adult biological relatives of the sought-after relative.

The confidential intermediary shall contact a sought-after relative on behalf of the petitioner in a manner that respects the sought-after relative's privacy and shall inform the sought-after relative of the petitioner's request for medical information, identifying information or contact as stated in the petition. Based upon the terms of the petitioner's request, the confidential intermediary shall contact a sought-after relative on behalf of the petitioner and inform the sought-after relative of the following options:

(1) The sought-after relative may totally reject one or all of the requests for medical information, identifying information or contact. The sought-after relative shall be informed that they can provide a medical questionnaire to be forwarded to the petitioner without releasing any identifying information. The confidential intermediary shall inform the petitioner of the sought-after relative's decision to reject the sharing of information or contact.

(2) The sought-after relative may consent to completing a medical questionnaire only. In this case, the confidential intermediary shall provide the questionnaire and ask the sought-after relative to complete it. The confidential intermediary shall forward the completed questionnaire to the petitioner and inform the petitioner of the sought-after relative's desire to not provide any additional information.

(3) The sought-after relative may communicate with the petitioner without having his or her identity disclosed. In this case, the confidential intermediary shall arrange the desired communication in a manner that protects the identity of the sought-after relative. The confidential intermediary shall inform the petitioner of the sought-after relative's decision to communicate but not disclose his or her identity.

(4) The sought after relative may consent to initiate contact with the petitioner. If both the petitioner and the sought-after relative or relatives are eligible to register with the Illinois Adoption Registry, the confidential intermediary shall provide the necessary application forms and request that the sought-after relative register with the Illinois Adoption Registry. If either the petitioner or the sought-after relative or relatives are ineligible to register with the Illinois Adoption Registry, the confidential intermediary shall obtain written consents from both parties that they wish to disclose their identities to each other and to have contact with each other.

(j) Oath. The confidential intermediary shall sign an oath of confidentiality substantially as follows: "I, ..., being duly sworn, on oath depose and say: As a condition of appointment as a confidential intermediary, I affirm that:

(1) I will not disclose to the petitioner, directly or indirectly, any confidential information except in a manner consistent with the law.

(2) I recognize that violation of this oath subjects me to civil liability and to a potential finding of contempt of court. .....

SUBSCRIBED AND SWORN to before me, a Notary Public, on (insert date)

....."

(k) Sanctions.

(1) Any confidential intermediary who improperly discloses confidential information identifying a sought-after relative shall be liable to the sought-after relative for damages and may also be found in contempt of court.

(2) Any person who learns a sought-after relative's identity, directly or indirectly, through the use of procedures provided in this Section and who improperly discloses information identifying the sought-after relative shall be liable to the sought-after relative for actual damages plus minimum punitive damages of $10,000.

(3) The Department shall fine any confidential intermediary who improperly discloses confidential information in violation of item (1) or (2) of this subsection (k) an amount up to $2,000 per improper disclosure. This fine does not affect civil liability under item (2) of this subsection (k). The Department shall deposit all fines and penalties collected under this Section into the Illinois Adoption Registry and Medical Information Fund.

(l) Death of person being sought. Notwithstanding any other provision of this Act, if the confidential intermediary discovers that the person being sought has died, he or she shall report this fact to the court, along with a copy of the death certificate.

(m) Any confidential information obtained by the confidential intermediary during the course of his or her search shall be kept strictly confidential and shall be used for the purpose of arranging contact between the petitioner and the sought-after birth relative. At the time the case is closed, all identifying information shall be returned to the court for inclusion in the impounded adoption file.

(n) If the petitioner is an adopted person 21 years of age or over or the adoptive parent or legal guardian of an adopted person under the age of 21, any non-identifying information, as defined in Section 18.4, that is ascertained during the course of the search may be given in writing to the petitioner before the case is closed.

(o) Except as provided in subsection (k) of this Section, no liability shall accrue to the State, any State agency, any judge, any officer or employee of the court, any certified confidential intermediary, or any agency designated to oversee confidential intermediary services for acts, omissions, or efforts made in good faith within the scope of this Section.

~~(a) General purposes. Notwithstanding any other provision of this Act, any adopted person over the age of 21 or any adoptive parent or legal guardian of an adopted person under the age of 21 may petition the court for appointment of a confidential intermediary as provided in this Section for the purpose of obtaining from one or both birth parents or a sibling or siblings of the adopted person information concerning the background of a psychological or genetically based medical problem experienced or which may be expected to be experienced in the future by the adopted person or obtaining assistance in treating such a problem.~~

~~(b) Petition. The court shall appoint a confidential intermediary for the purposes described in subsection (f) if the petitioner shows the following:~~

~~(1) the adopted person is suffering or may be expected to suffer in the future from a life threatening or substantially incapacitating physical illness of any nature, or a psychological disturbance which is substantially incapacitating but not life threatening, or a mental illness which, in the opinion of a physician licensed to practice medicine in all its branches, is or could be genetically based to a significant degree;~~

~~(2) the treatment of the adopted person, in the opinion of a physician licensed to practice medicine in all of its branches, would be materially assisted by information obtainable from the birth parents or might benefit from the provision of organs or other bodily tissues, materials, or fluids by the birth parents or other close biological relatives; and~~

~~(3) there is neither an Information Exchange Authorization nor a Denial of Information Exchange filed in the Registry as provided in Section 18.1.~~

~~The affidavit or testimony of the treating physician shall be conclusive on the issue of the utility of contact with the birth parents unless the court finds that the relationship between the illness to be treated and the alleged need for contact is totally without foundation.~~

~~(c) Fees and expenses. The court shall condition the appointment of the confidential intermediary on the payment of the intermediary's fees and expenses in advance, unless the intermediary waives the right to full advance payment or to any reimbursement at all.~~

~~(d) Eligibility of intermediary. The court may appoint as confidential intermediary either an employee of the Illinois Department of Children and Family Services designated by the Department to serve as such, any other person certified by the Department as qualified to serve as a confidential intermediary, or any~~

~~employee of a licensed child welfare agency certified by the agency as qualified to serve as a confidential intermediary.~~

~~(e) Access. Notwithstanding any other provision of law, the confidential intermediary shall have access to all records of the court or any agency, public or private, which relate to the adoption or the identity and location of any birth parent.~~

~~(f) Purposes of contact. The confidential intermediary has only the following powers and duties:~~

~~(1) To contact one or both birth parents, inform the parent or parents of the basic medical problem of the adopted person and the nature of the information or assistance sought from the birth parent, and inform the parent or parents of the following options:~~

~~(A) The birth parent may totally reject the request for assistance or information, or both, and no disclosure of identity or location shall be made to the petitioner.~~

~~(B) The birth parent may file an Information Exchange Authorization as provided in Section 18.1. The confidential intermediary shall explain to the birth parent the consequences of such a filing, including that the birth parent's identity will be available for discovery by the adopted person. If the birth parent agrees to this option, the confidential intermediary shall supply the parent with the appropriate forms, shall be responsible for their immediate filing with the Registry, and shall inform the petitioner of their filing.~~

~~(C) If the birth parent wishes to provide the information or assistance sought but does not wish his or her identity disclosed, the confidential intermediary shall arrange for the disclosure of the information or the provision of assistance in as confidential a manner as possible so as to protect the privacy of the birth parent and minimize the likelihood of disclosure of the birth parent's identity.~~

~~(2) If a birth parent so desires, to arrange for a confidential communication with the treating physician to discuss the need for the requested information or assistance.~~

~~(3) If a birth parent agrees to provide the information or assistance sought but wishes to maintain his or her privacy, to arrange for the provision of the information or assistance to the physician in as confidential a manner as possible so as to protect the privacy of the birth parent and minimize the likelihood of disclosure of the birth parent's identity.~~

~~(g) Oath. The confidential intermediary shall sign an oath of confidentiality substantially as follows:~~

~~"I, ..., being duly sworn, on oath depose and say: As a condition of appointment as a confidential intermediary, I affirm that:~~

~~(1) I will not disclose to the petitioner, directly or indirectly, any information about the identity or location of the birth parent whose assistance is being sought for medical reasons except in a manner consistent with the law.~~

~~(2) I recognize that violation of this oath subjects me to civil liability and to being found in contempt of court.~~

~~.....~~

~~SUBSCRIBED AND SWORN to before me, a Notary Public, on (insert date).~~

~~....."~~

~~(h) Sanctions.~~

~~(1) Any confidential intermediary who improperly discloses information identifying a birth parent shall be liable to the birth parent for damages and may also be found in contempt of court.~~

~~(2) Any person who learns a birth parent's identity, directly or indirectly, through the use of procedures provided in this Section and who improperly discloses information identifying the birth parent shall be liable to the birth parent for actual damages plus minimum punitive damages of $10,000.~~

~~(i) Death of birth parent. Notwithstanding any other provision of this Act, if the confidential intermediary discovers that the person whose assistance is sought has died, he or she shall report this fact to the court, along with a copy of the death certificate.~~ (Source: P.A. 91-357, eff. 7-29-99; 91-417, eff. 1-1-00.)

(750 ILCS 50/18.4) (from Ch. 40, par. 1522.4)

Sec. 18.4. (a) The agency, Department of Children and Family Services, Court Supportive Services, Juvenile Division of the Circuit Court, or the Probation Officers of the Circuit Court involved in the adoption proceedings shall give in writing the following non-identifying information, if known, to the adoptive parents not later than the date of placement with the petitioning adoptive parents: (i) age of biological parents; (ii) their race, religion and ethnic background; (iii) general physical appearance of

biological parents; (iv) their education, occupation, hobbies, interests and talents; (v) existence of any other children born to the biological parents; (vi) information about biological grandparents; reason for emigrating into the United States, if applicable, and country of origin; (vii) relationship between biological parents; ~~and~~ (viii) detailed medical and mental health histories of the child, the biological parents, and their immediate relatives; and (ix) the actual date and place of birth of the adopted person. However, no information provided under this subsection shall disclose the name or last known address of the biological parents, grandparents, the siblings of the biological parents, the adopted person, or any other relative of the adopted person.

(b) Any adoptee 18 years of age or over shall be given the information in subsection (a) upon request.

(c) The Illinois Adoption Registry shall release any non-identifying information listed in (a) of this Section that appears on the certified copy of the original birth certificate or the Certificate of Adoption to an adopted person, adoptive parent, or legal guardian who is a registrant of the Illinois Adoption Registry.

(d) The Illinois Adoption Registry shall release the actual date and place of birth of an adopted person who is 21 years of age or over to the birth parent if the birth parent is a registrant of the Illinois Adoption Registry and has completed a Medical Information Exchange Authorization.

(e) The Illinois Adoption Registry shall release information regarding the date the adoption was finalized and the county in which the adoption was finalized to a certified confidential intermediary upon submission of a court order.

(f) In cases where the Illinois Adoption Registry possesses information indicating that an adopted person who is 21 years of age or over was adopted in a state other than Illinois or a country other than the United States, the Illinois Adoption Registry shall release the name of the state or country where the adoption was finalized and, if available, the agency involved in the adoption to a registrant of the Illinois Adoption Registry, provided the registrant is not the subject of a Denial of Information Exchange and the registrant has completed a Medical Information Exchange Authorization.

(g) ~~(c)~~ Any of the above available information for any adoption proceedings completed before the effective date of this Act shall be supplied to the adoptive parents or an adoptee 18 years of age or over upon request.

(h) ~~(d)~~ The agency, Department of Children and Family Services, Court Supportive Services, Juvenile Division of the Circuit Court, the Probation Officers of the Circuit Court and any other governmental bodies having any of the above information shall retain the file until the adoptee would have reached the age of 99 years. (Source: P.A. 87-617.)".

The foregoing message from the Senate reporting Senate Amendment No. 1 to HOUSE BILL 2504 was placed on the Calendar on the order of Concurrence.

A message from the Senate by
Ms. Hawker, Secretary:

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

A message from the Senate by
Ms. Hawker, Secretary:

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

HOUSE BILL 2902

A bill for AN ACT in relation to children.

Together with the attached amendment thereto (which amendment has been printed by the Senate), in the adoption of which I am instructed to ask the concurrence of the House, to-wit:

Senate Amendment No. 1 to HOUSE BILL NO. 2902

Passed the Senate, as amended, May 29, 2003.

Linda Hawker, Secretary of the Senate

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend House Bill 2902 on page 3, by replacing lines 26 through 31 with the following:

"Any person who knowingly and willfully violates any provision of this Section other than a second or subsequent violation of transmitting a false report as described in the preceding paragraph, is guilty of a Class A misdemeanor for a first violation and a Class 4 felony for a second or subsequent violation; except that if the person acted as part of a plan or scheme having as its object the prevention of discovery of an abused or neglected child by lawful authorities for the purpose of protecting or insulating any person or entity from arrest or prosecution, the person is guilty of a Class 4 felony for a first offense and a Class 3 felony for a second or subsequent offense (regardless of whether the second or subsequent offense involves any of the same facts or persons as the first or other prior offense).".

The foregoing message from the Senate reporting Senate Amendment No. 1 to HOUSE BILL 2902 was placed on the Calendar on the order of Concurrence.

A message from the Senate by

Ms. Hawker, Secretary:

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

HOUSE BILL 2983

A bill for AN ACT concerning veterans.

Together with the attached amendment thereto (which amendment has been printed by the Senate), in the adoption of which I am instructed to ask the concurrence of the House, to-wit:

Senate Amendment No. 1 to HOUSE BILL NO. 2983

Passed the Senate, as amended, May 29, 2003.

Linda Hawker, Secretary of the Senate

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend House Bill 2983 by replacing everything after the enacting clause with the following:

"Section 5. The Department of Veterans Affairs Act is amended by changing Section 2.07 as follows:

(20 ILCS 2805/2.07) (from Ch. 126 1/2, par. 67.07)

Sec. 2.07. The Department shall employ and maintain sufficient and qualified staff at the veterans' homes to fulfill the requirements of this Act. The Department shall report to the General Assembly, by January 1 and July 1 of each year, the number of staff employed in providing direct patient care at their veterans' homes, the compliance or noncompliance with staffing standards established by the United States Department of Veterans Affairs for such care, and in the event of noncompliance with such standards, the number of staff required for compliance.

All contracts between the State and outside contractors to provide workers to staff and service the Anna Veterans Home shall be canceled in accordance with the terms of those contracts. Upon cancellation, each worker or staff member shall be offered certified employment status under the Illinois Personnel Code with the State of Illinois. To the extent it is reasonably practicable, the position offered to each person shall be at the same facility and shall consist of the same duties and hours as previously existed under the canceled contract or contracts. (Source: P.A. 88-160.)

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

The foregoing message from the Senate reporting Senate Amendment No. 1 to HOUSE BILL 2983 was placed on the Calendar on the order of Concurrence.

A message from the Senate by

Ms. Hawker, Secretary:

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

HOUSE BILL 1482

A bill for AN ACT in relation to fireworks.

Together with the attached amendments thereto (which amendments have been printed by the Senate), in the adoption of which I am instructed to ask the concurrence of the House, to-wit:

Senate Amendment No. 2 to HOUSE BILL NO. 1482

Senate Amendment No. 3 to HOUSE BILL NO. 1482

Senate Amendment No. 4 to HOUSE BILL NO. 1482

Passed the Senate, as amended, May 29, 2003.

Linda Hawker, Secretary of the Senate

AMENDMENT NO. 2

AMENDMENT NO. 2. Amend House Bill 1482 by replacing everything after the enacting clause with the following:

"Section 1. Short title. This Act may be cited as the Pyrotechnic Operator Licensing Act.

Section 5. Definitions. In this Act:

"Display fireworks" means any substance or article defined as a Division 1.3G or 1.4 explosive by the United States Department of Transportation under 49 CFR 173.50.

"Fireworks" has the meaning given to that term in the Fireworks Use Act.

"Lead pyrotechnic operator" means the individual with overall responsibility for the safety, setup, discharge, and supervision of a pyrotechnic display.

"Office" means Office of the State Fire Marshal.

"Person" means an individual, firm, corporation, association, partnership, company, consortium, joint venture, commercial entity, state, municipality, or political subdivision of a state or any agency, department, or instrumentality of the United States and any officer, agent, or employee of these entities.

"Pyrotechnic display" or "display" means the detonation, ignition, or deflagration of display fireworks to produce a visual or audible effect of an exhibitional nature before the public, invitees, or licensees, regardless of whether admission is charged.

Section 10. License; enforcement. No person may act as a lead pyrotechnic operator, or advertise or use any title implying that the person is a lead pyrotechnic operator, unless licensed by the Office under this Act. An out-of-state person hired for or engaged in a pyrotechnic display must have a person licensed under this Act as a lead pyrotechnic operator supervising the display. The State Fire Marshal, in the name of the People, through the Attorney General, the State's Attorney of any county, any resident of the State, or any legal entity within the State may apply for injunctive relief in any court to enjoin any person who has not been issued a license or whose license has been suspended, revoked, or not renewed, from practicing a licensed activity. Upon filing a verified petition in court, the court, if satisfied by affidavit, or otherwise, that the person is or has been practicing in violation of this Act, may enter a temporary restraining order or preliminary injunction, without bond, enjoining the defendant from further unlicensed activity. A copy of the verified complaint shall be served upon the defendant and the proceedings are to be conducted as in other civil cases. The court may enter a judgment permanently enjoining a defendant from further unlicensed activity if it is established that the defendant has been or is practicing in violation of this Act. In case of violation of any injunctive order or judgment entered under this Section, the court may summarily try and punish the offender for contempt of court. Injunctive proceedings are in addition to all penalties and other remedies in this Act.

Section 15. Deposit of fees. All fees collected under this Act shall be deposited into the Fire Prevention Fund.

Section 30. Rules. The State Fire Marshal shall adopt all rules necessary to carry out its responsibilities under this Act including rules requiring the training, examination, and licensing of lead pyrotechnic operators engaging in or responsible for the handling and use of Division 1.3G (Class B) and 1.4 (Class C) explosives. The test shall incorporate the rules of the State Fire Marshal, which shall be based upon nationally recognized standards such as those of the National Fire Protection Association (NFPA) 1123

guidelines for outdoor displays and NFPA 1126 for indoor displays. The Fire Marshal shall adopt rules as required for the licensing of a lead pyrotechnic operator involved in an outdoor or indoor pyrotechnic display.

Section 35. Licensure requirements and fees.

(a) Each application for a license to practice under this Act shall be in writing and signed by the applicant on forms provided by the Office. The Office shall have the testing procedures for licensing as a lead pyrotechnic operator developed by October 1, 2004.

(b) After April 1, 2005, all pyrotechnic displays, both indoor and outdoor, must comply with the requirements set forth in this Act.

(c) After April 1, 2005, no individual may act as a lead operator in a pyrotechnic display without first applying for and obtaining a lead pyrotechnic operator's license from the Office. The Office shall establish separate licenses for lead pyrotechnic operators for indoor and outdoor pyrotechnic displays. Applicants for a license must:

(1) Pay the fees set by the Office.

(2) Have the requisite training or continuing education as established in the Office's rules.

(3) Pass the examination presented by the Office.

(d) A person is qualified to receive a license under this Act if the person meets all of the following minimum requirements:

(1) Is at least 21 years of age.

(2) Has not willfully violated any provisions of this Act.

(3) Has not made any material misstatement or knowingly withheld information in connection with any original or renewal application.

(4) Has not been declared incompetent by any competent court by reasons of mental or physical defect or disease unless a court has since declared the person competent.

(5) Does not have an addiction to or dependency on alcohol or drugs that is likely to endanger the public at a pyrotechnic display.

(6) Has not been convicted in any jurisdiction of any felony within the prior 5 years.

(7) Is not a fugitive from justice.

(e) A person is qualified to assist a lead operator if the person meets all of the following minimum requirements:

(1) Is at least 18 years of age.

(2) Has not willfully violated any provision of this Act.

(3) Has not been declared incompetent by any competent court by reasons of mental or physical defect or disease unless a court has since declared the person competent.

(4) Does not have an addiction to or dependency on alcohol or drugs that is likely to endanger the public at a pyrotechnic display.

(5) Has not been convicted in any jurisdiction of any felony within the prior 5 years.

(6) Is not a fugitive from justice.

Section 40. Fingerprint card; fees. Each applicant shall file with his or her application a fingerprint card in the form and manner required by the Department of State Police to enable the Department of State Police to conduct a criminal history check on the applicant.

Each applicant for a license shall submit, in addition to the license fee, a fee specified by the Department of State Police for processing fingerprint cards, which may be made payable to the State Police Services Fund and shall be remitted to the Department of State Police for deposit into that Fund.

Section 45. Investigation. Upon receipt of an application, the Office shall investigate the eligibility of the applicant. The Office has authority to request and receive from any federal, state or local governmental agency such information and assistance as will enable it to carry out its powers and duties under this Act. The Department of State Police shall cause the fingerprints of each applicant to be compared with fingerprints of criminals filed with the Department of State Police or with federal law enforcement agencies maintaining official fingerprint files.

Section 50. Issuance of license; renewal; fees nonrefundable.

(a) The Office, upon the applicant's satisfactory completion of the requirements imposed under this Act and upon receipt of the requisite fees, shall issue the appropriate license showing the name, address, and photograph of the licensee and the dates of issuance and expiration.

(b) Each licensee may apply for renewal of his or her license upon payment of the applicable fees. The expiration date and renewal period for each license issued under this Act shall be set by rule. Failure to renew within 60 days of the expiration date results in lapse of the license. A lapsed license may not be

reinstated until a written application is filed, the renewal fee is paid, and the reinstatement fee established by the Office is paid. Renewal and reinstatement fees shall be waived for persons who did not renew while on active duty in the military and who file for renewal or restoration within one year after discharge from the service. A lapsed license may not be reinstated after 5 years have elapsed except upon passing an examination to determine fitness to have the license restored and by paying the required fees.

(c) All fees paid under this Act are nonrefundable.

Section 55. Insufficient funds checks. Any person who on 2 occasions issues or delivers a check or other order to the Office that is not honored by the financial institution upon which it is drawn because of insufficient funds on account shall pay to the Office, in addition to the amount owing upon the check or other order, a fee of $50. If the check or other order was issued or delivered in payment of a renewal fee and the licensee whose license has lapsed continues to practice without paying the renewal fee and the $50 fee required under this Section, an additional fee of $100 is imposed for practicing without a current license. The Office may revoke or refuse to issue the license or licenses of any person who fails to pay the requisite fees.

Section 60. Conditions of renewal; change of address; duplicate license; inspection.

(a) As a condition of renewal of a license, the Office may require the licensee to report information pertaining to the person's practice in relation to this Act that the Office determines to be in the interest of public safety.

(b) A licensee shall report a change in home or office address within 10 days of the change.

(c) The licensee shall carry his or her license at all times when engaging in pyrotechnic display activity.

(d) If a license or certificate is lost, a duplicate shall be issued upon payment of the required fee to be established by the Office. If a licensee wishes to change his or her name, the Office shall issue a license in the new name upon satisfactory proof that the change of name was done in accordance with law and upon payment of the required fee.

(e) Each licensee shall permit his or her facilities to be inspected by representatives of the Office for the purpose of administering this Act.

Section 65. Grounds for discipline. Licensees subject to this Act shall conduct their practice in accordance with this Act and the rules promulgated under this Act. A licensee is subject to disciplinary sanctions enumerated in this Act if the State Fire Marshal finds that the licensee is guilty of any of the following:

(1) Fraud or material deception in obtaining or renewing a license.

(2) Engaging in dishonorable, unethical, or unprofessional conduct of a character likely to deceive, defraud, or harm the public in the course of professional services or activities.

(3) Conviction of any crime that has a substantial relationship to his or her practice or an essential element of which is misstatement, fraud, dishonesty, or conviction in this or another state of any crime that is a felony under the laws of Illinois or conviction of a felony in a federal court, unless the licensee demonstrates that he or she has been sufficiently rehabilitated to warrant the public trust.

(4) Performing any service in a grossly negligent manner or permitting any licensed employee to perform a service in a grossly negligent manner, regardless of whether actual damage or damage to the public is established.

(5) Addiction to or dependency on alcohol or drugs or use of alcohol or drugs that is likely to endanger the public at a pyrotechnic display.

(6) Willfully receiving direct or indirect compensation for any professional service not actually rendered.

(7) Having disciplinary action taken against his or her license in another state.

(8) Making differential treatment against any person to his or her detriment because of race, color, creed, sex, religion, or national origin.

(9) Engaging in unprofessional conduct.

(10) Engaging in false or misleading advertising.

(11) Contracting or assisting an unlicensed person to perform services for which a license is required under this Act.

(12) Permitting the use of his or her license to enable an unlicensed person or agency to operate as a licensee.

(13) Performing and charging for a service without having the authorization to do so from the member of the public being served.

(14) Failure to comply with any provision of this Act or the rules promulgated under this Act.

(15) Conducting business regulated by this Act without a currently valid license.

Section 75. Formal charges; hearing.

(a) The Office may file formal charges against a licensee. The formal charges, at a minimum, shall inform the licensee of the specific facts that are the basis of the charge to enable the licensee to defend himself or herself.

(b) Each licensee whose conduct is the subject of a formal charge that seeks to impose disciplinary action against the licensee shall be served notice of the formal charge at least 30 days before the date of the hearing. The hearing shall be presided over by the Office or a hearing officer authorized by the Office in compliance with the Illinois Administrative Procedure Act. Service shall be considered to have been given if the notice was personally received by the licensee or if the notice was mailed certified, return requested, to the licensee at the licensee's last known address as listed with the Office.

(c) The notice of a formal charge shall consist, at a minimum, of the following information:

(1) The time and date of the hearing.

(2) A statement that the licensee may appear personally at the hearing and may be represented by counsel.

(3) A statement that the licensee has the right to produce witnesses and evidence in his or her behalf and the right to cross-examine witnesses and evidence produced against him or her.

(4) A statement that the hearing can result in disciplinary action being taken against his or her license.

(5) A statement that rules for the conduct of these hearings exist and that it may be in his or her best interest to obtain a copy.

(6) A statement that the hearing officer authorized by the Office shall preside at the hearing and, following the conclusion of the hearing, make findings of fact, conclusions of law, and recommendations, separately stated, to the Office as to what disciplinary action, if any, should be imposed on the licensee.

(7) A statement that the Office may continue the hearing.

(d) The Office or the hearing officer authorized by the Office shall hear evidence produced in support of the formal charges and contrary evidence produced by the licensee, if any. If the hearing is conducted by a hearing officer, at the conclusion of the hearing, the hearing officer shall make findings of fact, conclusions of law, and recommendations, separately stated, and submit them to the Office and to all parties to the proceeding. Submission to the licensee shall be considered as having been made if done in a similar fashion as service of the notice of formal charges. Within 20 days after the service, any party to the proceeding may present to the Office a motion, in writing, for a rehearing. The written motion shall specify the particular grounds for the rehearing.

(e) The Office, following the time allowed for filing a motion for rehearing, shall review the hearing officer's findings of fact, conclusions of law, recommendations, and any motions filed subsequent to the hearing. After review of the information the Office may hear oral arguments and thereafter issue an order. The report of findings of fact, conclusions of law, and recommendations of the hearing officer shall be the basis for the Office's order. If the Office finds that substantial justice was not done, it may issue an order in contravention of the hearing officer's findings.

(f) All proceedings under this Section are matters of public record and a record of the proceedings shall be preserved.

Section 80. Sanctions.

(a) The Office shall impose any of the following sanctions, singularly or in combination, when it finds that a licensee or applicant is guilty of any offense described in this Act:

(1) revocation;

(2) suspension for any period of time;

(3) reprimand or censure;

(4) place on probationary status and require the submission of any of the following:

(i) report regularly to the Office upon matters that are the basis of the probation;

(ii) continue or renew professional education until a satisfactory degree of skill has been attained in those areas that are the basis of the probation; or

(iii) such other reasonable requirements or restrictions as are proper;

(5) refuse to issue, renew, or restore; or

(6) revoke probation that has been granted and impose any other discipline in this subsection (a) when the requirements of probation have not been fulfilled or have been violated.

(b) The State Fire Marshal may summarily suspend a license under this Act, without a hearing, simultaneously with the filing of a formal complaint and notice for a hearing provided under this Section if

the State Fire Marshal finds that the continued operations of the individual would constitute an immediate danger to the public. In the event the State Fire Marshal suspends a license under this subsection, a hearing by the hearing officer designated by the State Fire Marshal shall begin within 20 days after the suspension begins, unless continued at the request of the licensee.

(c) Disposition may be made of any formal complaint by consent order between the State Fire Marshal and the licensee, but the Office must be apprised of the full consent order in a timely way.

(d) The Office shall reinstate any license to good standing under this Act, upon recommendation to the Office, after a hearing before the hearing officer authorized by the Office. The Office shall be satisfied that the applicant's renewed practice is not contrary to the public interest.

(e) The Office may conduct hearings and issue cease and desist orders to persons who engage in activities prohibited by this Act without having a valid license, certificate, or registration. Any person in violation of a cease and desist order entered by the Office is subject to all of the remedies provided by law, and in addition, is subject to a civil penalty payable to the party injured by the violation.

Section 85. Subpoena; production of evidence; records; administrative review; license suspension; revocation.

(a) The Office has the power to subpoena and bring before it any person in this State and to take testimony either orally or by deposition, or both, with the same fees and mileage and in the same manner as is prescribed by law for judicial proceedings in civil cases. The State Fire Marshal, the Office, and the hearing officer approved by the Office, have the power to administer oaths at any hearing that the Office is authorized to conduct.

(b) Any circuit court, upon the application of the licensee, the Office, or the State Fire Marshal, may order the attendance of witnesses and the production of relevant books and papers in any hearing under this Act. The court may compel obedience to its order by proceedings for contempt.

(c) The Office of the State Fire Marshal, at its expense, shall provide a stenographer or a mechanical recording device to record the testimony and preserve a record of all proceedings at the hearing of any case in which a license may be revoked, suspended, placed on probationary status, or other disciplinary action taken with regard to the license. The notice of hearing, complaint, and all other documents in the nature of pleadings and written motions filed in the proceedings, the transcript of testimony, the report of the hearing officer and the orders of the State Fire Marshal shall constitute the record of the proceedings. The Office shall furnish a transcript of the record to any interested person upon payment of the costs of copying and transmitting the record.

(d) All final administrative decisions of the Office are subject to judicial review under the Administrative Review Law and the rules adopted under that Law. Proceedings for judicial review shall be commenced in the circuit court of the county in which the party applying for review resides; but if the party is not a resident of Illinois, the venue is in Sangamon County. The State Fire Marshal is not required to certify any record to the court or file any answer in court or otherwise appear in any court in a judicial review proceeding, unless there is filed in the court with the complaint a receipt from the Office acknowledging payment of the costs of furnishing and certifying the record. Those costs shall be computed at the cost of preparing the record. Exhibits shall be certified without cost. Failure on the part of the licensee to file the receipt in court is a ground for dismissal of the action. During all judicial proceedings incident to a disciplinary action, the sanctions imposed upon the accused by the Office remain in effect, unless the court feels justice requires a stay of the order.

(e) An order of revocation, suspension, placing the license on probationary status, or other formal disciplinary action as the State Fire Marshal may consider proper, or a certified copy of the order over the seal of the Office and purporting to be signed by the State Fire Marshal, is prima facie proof that:

(1) the signature is that of the State Fire Marshal;

(2) the State Fire Marshal is qualified to Act; and

(3) the hearing officer is qualified to Act on behalf of the Office.

The proof specified in paragraphs (1), (2), and (3) may be rebutted.

(f) Upon the suspension or revocation of a license issued under this Act, a licensee shall surrender the license to the Office and upon failure to do so, the Office shall seize the license.

(g) The Office, upon request, shall publish a list of the names and addresses of all licensees under the provisions of this Act. The Office shall publish a list of all persons whose licenses have been disciplined within the past year, together with such other information as it may consider of interest to the public.

Section 90. Penalties. Any natural person who violates any of the following provisions is guilty of a Class A misdemeanor for the first offense and a corporation or other entity that violates any of the following provision commits a business offense punishable by a fine not to exceed $5,000; a second or

subsequent offense in violation of any Section of this Act, including this Section, is a Class 4 felony if committed by a natural person, or a business offense punishable by a fine of up to $10,000 if committed by a corporation or other business entity:

(1) Practicing or attempting to practice as a lead pyrotechnic operator without a license;

(2) Obtaining or attempting to obtain a license, practice or business, or any other thing of value by fraudulent representation;

(3) Permitting, directing, or authorizing any person in one's employ or under one's direction or supervision to work or serve as a licensee if that individual does not possess an appropriate valid license.

Whenever any person is punished as a repeat offender under this Section, the Office may proceed to obtain a permanent injunction against the person under Section 10. If any person in making any oath or affidavit required by this Act swears falsely, the person is guilty of perjury and upon conviction may be punished accordingly.

Section 905. The Illinois Explosives Act is amended by changing Section 2001 as follows:

(225 ILCS 210/2001) (from Ch. 96 1/2, par. 1-2001)

Sec. 2001. No person shall possess, use, purchase or transfer explosive materials unless licensed by the Department except as otherwise provided by this Act and the Pyrotechnic Operator Licensing Act. (Source: P.A. 86-364.)

Section 910. The Fireworks Use Act is amended by changing Section 2 as follows:

(425 ILCS 35/2) (from Ch. 127 1/2, par. 128)

Sec. 2. Except as hereinafter provided it shall be unlawful for any person, firm, co-partnership, or corporation to knowingly possess, offer for sale, expose for sale, sell at retail, or use or explode any fireworks; provided that city councils in cities, the president and board of trustees in villages and incorporated towns, and outside the corporate limits of cities, villages and incorporated towns, the county board, shall have power to adopt reasonable rules and regulations for the granting of permits for supervised public displays of fireworks. Every such display shall be handled by a competent individual who is licensed as a lead pyrotechnic operator ~~designated by the local authorities herein specified and shall be of such a character and so located, discharged or fired, as not to be hazardous to property or endanger any person or persons~~. Application for permits shall be made in writing at least 15 days in advance of the date of the display and action shall be taken on such application within 48 hours after such application is made. After such privilege shall have been granted, sales, possession, use and distribution of fireworks for such display shall be lawful for that purpose only. No permit granted hereunder shall be transferable.

Permits may be granted hereunder to any groups of 3 or more adult individuals applying therefor. No permit shall be required, under the provisions of this Act, for supervised public displays by State or County fair associations.

The governing body shall require proof of insurance ~~a bond~~ from the permit applicant ~~licensee~~ in a sum not less than 1,000,000 ~~$1,000~~ conditioned on compliance with the provisions of this law and the regulations of the State Fire Marshal adopted hereunder, except that no municipality shall be required to provide evidence of insurance ~~file such bond~~.

Such permit shall be issued only after inspection of the display site by the issuing officer, to determine that such display shall be in full compliance with the rules of the State Fire Marshall, which shall be based upon nationally recognized standards such as those of the National Fire Protection Association (NFPA) 1123 guidelines for outdoor displays and NFPA 1126 guidelines for indoor displays and shall not be hazardous to property or endanger any person or persons. Nothing in this Section shall prohibit the issuer of the permit from adopting more stringent rules.

All indoor pyrotechnic displays shall be conducted in buildings protected by automatic sprinkler systems.

The chief of the fire department providing fire protection coverage to the area of display, or his or her designee, shall sign the permit. ~~Forms for such application and permit may be obtained from the Office of the State Fire Marshal. One copy of such permit shall be on file with the issuing officer, and one copy forwarded to the Office of the State Fire Marshal.~~

Possession by any party holding a certificate of registration under "The Fireworks Regulation Act of Illinois", filed July 20, 1935, or by any employee or agent of such party or by any person transporting fireworks for such party, shall not be a violation, provided such possession is within the scope of business of the fireworks plant registered under that Act. (Source: P.A. 86-1028.)

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

AMENDMENT NO. 3

AMENDMENT NO. 3. Amend House Bill 1482, AS AMENDED, with reference to page and line numbers of Senate Amendment No. 2, on page 1, line 9, by replacing "173.50" with "173.50, except a substance or article exempted under the Fireworks Use Act".

AMENDMENT NO. 4

AMENDMENT NO. 4____. Amend House Bill 1482, AS AMENDED, with reference to page and line numbers of Senate Amendment No. 2, on page 5, line 3, by replacing "Each applicant shall" with "The Office may require each applicant to"; and
on page 5, line 8, by replacing "Each applicant for a license shall submit" with "The Office may require each applicant to submit"; and
on page 16, line 22, by replacing "1,000,000" with "$1,000,000; and
on page 16, line 29, by replacing "Marshall" with "Marshal".

The foregoing message from the Senate reporting Senate Amendments numbered 2, 3 and 4 to HOUSE BILL 1482 was placed on the Calendar on the order of Concurrence.

A message from the Senate by
Ms. Hawker, Secretary:

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

HOUSE BILL 1006

A bill for AN ACT concerning the regulation of professions.

Together with the attached amendment thereto (which amendment has been printed by the Senate), in the adoption of which I am instructed to ask the concurrence of the House, to-wit:

Senate Amendment No. 1 to HOUSE BILL NO. 1006

Passed the Senate, as amended, May 29, 2003.

Linda Hawker, Secretary of the Senate

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend House Bill 1006 by replacing everything after the enacting clause with the following:

"Section 5. The Elevator Safety and Regulation Act is amended by changing Section 20 as follows:

(225 ILCS 312/20) (Section scheduled to be repealed on January 1, 2013)

Sec. 20. License required. (a) After January 1, 2004 ~~July 1, 2003~~, no person shall erect, construct, wire, alter, replace, maintain, remove, or dismantle any conveyance contained within buildings or structures in the jurisdiction of this State unless he or she possesses an elevator mechanic's license under this Act and unless he or she works under the direct supervision of a person, firm, or company having an elevator contractor's license in accordance with Section 40 of this Act or exempted by that Section. However, a licensed elevator contractor is not required for removal or dismantling of conveyances that are destroyed as a result of a complete demolition of a secured building or structure or where the hoistway or wellway is demolished back to the basic support structure and where no access is permitted that would endanger the safety and welfare of a person.

(b) After January 1, 2004 ~~July 1, 2003~~, no person shall inspect any conveyance within buildings or structures, including, but not limited, to private residences, unless he or she has an inspector's license. (Source: P.A. 92-873, eff. 6-1-03.)

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

The foregoing message from the Senate reporting Senate Amendment No. 1 to HOUSE BILL 1006 was placed on the Calendar on the order of Concurrence.

A message from the Senate by
Ms. Hawker, Secretary:

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

SENATE JOINT RESOLUTION NO. 36

WHEREAS, Minorities and women seeking apprenticeship and trainee opportunities in the building trades allege the existence of racial and gender discrimination in hiring on public construction contracts; and

WHEREAS, Minority-owned and female-owned companies allege that contractors on public construction projects engage in racial and gender discrimination; and

WHEREAS, The State of Illinois spends billions of dollars on public construction projects;

WHEREAS, The State of Illinois has a compelling State interest to eliminate racial and gender discrimination in State-funded public construction programs to effect an efficient procurement process; and

WHEREAS, No State agency has undertaken a comprehensive study to determine the existence and the extent of racial and gender discrimination on public construction projects during the last 5 years, therefore, be it

RESOLVED, BY THE SENATE OF THE NINETY-THIRD GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, THE HOUSE OF REPRESENTATIVES CONCURRING HEREIN, that there is created the Commission on Opportunity in State Public Construction, which shall consist of 17 members as follows: (i) 7 members appointed by the Governor, 2 of whom are representatives of a labor organization engaged in the building trades, 2 of whom are representatives of organizations that represent the interests of construction companies, one of whom is a representative of an organization that represents the interests of minority-owned business enterprises, one of whom is a representative of an organization that represents female-owned business enterprises, one of whom is a representative of an organization that advocates for the civil rights of women, one of whom is a representative of an organization that advocates for the civil rights of African Americans, one of whom is a representative of an organization that advocates for the civil rights of Hispanic Americans, and one of whom is a representative of an organization that advocates for the civil rights of Asian Pacific and South Asian Americans; (ii) one member appointed by the President of the Senate; (iii) one member appointed by the Minority Leader of the Senate; (iv) one member appointed by the Speaker of the House of Representatives; (v) one member appointed by the Minority Leader of the House of Representatives; (vi) the Attorney General or his or her designee; (vii) the Director of the Capital Development Board or his or her designee; and (viii) the Secretary of Transportation or his or her designee, all of whom shall serve without compensation but shall be reimbursed for their reasonable and necessary expenses from appropriations available for that purpose; the appointments shall be made before September 1, 2003; the members shall elect one member to serve as chairperson of the Commission; and be it further

RESOLVED, That the Commission shall ascertain through public hearings and social-scientific research: (i) whether there is a pattern of racial and gender discrimination in employment on State public construction projects; (ii) whether there is a pattern of racial and gender discrimination in contracting on State public construction projects; (iii) the extent, if any, of racial and gender discrimination in employment on State public construction projects; and (iv) the nature, if any, of race and gender-neutral barriers to entry to employment or contracting for minorities and women on State public construction projects; if the Commission determines that there is racial and gender-based discrimination in State public construction projects, then the Commission shall develop policy recommendations to remedy the racial and gender-based discrimination; if the Commission determines that there are race and gender-neutral barriers to minority and female participation on State public construction projects, then the Commission shall develop policy recommendations to reduce the barriers to full participation; nothing in this resolution precludes the Commission from recognizing the existence, if any, of racial and gender-based discrimination or neutral barriers, or both, to minority and female participation on State public construction projects and developing policy recommendations to address both issues; the Commission shall have investigatory power pursuant to 25 ILCS 5/Act; the Commission shall deliver a report of its findings, the transcripts of its public hearings, and its social-scientific research to the Governor and to the General Assembly by June 30, 2004; and be it further

RESOLVED, That the Capital Development Board and the Department of Transportation shall provide staff assistance as is reasonably required to permit the Commission to fulfill its functions; the Illinois

Department of Transportation is authorized to receive appropriations from the General Assembly to fund social-scientific research related to the Commission's function; the Department of Transportation, on behalf of the Commission, is authorized to contract with a university, consulting firm, or other reputable research organization to conduct a social-scientific study on race and gender discrimination on State public construction projects; and be it further

RESOLVED, That a suitable copy of this resolution be delivered to the Governor, the Attorney General, the Director of the Capital Development Board, and the Secretary of Transportation.

Adopted by the Senate, May 29, 2003.

Linda Hawker, Secretary of the Senate

A message from the Senate by

Ms. Hawker, Secretary:

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

HOUSE BILL 2362

A bill for AN ACT in relation to labor relations.

Together with the attached amendment thereto (which amendment has been printed by the Senate), in the adoption of which I am instructed to ask the concurrence of the House, to-wit:

Senate Amendment No. 1 to HOUSE BILL NO. 2362

Passed the Senate, as amended, May 29, 2003.

Linda Hawker, Secretary of the Senate

AMENDMENT NO. 1

AMENDMENT NO. 1____. Amend House Bill 2362 by replacing everything after the enacting clause with the following:

"Section 5. The Illinois Public Labor Relations Act is amended by changing Section 9 as follows:

(5 ILCS 315/9) (from Ch. 48, par. 1609)

Sec. 9. Elections; recognition. (a) Whenever in accordance with such regulations as may be prescribed by the Board a petition has been filed:

(1) by a public employee or group of public employees or any labor organization acting in their behalf demonstrating that 30% of the public employees in an appropriate unit (A) wish to be represented for the purposes of collective bargaining by a labor organization as exclusive representative, or (B) asserting that the labor organization which has been certified or is currently recognized by the public employer as bargaining representative is no longer the representative of the majority of public employees in the unit; or

(2) by a public employer alleging that one or more labor organizations have presented to it a claim that they be recognized as the representative of a majority of the public employees in an appropriate unit, the Board shall investigate such petition, and if it has reasonable cause to believe that a question of representation exists, shall provide for an appropriate hearing upon due notice. Such hearing shall be held at the offices of the Board or such other location as the Board deems appropriate. If it finds upon the record of the hearing that a question of representation exists, it shall direct an election in accordance with subsection (d) of this Section, which election shall be held not later than 120 days after the date the petition was filed regardless of whether that petition was filed before or after the effective date of this amendatory Act of 1987; provided, however, the Board may extend the time for holding an election by an additional 60 days if, upon motion by a person who has filed a petition under this Section or is the subject of a petition filed under this Section and is a party to such hearing, or upon the Board's own motion, the Board finds that good cause has been shown for extending the election date; provided further, that nothing in this Section shall prohibit the Board, in its discretion, from extending the time for holding an election for so long as may be necessary under the circumstances, where the purpose for such

extension is to permit resolution by the Board of an unfair labor practice charge filed by one of the parties to a representational proceeding against the other based upon conduct which may either affect the existence of a question concerning representation or have a tendency to interfere with a fair and free election, where the party filing the charge has not filed a request to proceed with the election; and provided further that prior to the expiration of the total time allotted for holding an election, a person who has filed a petition under this Section or is the subject of a petition filed under this Section and is a party to such hearing or the Board, may move for and obtain the entry of an order in the circuit court of the county in which the majority of the public employees sought to be represented by such person reside, such order extending the date upon which the election shall be held. Such order shall be issued by the circuit court only upon a judicial finding that there has been a sufficient showing that there is good cause to extend the election date beyond such period and shall require the Board to hold the election as soon as is feasible given the totality of the circumstances. Such 120 day period may be extended one or more times by the agreement of all parties to the hearing to a date certain without the necessity of obtaining a court order. Nothing in this Section prohibits the waiving of hearings by stipulation for the purpose of a consent election in conformity with the rules and regulations of the Board or an election in a unit agreed upon by the parties. Other interested employee organizations may intervene in the proceedings in the manner and within the time period specified by rules and regulations of the Board. Interested parties who are necessary to the proceedings may also intervene in the proceedings in the manner and within the time period specified by the rules and regulations of the Board.

(b) The Board shall decide in each case, in order to assure public employees the fullest freedom in exercising the rights guaranteed by this Act, a unit appropriate for the purpose of collective bargaining, based upon but not limited to such factors as: historical pattern of recognition; community of interest including employee skills and functions; degree of functional integration; interchangeability and contact among employees; fragmentation of employee groups; common supervision, wages, hours and other working conditions of the employees involved; and the desires of the employees. For purposes of this subsection, fragmentation shall not be the sole or predominant factor used by the Board in determining an appropriate bargaining unit. Except with respect to non-State fire fighters and paramedics employed by fire departments and fire protection districts, non-State peace officers and peace officers in the State Department of State Police, a single bargaining unit determined by the Board may not include both supervisors and nonsupervisors, except for bargaining units in existence on the effective date of this Act. With respect to non-State fire fighters and paramedics employed by fire departments and fire protection districts, non-State peace officers and peace officers in the State Department of State Police, a single bargaining unit determined by the Board may not include both supervisors and nonsupervisors, except for bargaining units in existence on the effective date of this amendatory Act of 1985.

In cases involving an historical pattern of recognition, and in cases where the employer has recognized the union as the sole and exclusive bargaining agent for a specified existing unit, the Board shall find the employees in the unit then represented by the union pursuant to the recognition to be the appropriate unit.

Notwithstanding the above factors, where the majority of public employees of a craft so decide, the Board shall designate such craft as a unit appropriate for the purposes of collective bargaining.

The Board shall not decide that any unit is appropriate if such unit includes both professional and nonprofessional employees, unless a majority of each group votes for inclusion in such unit.

(c) Nothing in this Act shall interfere with or negate the current representation rights or patterns and practices of labor organizations which have historically represented public employees for the purpose of collective bargaining, including but not limited to the negotiations of wages, hours and working conditions, discussions of employees' grievances, resolution of jurisdictional disputes, or the establishment and maintenance of prevailing wage rates, unless a majority of employees so represented express a contrary desire pursuant to the procedures set forth in this Act.

(d) In instances where the employer does not voluntarily recognize a labor organization as the exclusive bargaining representative for a unit of employees, the Board shall determine the majority representative of the public employees in an appropriate collective bargaining unit by conducting a secret ballot election. Within 7 days after the Board issues its bargaining unit determination and direction of election or the execution of a stipulation for the purpose of a consent election, the public employer shall submit to the labor organization the complete names and addresses of those employees who are determined by the Board to be eligible to participate in the election. When the Board has determined that a labor organization has been fairly and freely chosen by a majority of employees in an appropriate unit, it shall certify such organization as the exclusive representative. If the Board determines that a majority of employees in an

appropriate unit has fairly and freely chosen not to be represented by a labor organization, it shall so certify. The Board may also revoke the certification of the public employee organizations as exclusive bargaining representatives which have been found by a secret ballot election to be no longer the majority representative.

(e) The Board shall not conduct an election in any bargaining unit or any subdivision thereof within which a valid election has been held in the preceding 12-month period. The Board shall determine who is eligible to vote in an election and shall establish rules governing the conduct of the election or conduct affecting the results of the election. The Board shall include on a ballot in a representation election a choice of "no representation". A labor organization currently representing the bargaining unit of employees shall be placed on the ballot in any representation election. In any election where none of the choices on the ballot receives a majority, a runoff election shall be conducted between the 2 choices receiving the largest number of valid votes cast in the election. A labor organization which receives a majority of the votes cast in an election shall be certified by the Board as exclusive representative of all public employees in the unit.

(f) Nothing in this or any other Act prohibits recognition of a labor organization as the exclusive representative by a public employer by mutual consent of the employer and the labor organization, provided that the labor organization represents a majority of the public employees in an appropriate unit. Any employee organization which is designated or selected by the majority of public employees, in a unit of the public employer having no other recognized or certified representative, as their representative for purposes of collective bargaining may request recognition by the public employer in writing. The public employer shall post such request for a period of at least 20 days following its receipt thereof on bulletin boards or other places used or reserved for employee notices.

(g) Within the 20-day period any other interested employee organization may petition the Board in the manner specified by rules and regulations of the Board, provided that such interested employee organization has been designated by at least 10% of the employees in an appropriate bargaining unit which includes all or some of the employees in the unit recognized by the employer. In such event, the Board shall proceed with the petition in the same manner as provided by paragraph (1) of subsection (a) of this Section.

(h) No election shall be directed by the Board in any bargaining unit where there is in force a valid collective bargaining agreement. The Board, however, may process an election petition filed between 90 and 60 days prior to the expiration of the date of an agreement, and may further refine, by rule or decision, the implementation of this provision. Where more than 4 years have elapsed since the effective date of the agreement, the agreement shall continue to bar an election, except that the Board may process an election petition filed between 90 and 60 days prior to the end of the fifth year of such an agreement, and between 90 and 60 days prior to the end of each successive year of such agreement. ~~No collective bargaining agreement bars an election upon the petition of persons not parties thereto where more than 3 years have elapsed since the effective date of the agreement.~~

(i) An order of the Board dismissing a representation petition, determining and certifying that a labor organization has been fairly and freely chosen by a majority of employees in an appropriate bargaining unit, determining and certifying that a labor organization has not been fairly and freely chosen by a majority of employees in the bargaining unit or certifying a labor organization as the exclusive representative of employees in an appropriate bargaining unit because of a determination by the Board that the labor organization is the historical bargaining representative of employees in the bargaining unit, is a final order. Any person aggrieved by any such order issued on or after the effective date of this amendatory Act of 1987 may apply for and obtain judicial review in accordance with provisions of the Administrative Review Law, as now or hereafter amended, except that such review shall be afforded directly in the Appellate Court for the district in which the aggrieved party resides or transacts business. Any direct appeal to the Appellate Court shall be filed within 35 days from the date that a copy of the decision sought to be reviewed was served upon the party affected by the decision. (Source: P.A. 87-736; 88-1.)

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

The foregoing message from the Senate reporting Senate Amendment No. 1 to HOUSE BILL 2362 was placed on the Calendar on the order of Concurrence.

A message from the Senate by

Ms. Hawker, Secretary:

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

HOUSE BILL 2550

A bill for AN ACT concerning mortgages.

Together with the attached amendment thereto (which amendment has been printed by the Senate), in the adoption of which I am instructed to ask the concurrence of the House, to-wit:

Senate Amendment No. 3 to HOUSE BILL NO. 2550

Passed the Senate, as amended, May 29, 2003.

Linda Hawker, Secretary of the Senate

AMENDMENT NO. 3

AMENDMENT NO. 3____. Amend House Bill 2550 by replacing everything after the enacting clause with the following:

"Section 5. The Mortgage Act is amended by changing Section 2 as follows:

(765 ILCS 905/2) (from Ch. 95, par. 52)

Sec. 2. Every mortgagee of real property, his assignee of record, or other legal representative, having received full satisfaction and payment of all such sum or sums of money as are really due to him from the mortgagor, and every trustee, or his successor in trust, in a deed of trust in the nature of a mortgage, the notes, bonds or other indebtedness secured thereby having been fully paid before September 7, 1973, shall, at the request of the mortgagor, or grantor in a deed of trust in the nature of a mortgage, his heirs, legal representatives or assigns, in case such mortgage or trust deed has been recorded or registered, make, execute and deliver to the mortgagor or grantor in a deed of trust in the nature of a mortgage, his heirs, legal representatives or assigns, an instrument in writing executed in conformity with the provisions of this section releasing such mortgage or deed of trust in the nature of a mortgage, which release shall be entitled to be recorded or registered and the recorder or registrar upon receipt of such a release and the payment of the recording fee therefor shall record or register the same.

Mortgages of real property and deeds of trust in the nature of a mortgage shall be released of record only in the manner provided herein or as provided in the Mortgage Certificate of Release Act; however, nothing contained in this Act shall in any manner affect the validity of any release of a mortgage or deed of trust made prior to January 1, 1952 on the margin of the record.

Except in the case of a mortgage that is required to be released under the Mortgage Certificate of Release Act, every mortgagee of real property, his assignee of record, or other legal representative, having received full satisfaction and payment of all such sum or sums of money as are really due to him from the mortgagor, and every trustee, or his successor in trust, in a deed of trust in the nature of a mortgage, the notes, bonds or other indebtedness secured thereby having been fully paid after September 7, 1973, shall make, execute and deliver to the mortgagor or grantor in a deed of trust in the nature of a mortgage, his heirs, legal representatives or assigns, an instrument in writing releasing such mortgage or deed of trust in the nature of a mortgage or shall deliver that release to the recorder or registrar for recording or registering. If the release is delivered to the mortgagor or grantor, it must have imprinted on its face in bold letters at least 1/4 inch in height the following: "FOR THE PROTECTION OF THE OWNER, THIS RELEASE SHALL BE FILED WITH THE RECORDER OR THE REGISTRAR OF TITLES IN WHOSE OFFICE THE MORTGAGE OR DEED OF TRUST WAS FILED". The recorder, or registrar, upon receipt of such a release and the payment of the recording or registration fee, shall record or register the release. A certificate of release issued and recorded by a title insurance company or its duly appointed agent pursuant to the Mortgage Certificate of Release Act shall satisfy the requirements of this Section 2. (Source: P.A. 92-765, eff. 8-6-02.)

Section 10. The Mortgage Certificate of Release Act is amended by changing Sections 5, 10, 15, 20, 35, 40, and 50 and by adding Section 10.1 and 70 as follows:

(765 ILCS 935/5) (Section scheduled to be repealed on January 1, 2004)

Sec. 5. Definitions. As used in this Act:

"Hold-harmless agreement" means a letter whereby a title insurance company, as defined in the Title Insurance Act, agrees to indemnify another title insurance company preparing to insure a present transaction that the indemnifying title insurance company has previously insured over without taking an exception to its title insurance policy for matters remaining of record, such as a previously paid but

unreleased mortgage. A model form of a hold-harmless agreement is set forth in Section 70 of this Act.

"Mortgage" means a mortgage or mortgage lien on an interest in one-to-four family residential real property in this State given to secure a loan in the original principal amount of less than $500,000. Trust deeds are not included.

"Mortgagee" means either: (i) the grantee of a mortgage; or (ii) if a mortgage has been assigned of record, the last person to whom the mortgage has been assigned of record.

"Mortgage servicer" means the last person to whom a mortgagor or the mortgagor's successor in interest has been instructed by a mortgagee to send payments on a loan secured by a mortgage. A person transmitting a payoff statement is the mortgage servicer for the mortgage described in the payoff statement.

"Mortgagor" means the grantor of a mortgage.

~~"Notice of intention to file certificate of release" means a statement from a title insurance company or title insurance agent to the person to whom payment of the loan secured by the mortgage was made in accordance with the payoff statement of the intention to record a certificate of release.~~

"Payoff statement" means a statement for the amount of the (i) unpaid balance of a loan secured by a mortgage, including principal, interest, and any other charges due under or secured by the mortgage; and (ii) interest on a per day basis for the unpaid balance.

"Record" means to deliver the certificate of release for recording with the county recorder.

"Title insurance agent" has the same meaning ascribed to it as in Section 3 of the Title Insurance Act.

"Title insurance company" has the same meaning ascribed to it as in Section 3 of the Title Insurance Act. (Source: P.A. 92-765, eff. 8-6-02.)

(765 ILCS 935/10) (Section scheduled to be repealed on January 1, 2004)

Sec. 10. Mortgage presently being paid off. Receipt of payment pursuant to the lender's written payoff statement shall constitute authority to record a certificate of release. ~~Content and delivery of notice of intention to file certificate of release. (a) The Notice of intention to file a certificate of release shall state that if the title insurance company or title insurance agent does not receive from the mortgagee or mortgage servicer or its successor in interest either a release or a written objection to the issuance of a certificate of release pursuant to subsection (c) of this Section,~~ A certificate of release shall ~~may~~ be delivered for recording to the recorder of each county in which the mortgage is recorded, together with the other documents from the new transaction, including a deed or new mortgage, or both by the title insurance company or its duly appointed agent. ~~A notice of intention to file a certificate of release should be in a form and include content that substantially complies with Section 65 of this Act. The notice of intention shall include a copy of the closing statement or HUD-1 form and the payoff check or a copy of it, or a copy of the wire transfer order.~~

~~(b) The notice of intention to file a certificate of release shall be sent by certified mail, return receipt requested, with postage prepaid, or by another service providing receipted delivery, no sooner than the day of closing and no later than 30 days after receipt of payment. The notice shall be delivered to the location identified in the payoff statement or as otherwise directed in writing by the mortgagee or mortgage servicer or its successor in interest. The notice may be sent with the payment, and need not be sent separately.~~

~~(c) Within 90 days after receipt of the notice of intention to file a certificate of release, the mortgagee or mortgage servicer or its successor in interest may issue a release or may object in writing to the issuance of a certificate of release, and by doing so shall prevent the title insurance company or title insurance agent from executing and recording a certificate of release pursuant to this Act. Any written objection submitted by the mortgagee or mortgage servicer or its successor in interest shall state the reason for which the release or certificate of release should not be issued. The written objection shall be sent to the title insurance company or title insurance agent by certified mail, return receipt requested, with postage prepaid, or by another service providing receipted delivery. A title insurance company or title insurance agent shall not cause a certificate of release to be recorded pursuant to this Section if the title insurance company or title insurance agent receives a written objection from the mortgagee or mortgage servicer or its successor in interest.~~ (Source: P.A. 92-765, eff. 8-6-02.)

(765 ILCS 935/10.1 new)

Sec. 10.1. Previously paid mortgages. A title insurance company or its duly appointed title insurance agent may issue a mortgage certificate of release pursuant to this Act for a mortgage that appears in the chain of title prior to the mortgage presently being paid. The title insurance company must have proof of payment from its own prior files that it paid the mortgage or mortgages pursuant to a payoff statement. Where another title insurance company has paid off an unreleased mortgage pursuant to a payoff statement, the title insurance company or its duly appointed title insurance agent in the current transaction may rely upon the hold-harmless letter of that prior title insurance company to issue a mortgage certificate of release.

This grant of authority is subject to the condition that the issuer of the mortgage certificate of release does not have notice that the lender opposes its release. A single mortgage certificate of release may include more than one mortgage, including both presently and previously paid mortgages.

(765 ILCS 935/15) (Section scheduled to be repealed on January 1, 2004)

Sec. 15. Certificate of release. An officer or duly appointed agent of a title insurance company may, on behalf of a mortgagor or a person who has acquired from a mortgagor title to all or part of the property described in the mortgage, execute a certificate of release that complies with the requirements of this Act and record the certificate of release with the recorder of each county in which the mortgage is recorded, provided that payment of the loan secured by the mortgage was made in accordance with a written payoff statement furnished by the mortgagee or the mortgage servicer. The title insurance company or its duly appointed agent shall not be required to search the public record for a possible recorded satisfaction or release. ~~, that a satisfaction or release of the mortgage has not previously been recorded, and that a notice of intention to file a certificate of release was sent in accordance with Section 10.~~ (Source: P.A. 92-765, eff. 8-6-02.)

(765 ILCS 935/20) (Section scheduled to be repealed on January 1, 2004)

Sec. 20. Contents of certificate of release. A certificate of release executed under this Act must contain substantially all of the following for each mortgage being released:

(a) The name of the mortgagor, the name of the original mortgagee, and, if applicable, the mortgage servicer at the date of the mortgage, the date of recording, and the volume and page or document number or other official recording designation in the real property records where the mortgage is recorded, ~~, together with similar information for the last recorded assignment of the mortgage.~~

(b) A statement that the mortgage was paid in accordance with the written payoff statement ~~received from the mortgagee or mortgage servicer~~ and there is no objection from the mortgagee or mortgage servicer or its successor in interest. With respect to previously paid mortgages, the hold-harmless letter from a title insurance company, as provided in Section 10.1 of this Act, shall satisfy this requirement.

(c) A statement that the person executing the certificate of release is an officer or a duly appointed agent of a title insurance company authorized and licensed to transact the business of insuring titles to interests in real property in this State pursuant to subsections (2) and (3) of Section 3 of the Title Insurance Act.

(d) A statement that the certificate of release is made on behalf of the mortgagor or a person who acquired title from the mortgagor to all or a part of the property described in the mortgage.

(e) A statement that the mortgagee or mortgage servicer provided a written payoff statement. The hold-harmless letter from a title insurance company, as provided in Section 10.1 of this Act, shall satisfy this requirement with respect to previously paid mortgages. (Source: P.A. 92-765, eff. 8-6-02.)

(765 ILCS 935/35) (Section scheduled to be repealed on January 1, 2004)

Sec. 35. Effect of recording certificate of release. For purposes of releasing the lien of the mortgage, a certificate of release containing the information and statements provided for in Section 20 and executed as provided in Section 25 is prima facie evidence of the facts contained therein, and upon being recorded with the recorder, shall constitute a release of the lien of the mortgage described in the certificate of release. The title insurance company or title insurance agent recording the certificate of release may use the recording fee it may have collected for the recording of a release or satisfaction of the mortgage to effect the recording of the certificate of release. (Source: P.A. 92-765, eff. 8-6-02.)

(765 ILCS 935/40) (Section scheduled to be repealed on January 1, 2004)

Sec. 40. Wrongful or erroneous certificate of release. Recording of a wrongful or erroneous certificate of release by a title insurance company or its title insurance agent shall not relieve the mortgagor or the mortgagor's successors or assignees from any personal liability on the loan or other obligations secured by the mortgage. In addition to any other remedy provided by law, a title insurance company executing or recording a certificate of release under this Act ~~that has actual knowledge that the information and statements contained therein are false~~ is liable to the mortgagee for actual damages sustained due to the recording of the certificate of release. The prevailing party in any action or proceeding seeking actual damages due to the recording of a certificate of release shall be entitled to the recovery of reasonable attorneys fees and costs incurred in that action or proceeding. (Source: P.A. 92-765, eff. 8-6-02.)

(765 ILCS 935/50) (Section scheduled to be repealed on January 1, 2004)

Sec. 50. Form of certificate of release. A certificate of release, in substantially the following form, allowing for alterations to permit the inclusion of multiple mortgages, both presently and previously paid, complies with this Act.

CERTIFICATE OF RELEASE

Date:....Title Order No.:.....
1. Name of mortgagor(s):.....
2. Name of original mortgagee:.....
3. Name of mortgage servicer (if any):.....
~~4. Name of last assignee of mortgage or record (if any):.....~~
4. ~~5.~~ Mortgage recording: Vol.:.....Page:.....or Document No.:.....
~~6. Last assignment recording (if any):~~
~~Vol.:.....Page:.....or Document No.:.....~~
5. ~~7.~~ The above referenced mortgage has been paid in accordance with the payoff statement ~~received from.....~~, and there is no objection from the mortgagee or mortgage servicer or its successor in interest to the recording of this certificate of release.
6. ~~8.~~ The person executing this certificate of release is an officer or duly appointed agent of a title insurance company authorized and licensed to transact the business of insuring titles to interests in real property in this State pursuant to Section 30 of this Act.
7. ~~9.~~ This certificate of release is made on behalf of the mortgagor or a person who acquired title from the mortgagor to all or part of the property described in the mortgage.
8. ~~10.~~ The mortgagee or mortgage servicer provided a payoff statement.
9. ~~11.~~ The property described in the mortgage is as follows:
Permanent Index Number:.....
Common Address:.....
(Name of title insurance company)
By:.....
(Name of officer and title or name of agent and name of officer / representative thereof)
Address:.....
Telephone No.:.....
State of Illinois)
)
County of)
This instrument was acknowledged before me on .....(date) by .....(name of person) as .....(officer for / agent of) .....(title insurance company).
.....
Notary Public
My commission expires on..... (Source: P.A. 92-765, eff. 8-6-02.)

(765 ILCS 935/70 new)

Sec. 70. Form of hold-harmless agreement. A hold-harmless agreement in substantially the following form, allowing for alterations to reflect the facts of the transaction and identity of the title insurance companies, complies with this Act.

Hold-harmless Agreement

TO: ..... (Presently insuring title insurance company)
Re: Policy No.: ..... (Previously insuring title insurance company)
Policy amount: $.....
Policy/Commitment No.: ..... (Presently insuring title insurance company)
You show as exception number(s) ..... in your above referenced commitment for title insurance dated ....., the following exception(s):
Mortgage dated ....., recorded as Document No. ..... made by ..... (borrow) to ..... (lender) to secure an indebtedness in the amount of $.....
For and in consideration of your deleting said exception(s), we agree to indemnify you against loss that you may sustain as a result of said deletion. In no event may said indemnity exceed the face amount of our policy as noted above.
In the event any claim is made against you as a result of your deletion, you agree to notify us within 30 days of the date the claim is made.
Any action you take with respect to the claim will not obligate us under this letter unless the aforesaid notice has been furnished us and we have adequate time to consider our approval or disapproval of the action.
.....
Title Insurance Company (Previously insuring)

(765 ILCS 935/65 rep.)

(765 ILCS 935/90 rep.)

Section 20. The Mortgage Certificate of Release Act is amended by repealing Sections 65 and 90.

Section 99. Effective date. This Act takes effect December 31, 2003.".

The foregoing message from the Senate reporting Senate Amendment No. 3 to HOUSE BILL 2550 was placed on the Calendar on the order of Concurrence.

A message from the Senate by

Ms. Hawker, Secretary:

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

HOUSE BILL 495

A bill for AN ACT in relation to schools.

Together with the attached amendments thereto (which amendments have been printed by the Senate), in the adoption of which I am instructed to ask the concurrence of the House, to-wit:

Senate Amendment No. 2 to HOUSE BILL NO. 495

Senate Amendment No. 3 to HOUSE BILL NO. 495

Passed the Senate, as amended, May 27, 2003.

Linda Hawker, Secretary of the Senate

AMENDMENT NO. 2

AMENDMENT NO. 2. Amend House Bill 495 by replacing everything after the enacting clause with the following:

"Section 5. The School Code is amended by adding Section 2-3.131 and changing Section 3-14.20 as follows:

(105 ILCS 5/2-3.131 new)

Sec. 2-3.131. Inspection and review of school facilities; task force.

(a) The State Board of Education shall adopt rules for the documentation of inspections and reviews of school facilities, including the responsible individual's signature. Such documents shall be kept on file by the regional superintendent of schools.

(b) The State Board of Education shall convene a task force for the purpose of reviewing the documents required under rules adopted under subsection (a) of this Section and making recommendations regarding training and accreditation of individuals, including regional superintendents of schools (and their designees) and municipal and county building and fire officials (and their designees), with respect to the inspection of school facilities.

The task force shall consist of all of the following members:

(1) The Executive Director of the Capital Development Board or his or her designee.

(2) The State Superintendent of Education or his or her designee.

(3) A person appointed by the State Board of Education.

(4) A person appointed by the Illinois Statewide School Management Alliance.

(5) A person appointed by ED-RED.

(6) A person appointed by the American Institute of Architects Illinois.

(7) The Chairman of the Illinois Building Commission or his or her designee.

(8) A person appointed by the Illinois Association of Regional Superintendents of Schools.

(9) A person appointed by the Illinois Fire Inspectors Association.

(10) A person appointed by the Illinois Council of Code Administrators.

(11) A person appointed by the Illinois Plumbing Inspectors Association.

(12) A person appointed by the Illinois Congress of Parents and Teachers.

(13) A person appointed by the Illinois Municipal League.

The task force shall issue a report of its findings to the Governor and the General Assembly no later than June 30, 2004.

(105 ILCS 5/3-14.20) (from Ch. 122, par. 3-14.20)

Sec. 3-14.20. Building plans and specifications. To inspect the building plans and specifications, including but not limited to plans and specifications for the heating, ventilating, lighting, seating, water supply, toilets and safety against fire of public school rooms and buildings submitted to him by school boards, and to approve all those which comply substantially with the building code authorized in Section 2-3.12.

Within 10 days after the regional superintendent of schools receives the plans and specifications from a school board and prior to the bidding process, he or she shall notify, in writing, the municipal clerk and, if applicable, the fire chief for the fire protection district where the school that is being constructed or altered lies that plans and specifications have been received. In the case of an unincorporated area, the county clerk shall be notified. If the municipality, fire protection district, or county request a review of the plans and specifications, then the school board shall submit a copy of the plans and specifications. The municipality and, if applicable, the fire protection district or county may comment in writing on the plans and specifications based on the building code authorized in Section 2-3.12, referencing the specific code where a discrepancy has been identified, and respond back to the regional superintendent of schools within 15 days after a copy of the plans and specifications have been received or, if needed for plan review, such additional time as agreed to by the regional superintendent of schools. ~~The local fire department or fire protection district where the school is being constructed or altered may request a review of the plans and specifications. The regional superintendent of schools shall submit a copy of the plans and specifications within 10 business days after the request. The fire department or fire protection district may comment on the plans and specifications based on the building code authorized in Section 2-3.12 of the Code and, if any corrective action must be taken, shall respond to the regional superintendent of schools within 15 days after receipt of the plans and specifications. The Office of the State Fire Marshal may review the plans and specifications at the request of the fire department or fire protection district. The review must be conducted at no cost to the school district.~~

If such plans and specifications are not approved or denied approval by the regional superintendent of schools within 3 months after the date on which they are submitted to him or her, the school board may submit such plans and specifications directly to the State Superintendent of Education for approval or denial. (Source: P.A. 92-593, eff. 1-1-03.)

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

AMENDMENT NO. 3

AMENDMENT NO. 3. Amend House Bill 495, AS AMENDED, with reference to page and line numbers of Senate Amendment No. 2, as follows:

on page 1, line 10, by replacing "inspections and reviews" with "school plan reviews and inspections"; and

on page 1, by replacing lines 18 through 21 with the following:

"of individuals performing reviews or inspections required under Section 2-3.12, 3-14.20, 3-14.21, or 3-14.22 of this Code, including regional superintendents of schools and others performing reviews or inspections under the authority of a regional superintendent (such as consultants, municipalities, and fire protection districts)."

on page 3, line 6, before "Within", by inserting "If a municipality or, in the case of an unincorporated area, a county or, if applicable, a fire protection district wishes to be notified of plans and specifications received by a regional office of education for any future construction or alteration of a public school facility located within that entity's jurisdiction, then the entity must register this wish with the regional superintendent of schools."; and

on page 3, line 9, by replacing "municipal clerk" with "registered municipality"; and

on page 3, line 10, by replacing "fire chief for the" with "registered"; and

on page 3, line 13, by replacing "county clerk" with "registered county"; and

on page 3, line 14, by replacing "request" with "requests"; and

on page 3, line 18, before "county", by inserting "the".

The foregoing message from the Senate reporting Senate Amendments numbered 2 and 3 to HOUSE BILL 495 was placed on the Calendar on the order of Concurrence.

REPORTS FROM STANDING COMMITTEES

Representative Molaro, Chairperson, from the Committee on Revenue to which the following were referred, action taken earlier today, and reported the same back with the following recommendations:

That the Motion be reported "recommends be adopted":
Motion to Table Committee Amendment No. 1 to SENATE BILL 1883.

The committee roll call vote on the Motion to Table Committee Amendment No. 1 to Senate Bill 1883 is as follows:

9, Yeas; 0, Nays; 0, Answering Present.

Y Molaro,Robert(D), Chairperson
Y Biggins,Bob(R)
Y Hannig,Gary(D)
Y Pankau,Carole(R)
Y Turner,Arthur(D)
Y Beaubien,Mark(R), Republican Spokesperson
Y Currie,Barbara(D), Vice-Chairperson
Y Lang,Lou(D)
Y Sullivan,Ed(R)

Representative Fritchey, Chairperson, from the Committee on Judiciary I - Civil Law to which the following were referred, action taken earlier today, and reported the same back with the following recommendations:

That the Motion be reported "recommends be adopted" and placed on the House Calendar:
Motion to concur with Senate Amendments numbered 1 and 2 to HOUSE BILL 1074.

The committee roll call vote on the Motion to Concur with Senate Amendments 1 and 2 to House Bill 1074 is as follows:

16, Yeas; 0, Nays; 0, Answering Present.

Y Fritchey,John(D), Chairperson
Y Berrios,Maria(D)
Y Cultra,Shane(R)
Y Hamos,Julie(D)
Y Hultgren,Randall(R), Republican Spokesperson (Saviano)
Y Mathias,Sidney(R)
Y Nekritz,Elaine(D)
Y Rose,Chapin(R)
Y Scully,George(D), Vice-Chairperson
Y Bailey,Patricia(D)
Y Brosnahan,James(D) (Franks)
Y Froehlich,Paul(R)
A Hoffman,Jay(D)
A Lang,Lou(D)
Y May,Karen(D)
Y Osmond,JoAnn(R)
Y Sacia,Jim(R)
Y Wait,Ronald(R)

Representative McKeon, Chairperson, from the Committee on Labor to which the following were referred, action taken earlier today, and reported the same back with the following recommendations:

That the Motion be reported "recommends be adopted" and placed on the House Calendar:
Motion to concur with Senate Amendment No. 1 to HOUSE BILL 988.

That the bill be reported "do pass as amended" and be placed on the order of Second Reading-- Short Debate: SENATE BILL 461.

The committee roll call vote on the Motion to Concur with Senate Amendment No. 1 to House Bill 988 is as follows:

14, Yeas; 0, Nays; 0, Answering Present.

Y McKeon,Larry(D), Chairperson
Y Bellock,Patricia(R)
Y Hoffman,Jay(D)
Y Hultgren,Randall(R)
Y Joyce,Kevin(D)
Y Soto,Cynthia(D), Vice-Chairperson
Y Winters,Dave(R), Republican Spokesperson
Y Acevedo,Edward(D)
Y Cultra,Shane(R)
Y Howard,Constance(D)
Y Jefferson,Charles(D) (Dunkin)
Y O'Brien,Mary(D)
Y Tenhouse,Art(R)
Y Wirsing,David(R)

The committee roll call vote on Senate Bill 461 is as follows:
8, Yeas; 3, Nays; 0, Answering Present.

Y McKeon,Larry(D), Chairperson
A Bellock,Patricia(R)
Y Hoffman,Jay(D)
A Hultgren,Randall(R)
Y Joyce,Kevin(D)
Y Soto,Cynthia(D), Vice-Chairperson
N Winters,Dave(R), Republican Spokesperson
Y Acevedo,Edward(D)
N Cultra,Shane(R)
Y Howard,Constance(D)
Y Jefferson,Charles(D) (Dunkin)
Y O'Brien,Mary(D)
N Tenhouse,Art(R)
A Wirsing,David(R)

Representative Osterman, Chairperson, from the Committee on Local Government to which the following were referred, action taken earlier today, and reported the same back with the following recommendations:

That the Motion be reported "recommends be adopted" and placed on the House Calendar:
Motion to concur with Senate Amendment No. 2 to HOUSE BILL 3402.

The committee roll call vote on the Motion to Concur with Senate Amendment No. 2 to House Bill 3402 is as follows:
20, Yeas; 0, Nays; 0, Answering Present.

Y Osterman,Harry(D), Chairperson
Y Colvin,Marlow(D), Vice-Chairperson
Y Flider,Robert(D)
Y Grunloh,William(D)
Y Kurtz,Rosemary(R)
Y Mautino,Frank(D)
Y Meyer,James(R)
Y Moffitt,Donald(R) (Lyons, E.)
Y Phelps,Brandon(D)
Y Ryg,Kathleen(D)
Y Sommer,Keith(R)
Y Biggins,Bob(R)
A Davis,William(D)
Y Froehlich,Paul(R) (Hassert)
Y Kelly,Robin(D)
Y Mathias,Sidney(R), Republican Spokesperson
Y May,Karen(D)
Y Mitchell,Bill(R)
Y Nekritz,Elaine(D)
Y Pihos,Sandra(R)
Y Slone,Ricca(D)
A Watson,Jim(R)

Representative Howard, Chairperson, from the Committee on Human Services to which the following were referred, action taken earlier today, and reported the same back with the following recommendations:

That the Floor Amendment be reported "recommends be adopted":
Amendment No. 3 to SENATE BILL 1548.

That the Motion be reported "recommends be adopted" and placed on the House Calendar:
Motion to concur with Senate Amendment No. 1 to HOUSE BILL 3047.

The committee roll call vote on House Amendment No. 3 to Senate Bill 1548 is as follows:

9, Yeas; 0, Nays; 0, Answering Present.

Y Delgado,William(D), Chairperson
Y Feigenholtz,Sara(D), Vice-Chairperson (Lyons, J.)
Y Howard,Constance(D)
Y Lindner,Patricia(R)
Y Sullivan,Ed(R)
Y Bellock,Patricia(R), Republican Spokesperson
Y Flowers,Mary(D)
Y Kurtz,Rosemary(R)
Y Ryg,Kathleen(D)

The committee roll call vote on the Motion to Concur with Senate Amendment No. 1 to House Bill 3047 is as follows:

7, Yeas; 0, Nays; 0, Answering Present.

Y Delgado,William(D), Chairperson
Y Feigenholtz,Sara(D), Vice-Chairperson
Y Howard,Constance(D)
Y Lindner,Patricia(R)
Y Sullivan,Ed(R)
Y Bellock,Patricia(R), Republican Spokesperson
A Flowers,Mary(D)
A Kurtz,Rosemary(R)
Y Ryg,Kathleen(D)

Representative Burke, Chairperson, from the Committee on Executive to which the following were referred, action taken earlier today, and reported the same back with the following recommendations:

That the bills be reported "do pass as amended" and be placed on the order of Second Reading-- Short Debate: SENATE BILLS 713, 751, 787, 869 and 1680.

That the Floor Amendment be reported "recommends be adopted":
Amendment No. 2 to SENATE BILL 1784.

That the bills be reported "do pass" and be placed on the order of Second Reading-- Short Debate: SENATE BILLS 20, 36, 37, 701, 710, 711, 723, 724, 735, 738, 739, 740, 746, 755, 759, 769, 771, 773, 778, 783, 785, 788, 792, 794, 796, 797, 800, 821, 825, 827, 829, 831, 841, 857, 861, 862, 864, 865, 867, 916, 920, 924, 933, 934, 936, 938, 943, 956, 958, 963, 973, 976, 978, 980, 984, 1013, 1014, 1553, 1557, 1559, 1560, 1567, 1598, 1599, 1604, 1605, 1607, 1610, 1611, 1626, 1631, 1645, 1656, 1657, 1666, 1676, 1684, 1689, 1691, 1699, 1704, 1705, 1736, 1745, 1897, 1901, 1904, 1909, 1913, 1914, 1920, 1921, 1923, 1924, 1935, 1936, 1937, 1943, 1944, 1946, 1951, 1953, 1955, 1957, 1960, 1962, 1971, 1972, 1973, 1975, 1976, 1977, 1978, 1979, 1988, 1991, 1993 and 1995.

The committee roll call vote on Senate Bills 20, 36, 37, 701, 710, 711, 723, 724, 735, 738, 739, 740, 746, 755, 759, 769, 771, 773, 778, 783, 785, 788, 792, 794, 796, 797, 800, 821, 825, 827, 829, 831, 841, 857, 861, 862, 864, 865, 867, 916, 920, 924, 933, 934, 936, 938, 943, 956, 958, 963, 973, 976, 978, 980, 984, 1013, 1014, 1553, 1557, 1559, 1560, 1567, 1598, 1599, 1604, 1605, 1607, 1610, 1611, 1626, 1631, 1645, 1656, 1657, 1666, 1676, 1684, 1689, 1691, 1699, 1704, 1705, 1736, 1745, 1897, 1901, 1904, 1909, 1913, 1914, 1920, 1921, 1923, 1924, 1935, 1936, 1937, 1943, 1944, 1946, 1951, 1953, 1955, 1957, 1960, 1962, 1971, 1972, 1973, 1975, 1976, 1977, 1978, 1979, 1988, 1991, 1993 and 1995 is as follows:

7, Yeas; 5, Nays; 0, Answering Present.

Y Burke,Daniel(D), Chairperson
N Biggins,Bob(R)
Y Capparelli,Ralph(D)
Y Jones,Lovana(D)
Y Molaro,Robert(D)
N Saviano,Angelo(R)
Y Acevedo,Edward(D)
Y Bradley,Richard(D), Vice-Chairperson
N Hassert,Brent(R)
Y McKeon,Larry(D)
N Pankau,Carole(R), Republican Spokesperson
N Wirsing,David(R)

The committee roll call vote on Senate Bills 713, 751, 787 and 869 is as follows:

12, Yeas; 0, Nays; 0, Answering Present.

Y Burke,Daniel(D), Chairperson
Y Biggins,Bob(R)
Y Capparelli,Ralph(D)
Y Jones,Lovana(D)
Y Molaro,Robert(D)
Y Saviano,Angelo(R)
Y Acevedo,Edward(D)
Y Bradley,Richard(D), Vice-Chairperson
Y Hassert,Brent(R)
Y McKeon,Larry(D) (Currie)
Y Pankau,Carole(R), Republican Spokesperson
Y Wirsing,David(R)

The committee roll call vote on Senate Bill 1680 is as follows:
7, Yeas; 0, Nays; 3, Answering Present.

Y Burke,Daniel(D), Chairperson
Y Biggins,Bob(R)
Y Capparelli,Ralph(D)
Y Jones,Lovana(D)
Y Molaro,Robert(D)
A Saviano,Angelo(R)
A Acevedo,Edward(D)
Y Bradley,Richard(D), Vice-Chairperson
P Hassert,Brent(R)
Y McKeon,Larry(D) (Currie)
P Pankau,Carole(R), Republican Spokesperson
P Wirsing,David(R)

The committee roll call vote on House Amendment No. 2 to Senate Bill 1784 is as follows:
8, Yeas; 2, Nays; 1, Answering Present.

Y Burke,Daniel(D), Chairperson
N Biggins,Bob(R)
Y Capparelli,Ralph(D)
Y Jones,Lovana(D)
Y Molaro,Robert(D)
A Saviano,Angelo(R)
Y Acevedo,Edward(D)
Y Bradley,Richard(D), Vice-Chairperson
N Hassert,Brent(R)
Y McKeon,Larry(D) (Currie)
Y Pankau,Carole(R), Republican Spokesperson
P Wirsing,David(R)

Representative Hamos, Chairperson, from the Committee on Housing & Urban Development to which the following were referred, action taken earlier today, and reported the same back with the following recommendations:

That the Motion be reported "recommends be adopted" and placed on the House Calendar:
Motion to concur with Senate Amendment No. 1 to HOUSE BILL 625.

The committee roll call vote on the Motion to Concur with Senate Amendment No. 1 to House Bill 625 is as follows:
15, Yeas; 3, Nays; 0, Answering Present.

Y Hamos,Julie(D), Chairperson
N Biggins,Bob(R)
Y Froehlich,Paul(R)
Y Jefferson,Charles(D)
N Leitch,David(R), Republican Spokesperson
Y Munson,Ruth(R)
Y Osterman,Harry(D)
Y Rose,Chapin(R)
Y Slone,Ricca(D)
A Stephens,Ron(R)
Y Bailey,Patricia(D)
Y Feigenholtz,Sara(D)
Y Graham,Deborah(D)
Y Kelly,Robin(D)
A McKeon,Larry(D), Vice-Chairperson
Y Nekritz,Elaine(D)
Y Poe,Raymond(R)
Y Ryg,Kathleen(D)
N Sommer,Keith(R)
Y Winters,Dave(R)

Representative Franks, Chairperson, from the Committee on State Government Administration to which the following were referred, action taken earlier today, and reported the same back with the following recommendations:

That the resolution be reported "be adopted" and be placed on the House Calendar: HOUSE RESOLUTIONS 195 and 304.

That the Floor Amendment be reported "recommends be adopted":
Amendment No. 1 to SENATE BILL 703.

That the Motion be reported "recommends be adopted" and placed on the House Calendar:
Motion to concur with Senate Amendments numbered 1 and 3 to HOUSE BILL 235.

The committee roll call vote on House Resolutions 195 and 304, Motion to Concur with Senate Amendment No. 1 and 3 to House Bill 235 and House Amendment No. 1 to Senate Bill 703 is as follows:
11, Yeas; 0, Nays; 0, Answering Present.

Y Franks,Jack(D), Chairperson
Y Brauer,Rich(R)
Y Jakobsson,Naomi(D)
Y Myers,Richard(R), Republican Spokesperson
Y Smith,Michael(D), Vice-Chairperson
Y Washington,Eddie(D) (Delgado)
Y Brady,Dan(R) (Schmitz)
Y Chapa LaVia,Linda(D)
Y Lindner,Patricia(R)
Y Rose,Chapin(R) (Coulson)
Y Verschoore,Patrick(D)

Representative Burke, Chairperson, from the Committee on Executive to which the following were referred, action taken earlier today, and reported the same back with the following recommendations:

That the bill be reported "do pass as amended" and be placed on the order of Second Reading-- Short Debate: SENATE BILL 640.

That the Floor Amendment be reported "recommends be adopted":
Amendment No. 3 to SENATE BILL 75.

The committee roll call vote on Senate Bill 640 is as follows:
12, Yeas; 0, Nays; 0, Answering Present.

Y Burke,Daniel(D), Chairperson
Y Biggins,Bob(R)
Y Capparelli,Ralph(D)
Y Jones,Lovana(D)
Y Molaro,Robert(D)
Y Saviano,Angelo(R)
Y Acevedo,Edward(D)
Y Bradley,Richard(D), Vice-Chairperson
Y Hassert,Brent(R)
Y McKeon,Larry(D) (Lang)
Y Pankau,Carole(R), Republican Spokesperson
Y Wirsing,David(R)

The committee roll call vote on House Amendment No. 3 to Senate Bill 75 is as follows:
7, Yeas; 5, Nays; 0, Answering Present.

Y Burke,Daniel(D), Chairperson
N Biggins,Bob(R)
Y Capparelli,Ralph(D)
Y Jones,Lovana(D) (Franks)
Y Molaro,Robert(D)
N Saviano,Angelo(R)
Y Acevedo,Edward(D)
Y Bradley,Richard(D), Vice-Chairperson
N Hassert,Brent(R)
Y McKeon,Larry(D) (Lang)
N Pankau,Carole(R), Republican Spokesperson
N Wirsing,David(R)

Representative O'Brien, Chairperson, from the Committee on Judiciary II - Criminal Law to which the following were referred, action taken earlier today, and reported the same back with the following recommendations:

That the Motion be reported "recommends be adopted" and placed on the House Calendar:
Motion to concur with Senate Amendment No. 1 to HOUSE BILL 2843.

The committee roll call vote on the Motion to Concur with Senate Amendment No. 1 to House Bill 2843 is as follows:

12, Yeas; 0, Nays; 0, Answering Present.

Y O'Brien,Mary(D), Chairperson
Y Bradley,Richard(D)
Y Delgado,William(D), Vice-Chairperson
A Jones,Lovana(D)
Y Lyons,Eileen(R)
Y Rose,Chapin(R)
Y Wait,Ronald(R)
Y Bailey,Patricia(D)
Y Collins,Annazette(D)
Y Howard,Constance(D)
Y Lindner,Patricia(R), Rep. Spokesperson (Brady)
Y Millner,John(R)
Y Sacia,Jim(R)

Representative Mautino, Chairperson, from the Committee on Insurance to which the following were referred, action taken earlier today, and reported the same back with the following recommendations:

That the Motion be reported "recommends be adopted" and placed on the House Calendar:
Motion to concur with Senate Amendments numbered 1, 2, 5 and 6 to HOUSE BILL 3661.

The committee roll call vote on the Motion to Concur with Senate Amendments No. 1, 2, 5 and 6 to House Bill 3661 is as follows:

8, Yeas; 0, Nays; 0, Answering Present.

Y Mautino,Frank(D), Chairperson
A Bradley,Richard(D)
A Colvin,Marlow(D)
Y Dunn,Joe(R)
Y Osmond,JoAnn(R)
Y Parke,Terry(R), Republican Spokesperson
Y Rita,Robert(D)
Y Berrios,Maria(D)
A Brady,Dan(R)
A Dunkin,Kenneth(D)
Y Mitchell,Bill(R)
A Pankau,Carole(R)
Y Phelps,Brandon(D)
A Yarbrough,Karen(D), Vice-Chairperson

Representative Delgado, Chairperson, from the Committee on Human Services to which the following were referred, action taken earlier today, and reported the same back with the following recommendations:

That the Motion be reported "recommends be adopted" and placed on the House Calendar:
Motion to concur with Senate Amendment No. 1 to HOUSE BILL 685.

The committee roll call vote on the Motion to Concur with Amendment No. 1 to House Bill 685 is as follows:

9, Yeas; 0, Nays; 0, Answering Present.

Y Delgado,William(D), Chairperson
Y Feigenholtz,Sara(D), Vice-Chairperson
Y Howard,Constance(D)
Y Lindner,Patricia(R)
Y Sullivan,Ed(R)
Y Bellock,Patricia(R), Republican Spokesperson
Y Flowers,Mary(D)
Y Kurtz,Rosemary(R)
Y Ryg,Kathleen(D)

AGREED RESOLUTIONS

The following resolutions were offered and placed on the Calendar on the order of Agreed Resolutions.

HOUSE RESOLUTION 363

Offered by Representative Grunloh:

WHEREAS, The members of the Illinois House of Representatives wish to congratulate Butch Lockley, who recently came in fourth place on the CBS television series "Survivor-The Amazon"; and

WHEREAS, Mr. Lockley was born in St. Louis, Missouri and grew up in Dupo; as a youth, he participated in little league baseball, Boy Scouts, church activities, and camping in Southern Illinois; and

WHEREAS, Mr. Lockley is a 1970 graduate of Dupo High School where he received an athletic award for having the most varsity letters through his participation in cross country, basketball, and track; he received a Bachelor of Science degree from Greenville College in 1974; and

WHEREAS, With a career in education, Mr. Lockley served for 19 years as a high school teacher, athletic director, and coach; he also finished a marathon which had been a personal goal of his; in 1994, he received a master's degree in education administration from Eastern Illinois University; he is currently a middle school principal and district transportation/building and grounds director; and

WHEREAS, Mr. Lockley recently held offices in the Illinois Principals Association and the Illinois Basketball Association; he is an active member of the Olney Rotary Club; and

WHEREAS, Mr. Lockley enjoys hunting, water sports and walking; he describes himself as enthusiastic, ambitious, and humorous; and

WHEREAS, Mr. Lockley competed in this Survivor competition because he loves challenges, the outdoors, and the chance to win some money; and

WHEREAS, Mr. Lockley currently resides in Olney with his wife, Cindy, who is a counselor at his school; they have three children, Amanda, Joshua, and Andrea and one dog, Casper; therefore, be it

RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE NINETY-THIRD GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that we congratulate Butch Lockley on placing fourth on the CBS television series "Survivor-The Amazon" and wish him well in all of his future endeavors; and be it further

RESOLVED, That a suitable copy of this resolution be presented to Butch Lockley as an expression of our esteem.

HOUSE RESOLUTION 366

Offered by Representative Pihos:

WHEREAS, The members of the House of Representatives of the State of Illinois wish to congratulate Andrew S. Gounardes on the occasion of his graduation from Fort Hamilton High School; and

WHEREAS, Andrew currently holds two part-time jobs, one with his father as a dental assistant, and one with the City Council of New York as a Councilmanic Aide to the Councilman of the 43rd District, Vincent J. Gentile; and

WHEREAS, Andrew currently serves as one of the two student representatives on the New York City Department of Education Panel for Educational Policy; he and his partner represent a constituency of over 1.1 million city school students; he is also a member of the Citywide Student Advisory Council and is president of the Superintendent Student Advisory Council for the BASIS Superintendency; and

WHEREAS, Andrew has been in the honors program since he began high school; he is the secretary of the School Leadership Team for Fort Hamilton High School, where he is also in the leadership program; he served on the Executive Board of the Student Organization at Fort Hamilton for three years; he attended the New York American Legion Boys' State program at the campus of SUNY Morrisville; he is an Eagle Scout member of Troop 715; therefore, be it

RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE NINETY-THIRD GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that we congratulate Andrew S. Gounardes on the occasion of his graduation from Fort Hamilton High School and commend him for his outstanding contributions to the leadership of his school and representation of many students of New York; and be it further

RESOLVED, That a suitable copy of this resolution be presented to Andrew S. Gounardes as an expression of our respect and esteem.

HOUSE RESOLUTION 367

Offered by Representative Pihos:

WHEREAS, The highest award the National Council of the Boy Scouts of America can bestow upon a Scout is that of Eagle Scout; and

WHEREAS, Andrew S. Gounardes of Boy Scout Troop 715, in Bay Ridge Brooklyn, New York, received the Eagle Scout Award on June 6, 2002; and

WHEREAS, In order to qualify as an Eagle Scout, a young man must demonstrate outstanding qualities of leadership, a willingness to be of help to others, and superior skills in camping, lifesaving, and first aid; and

WHEREAS, Andrew has been in scouting for 10 years; he started in 1993 as a Cub Scout in Pack 715, and after 3 years, he earned the Arrow of Light award as a Webelos Scout; as a member of Troop 715, he joined the Wolf Patrol and began to work his way through the ranks; he served the troop and the patrol as the Scribe, the Quartermaster, the Patrol Leader, the Assistant Senior Patrol Leader, the Senior Patrol Leader, the Chaplain Aide, and the Junior Assistant Scoutmaster; he earned 21 merit badges on his trail to Eagle Scout; and

WHEREAS, To attain the rank of Eagle Scout, each young man must complete an Eagle Scout project; Andrew helped to reorganize the Sumas Library for Children located at Saint Basil Academy, a home for children of dysfunctional families from primarily the Orthodox faith; the library houses over 20,000 volumes, which were in no particular order whatsoever; over an 8-month period, Andrew and other volunteers organized all the volumes according to contemporary library standards and removed outdated volumes; through donations, the library was able to purchase new furniture and order 3-year subscriptions to over 11 different magazines; today, over 60 children served by Saint Basil Academy have a fully functional and up-to-date library to assist them with their studies; and

WHEREAS, In earning this high rank, Andrew joined an elite and honorable fraternity of achievers that counts among its members an extraordinary number of this nation's great leaders in business, government, education, and other sectors of society; and

WHEREAS, The achievement of the rank of Eagle Scout reflects favorably upon the recipient, his justly proud family, his Scoutmaster, and his fellow scouts; therefore, be it

RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE NINETY-THIRD GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that we congratulate Andrew S. Gounardes on the many honors he has earned as an Eagle Scout and commend him upon the unswerving dedication to excellence that is the hallmark of the Eagle Scout; and be it further

RESOLVED, That a suitable copy of this resolution be presented to Eagle Scout Andrew S. Gounardes as an expression of our respect and esteem.

HOUSE RESOLUTION 368

Offered by Representatives Novak and O'Brien:

WHEREAS, The members of the Illinois House of Representatives congratulate Ed Munday as he retires from his position as news director for WKAN in Kankakee after 27 years of service; and

WHEREAS, Mr. Munday started his work day at 4:30 every morning before mayors met businessmen and other newsmakers opened their doors; he would be visiting city and county police, picking up the pieces of what transpired the night before; and

WHEREAS, Mr. Munday started out as a DJ and worked at several stations while attending Kent State University for two years; he worked there from 1965 to 1967 when he was drafted into the army; he served in Germany, where he also worked part-time in radio; and

WHEREAS, After returning home to Kankakee, he went to work for the local cable television news service; he then relocated to Bristol, Virginia to anchor a TV newscast and produce newscasts for two years; and in 1975, he accepted the invitation to become the news director of WKAN and returned to Kankakee; and

WHEREAS, Mr. Munday took early retirement, but he will be pitching in part time until his

replacement is ready; he had many faithful listeners and wrote a farewell message which read in part, "I have had the opportunity over the past two-plus decades to meet governors, senators, congressmen, city and county officials, presidents of the United States, famous personalities and-most enjoyable of all, many of you."; therefore, be it

RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE NINETY-THIRD GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that we congratulate Ed Munday as he retires from his position as news director for WKAN and wish him good health and happiness in all of his future endeavors; and be it further

RESOLVED, That a suitable copy of this resolution be presented to Ed Munday as an expression of our respect and esteem.

HOUSE RESOLUTION 369

Offered by Representative Cross:

WHEREAS, It has come to our attention that Bert Gray has worked extensively in his community both as a volunteer and for the Oswegoland Park District for 27 years; Mr. Gray began with the Park District in 1976 and became the chief administrator in 1980; and

WHEREAS, Under Mr. Gray's leadership, the Park District's facilities, programs, and staff have steadily grown as the population the agency serves has almost tripled; when Mr. Gray was hired as the assistant superintendent in 1976, he was only the third full-time staffer the agency supported; today, Mr. Gray heads a staff with 29 full-time employees; the Park District now owns and maintains 34 area parks, an aquatic center, miles of bike trails, and has an annual operating budget of $9 million; and

WHEREAS, Mr. Gray has been described as the kind of community leader who sees potential and possibility where others see only dead ends; as Executive Director of the Oswegoland Park District, he worked with various other agencies to transform an historic bridge across the Fox River that was scheduled for demolition into a bike and pedestrian bridge; he also led efforts to convert the site of a former gravel mine and waste dump into 150 acres of wetland, prairie, and hardwood forest on the banks of the Fox River; and

WHEREAS, Mr. Gray secured a strong land-cash ordinance which has enabled the Oswegoland Park District to preserve open spaces and to develop greenways and natural spaces within residential areas; he created the Waubonsie Trail, which takes bikers and pedestrians from one end of Oswego to the other and connects with the Fox River Trail; he initiated cooperation between the Oswegoland Park District and Oswego School District 308 to share equipment, split development costs, and make space available for programs; most recently the school and park districts shared funding for two new double-size gymnasiums; and

WHEREAS, Through the creative use of volunteers, Mr. Gray seeks out community input regarding how the Park District can serve them; and

WHEREAS, Mr. Gray earned a bachelor's degree in recreation and parks administration at the University of Illinois in 1976 and a master's degree in business management from Aurora University in 1984; he has been a member of the Illinois Association of Park Districts for several years and has served on the Joint Legislative Committee, Administrative and Finance Section, Professional Development School, and Awards and Recognition; and

WHEREAS, Mr. Gray has served as the chairperson of the DuKane Valley Council and as Advisor of the Kendall County Forest Preserve District; he has been a member of the Kendall County Youth Service Board, the Oswego Plan Commission, and the Oswego Land Use Plan Task Force; he is a published author and presenter of workshops; he has received numerous community awards and letters of recognition from community organizations including the Oswego Lions Club, Boulder Hill Civic Association, PTA, School District 308 Home and School, and the Oswego Optimist Club; and

WHEREAS, Mr. Gray donates his time and energy to the Oswego Optimist Club, the Oswego Lions Club, and the Rotary Club; he is on the building and design team of his church; an Eagle Scout himself, Mr. Gray has been an Assistant Scoutmaster of Boy Scout Troop 48 since 1996; therefore, be it

RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE NINETY-THIRD GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that we thank Mr. Bert Gray for his extensive and devoted community work in the Oswego area, and we commend him for his many contributions to the Oswegoland Park District; and be it further

RESOLVED, That a suitable copy of this resolution be presented to Mr. Bert Gray as an expression of our deepest respect and esteem.

HOUSE RESOLUTION 371

Offered by Representative Capparelli:

WHEREAS, The members of the Illinois House of Representatives wish to congratulate Italian Consul General Enrico Granara on retiring from his position; and

WHEREAS, Consul General Granara was born and raised in Asmara Eritrea, when the territory was nominally a federated state, but actually placed under Ethiopia's control; and

WHEREAS, After completing the Italian "Liceo" in Asmara, he studied political sciences at the University of Padua, obtaining his Laurea (M.A.) in 1978; he had a brief experience as export manager in Milan, then, in 1980 he attended the first diplomatic training course organized by University of Florence; in 1983, he joined the Italian Foreign Service, serving in the Economic Affairs Department; and

WHEREAS, He served in Maputo (Mozambique), in Grenoble (France), and then in Jeddah, Saudi Arabia, where he was appointed Consul General shortly before the Gulf War; and

WHEREAS, After reaching the grade of counselor, he was recalled back to his ministry in Rome and served as deputy head of the Middle East and North Africa desk, taking care of political affairs and mediterranean multilateral cooperation initiatives; and

WHEREAS, In June 1995, he was assigned to the Italian Embassy in Mexico City, as Political Counselor and Deputy Head of Mission; after reaching a higher career grade, he was appointed Consul General of Italy in Chicago in August 1999, where he continues to serve to this day; and

WHEREAS, Consul General Granara and his wife, Federica, have two daughters, Bianca and Cecilia; and

WHEREAS, He is fluent in English, French, Spanish, and Portuguese; he has a basic knowledge of German and Arabic; his hobby includes translating texts into the Genoese Language; therefore, be it

RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE NINETY-THIRD GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that we thank Italian Consul General Enrico Granara for his untiring hard work, support, and contributions to the Italian Language Initiative throughout his entire consular jurisdiction and his commitment to unifying the Italian and Italian American communities; and be it further

RESOLVED, That a suitable copy of this resolution be presented to Italian Consul General Enrico Granara as an expression of our respect and esteem.

HOUSE RESOLUTION 372

Offered by Representative Jakobsson:

WHEREAS, The members of the House of Representatives of the State of Illinois wish to congratulate the University of Illinois Men's Tennis Team on winning the Singles, Doubles, and Team NCAA Championship Titles; and

WHEREAS, The undefeated Illinois Men's Tennis Team beat Vanderbilt 4 to 3 to win the team NCAA title; the U of I's Amer Delic claimed the school's first ever national title in singles; Illini team members Brian Wilson and Rajeev Ram won the second NCAA doubles title in Illinois history; and

WHEREAS, This is the 18th time a team has captured all three titles since the NCAA team championship competition was established in 1946; it is only the fourth time that one team has won all three titles since 1977, when the current dual-match format was adopted to determine the team championship; this is the first time ever that a team has won all three championship titles with one player winning the singles championship and two others winning the doubles tournament; and

WHEREAS, The head coach of the Fighting Illini Tennis Team is Craig Tiley; Bruce Berque is the Associate Head Coach; and

WHEREAS, The team members of the Men's Tennis Fighting Illini are Michael Calkins, Pramod Dabir, Ryler DeHeart, Amer Delic, Alex Hobson, Chris Martin, Conner Murnighan, Rajeev Ram, Phil Stolt, Brian Wilson, and Evan Zeder; therefore, be it

RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE NINETY-THIRD GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that we congratulate the team members and coaches of the Fighting Illini Men's Tennis Team on winning the triple crown of the NCAA Tennis Championships; and be it further

RESOLVED, That suitable copies of this resolution be presented to each of the coaches and members of the Fighting Illini Tennis Team as a token of our respect and esteem and with our best wishes for future success.

HOUSE RESOLUTION 373

Offered by Representative Cross:

WHEREAS, The members of the House of Representatives of the State of Illinois were deeply saddened to learn of the death of Victor Frantz of Somerset, Kentucky, formerly of Oswego, on Friday, May 16, 2003; and

WHEREAS, Mr. Frantz was born on June 1, 1930 in Oak Park to Ernest and Ann (Amirant) Frantz, Sr.; he married Sandra Moore on June 1, 1985 in Minooka; and

WHEREAS, Mr. Frantz valiantly served his country in the United States Army during World War II as part of the occupying force in Japan; at the time he enlisted, he was only 16, so he lied about his age in order to serve his country; and

WHEREAS, Mr. Frantz was a criminal investigator for the State's Attorneys Appellate Prosecutor and served twice as the Sheriff of Kendall County, first from 1966 to 1970 and later from 1978 to 1982; he worked as an instructor at the Police Training Institute, University of Illinois, and he was the Chief Investigator for the Kendall County State's Attorney; he served as a Supervisor for Kendall County Probation, a Legislative Assistant of Criminal Justice, the Chief of Police for Plano, and the Chief Deputy of Kendall County from 1961 to 1964; and

WHEREAS, Mr. Frantz was an ardent and passionate weight lifter throughout his entire life; and

WHEREAS, The passing of Victor Frantz has been deeply felt by many, especially his wife, Sandra Frantz; his children, Danny (Pam) Frantz, Cindy (Steve) Blasing, Anna (Brian) Wales, Tina (Chris) Graham, Victor M. Frantz, and Vince Frantz; his grandchildren, Ben Loftus, Nicholas Blasing, Jon and Ronda Frantz, Teresa and Adam Wolf, Meghan, Matt, and Brandon Feller, Brennan Wales, and Jessica Graham; his great-grandchildren, Felicia and Hunter Frantz; his brother, Ernest G. (Diane) Frantz, Jr.; his sister, Delores Colsher; and his several nieces and nephews; therefore, be it

RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE NINETY-THIRD GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that together with his friends, family, and all who knew and loved him, we mourn the passing of Victor Frantz; and be it further

RESOLVED, That a suitable copy of this resolution be presented to the family of Victor Frantz as an expression of our deepest sympathy during their time of bereavement.

HOUSE RESOLUTION 375

Offered by Representatives Froehlich and Parke:

WHEREAS, The U.S.S Cavalier is named for a county in the State of North Dakota; she was built under the contract of the Maritime Commission by the Western Pipe and Steel Company of San Francisco, California; assigned the name "Cavalier" on October 5, 1942, she was launched on March 15, 1943 under the sponsorship of Mrs. Monroe W. Jackson and delivered to the U.S. Navy on July 19, 1943; she was fitted out as an attack transport by the Bethlehem Steel Company of Hoboken, New Jersey and placed in commission on January 15, 1944 under the command of Captain Raymond T. McElligott, United States Coast-Guard; and

WHEREAS, The U.S.S. Cavalier (APA-37) was a U.S. Coast Guard manned attack transport which had landing barges aboard for landing troops and supplies; the U.S.S. Cavalier had a crew of about 550 men and could accommodate 1200 troops; and

WHEREAS, The Cavalier participated in five invasions in the South Pacific during World War II including Saipan and Tinian in the Marianas Islands; Leyte, Lingayan Gulf, and Subic Bay, all on the

island of Luzon in the Philippine Islands; and

WHEREAS, Following the landing at Subic Bay, the Cavalier was torpedoed on January 30, 1945; the ship was disabled and had to be towed back to Pearl Harbor, a distance of approximately 5,400 miles; and

WHEREAS, During the tour of duty, the Cavalier traveled over 58,000 miles from the time it was commissioned in 1943; and

WHEREAS, Since 1989, the crew of the U.S.S. Cavalier has held a reunion in honor of the great ship; this year the crew will celebrate its 15th reunion at the Schaumburg Marriott Hotel in Schaumburg from September 5-8, 2003; activities will include a banquet at the hotel, an afternoon at Arlington Racetrack, and a show and dinner at Medieval Times; therefore, be it

RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE NINETY-THIRD GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that we honor the service and sacrifice of the members of the U.S.S. Cavalier as they celebrate their 15th reunion; and be it further

RESOLVED, That a suitable copy of this resolution be presented to the crew members of the U.S.S. Cavalier as an expression of our esteem.

HOUSE RESOLUTION 376

Offered by Representative Forby:

WHEREAS, The members of the House of Representatives of the State of Illinois wish to congratulate Dr. John A. Metzger on the occasion of his retirement as the Superintendent of Johnston City Schools after beginning his work in education 35 years ago; and

WHEREAS, Dr. Metzger attended Southern Illinois University, receiving his bachelor's degree in 1968 and his master's degree was in 1971, both in history, and earning his Ph.D. in Educational Leadership in 1982; he valiantly served his country from 1968 until 1970 in the U.S. Army in Vietnam; and

WHEREAS, Dr. Metzger began his teaching career at Farmington Junior High School in 1968; he worked as a teaching assistant at Southern Illinois University and did research for the Illinois Historic Site Survey; he served as Superintendent and Principal of Logan Grade School, Akin Grade School, and Thompsonville Grade and High Schools; and

WHEREAS, As Superintendent of Johnston City Schools, a unit district with 1,350 students, Dr. Metzger has supervised a staff of over 125; under his leadership, the district has completed a building project, a maintenance program, a policy re-write, and many union negotiations; and

WHEREAS, Dr. Metzger has been the recipient of several honors including the Norman Caldwell History Prize, the NDEA Fellowship, the SIU Running Club Scholarship, and the Franklin County Conservation Principal of the Year in 1985; he has served as coordinator of a local Superintendent/Principal network, as associate member of the Illinois Administrator Academy in 1990, and as president of the Shawnee Division of I.A.S.A. from 1996 to 1997; he received the Distinguished Educator Award in 1997 from Phi Delta Kappa; and

WHEREAS, Dr. Metzger has written several published articles on local history topics; he has served as the director and a volunteer with the Rend Lake Festival 5K Road Race; he is a member of Benton American Legion, W. Frankfort Moose Lodge, and Veterans of Foreign Wars; he has served as Commander of the Benton V.F.W. Post since 1995 and was coordinator of the Thompsonville Akin Little League from 1980 until 1984; he received the RRCA National Volunteer Award in 1992; he is a past editor of the Running Reporter which won a national RRCA Award in 1995; he also served as chairman of Benton V.F.W. Post and District 15's "Voice of Democracy" Programs; and

WHEREAS, Dr. Metzger is married to Paula Pyszka Metzger and is the father of Karl and Kurt; he enjoys running, tennis, sailing, and biking; therefore, be it

RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE NINETY-THIRD GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that we congratulate Dr. John A. Metzger on the occasion of his retirement as Superintendent of Johnston City Schools, and we thank him for his dedication to many, many students and teachers throughout the years; and be it further

RESOLVED, That a suitable copy of this resolution be presented to Dr. John A. Metzger as an expression of our respect and esteem.

HOUSE RESOLUTION 377

Offered by Representative Watson:

WHEREAS, The members of the Illinois House of Representatives are honored to recognize notable achievements in education in the State of Illinois; and

WHEREAS, The Turner Junior High School Scholastic Bowl team in Jacksonville emerged as the 2003 State Champions at the State Scholastic Bowl; and

WHEREAS, The Jonathan Turner Junior High School Scholastic Bowl team is comprised of ten seventh graders and ten eighth graders; the criteria for being a part of the team is being in the top 10 percent according to current grades, 98th or 99th percentile in standardized test scores, a willingness to learn and apply new knowledge, and the confidence to take a risk; and

WHEREAS, The team members must be able to quickly recall information they have learned and articulate that information in a manner consistent with the questions asked and the rules of the match; the team members are arranged into A and B squads according to talent; and

WHEREAS, The 2002-2003 A squad is made up of: Priyanka Bose, David Clatterbuck, Billy Fishback, Justin Francis, Brian Jarzen, Brock Jenkins, Kyle Lawson, Brian Peterson, and Alex Racey; the B squad includes: Michael Agner, Colin Bohan, Joseph Culpepper, John Honnen, Kate Jolly, Cameron Jones, Erik Kuhn, Johnathan Roegge, Sarah Scheerer, Laura Stampf, and Jon Wardell; and

WHEREAS, Mrs. Rae Ellen Hopkins, who teaches seventh and eighth grade Humanities Lab, Mrs. Lauren Range, who teaches eighth grade Science, and Ms. Sarah Hopkins, who is a sophomore at Illinois College, coach the team; Sarah was a member of the last Turner Scholastic Bowl team to go to State, placing third; and

WHEREAS, Turner is exceptionally proud of the effort these talented young people put forth; they are a credit to their parents and the community; therefore, be it

RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE NINETY-THIRD GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that we congratulate the members of the Jonathan Turner Junior High School Scholastic Bowl team on achieving their State Champion status at the 2003 State Scholastic Bowl and we wish them continued success in their future educational endeavors; and be it further

RESOLVED, That suitable copies of this resolution be presented to Dr. Richard Basden, Superintendent of Jonathan Turner Junior High School, Jan Ryan, the Principal of Jonathan Turner Junior High School, and to each member of the Scholastic Bowl team as an expression of our esteem.

HOUSE RESOLUTION 378

Offered by Representatives Novak and O'Brien:

WHEREAS, 2003 marks the Sesquicentennial (150th Anniversary) of the City of Kankakee and Kankakee County; and

WHEREAS, In 1853, civil engineers from the Illinois Central Railroad charted the path extending the railroad south from Chicago, causing the rapid development of the Kankakee River Valley and setting the rich agricultural foundation that made the area part of the breadbasket for the world; and

WHEREAS, As the industrial age progressed, numerous firms found that the Kankakee River Valley was a great place to prosper; and

WHEREAS, The diversity of the community adds to the strength and the diversity of the economy; and

WHEREAS, Kankakee County schools have enthusiastically sent representatives to proudly compete and return with championship awards in basketball, football, tennis, golf, music, and dance; and

WHEREAS, Kankakee County is the proud home of three former Illinois governors; and

WHEREAS, Kankakee County hosts numerous festivals and events and hosts the Chicago Bears summer camp; Kankakee is also home to the championship power boat races on the Kankakee River, which is one of the best fishing rivers in the State and winds through the beautiful and historic Kankakee River State Park; and

WHEREAS, Kankakee County is culturally rich with the treasure of a symphony orchestra, municipal band, two Frank Lloyd Wright houses inside an architecturally unique historical district on the National Register of Historic Places, a community theater, several museums, and a new library soon to open in downtown Kankakee; therefore, be it

RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE NINETY-THIRD GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that we congratulate the City of Kankakee and Kankakee County on their 150th anniversary; and be it further

RESOLVED, That a suitable copy of this resolution be presented to the Mayor of Kankakee and the County Board Chairman of Kankakee County.

HOUSE RESOLUTION 379

Offered by Representatives Lang and Watson:

WHEREAS, As a result of the tragic events of September 11, 2001, the 933rd Military Police Company (Combat Support) of the Illinois National Guard was activated and deployed for a period spanning approximately November, 2001 through July, 2002 to assist in maintaining security at O'Hare International Airport and Midway Airport; and

WHEREAS, As a result of the recent engagement of the United States of America in Iraq, the 933rd Military Police Company (Combat Support) has again been activated and deployed to Iraq; and

WHEREAS, The men and women of the 933rd Military Police Company (Combat Support) are performing their duties with courage and distinction; and

WHEREAS, The State of Illinois recognizes the continued dedicated service of these men and women who serve the State and the nation by protecting the lives and property of their families, friends, and neighbors; and

WHEREAS, They have offered active support to the United States of America at this time; therefore, be it

RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE NINETY-THIRD GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that we honor the brave and selfless men and women of all components of the United States and allied armed forces for their great personal sacrifice, and especially the 933rd Military Police Company (Combat Support) for their dedication to our State and country, for their defense of our freedom and security, and for their willingness to answer the call to duty during this time of danger to our country; and be it further

RESOLVED, That we pay special honor to the men and women on active service from Illinois, as they undertake their perilous missions; and be it further

RESOLVED, That suitable copies of this resolution be presented to the President of the United States, the Secretary of Defense, the members of the Illinois congressional delegation, and the Adjutant General of the Illinois Department of Military Affairs.

HOUSE RESOLUTION 380

Offered by Representatives Capparelli, Coulson, Currie, Daniels, Granberg, Hamos, Madigan and Turner:

WHEREAS, The members of the Illinois House of Representatives wish to express their sincere condolences to the family and friends of Lee J. Schwartz who passed away last year; and

WHEREAS, Lee Schwartz served on the staff of the Illinois House of Representatives, acting as legal advisor to Speaker of the House Jack Touhy, and also served on the staff of the Illinois Senate under the direction of Minority Leader Thomas Arthur McGloon; and

WHEREAS, Lee Schwartz provided legal counsel for Chicago Mayors Richard J. Daley, Michael Bilandic, and Harold Washington; and

WHEREAS, Lee's wit and wisdom were hallmarks of his character that endeared him to his legion of friends in the State Capitol, City Hall, and within the legal community; and

WHEREAS, Lee's superior intellect made him the fastest crossword puzzle solver in the State; and

WHEREAS, Lee was an expert in constitutional law and a recognized authority on the artful crafting of legislation; and

WHEREAS, Lee's love for his children made him a model for fathers everywhere and his pride in them made him light up with joy; and

WHEREAS, The passing of Lee J. Schwartz will be felt by all who knew him, especially his wife,

Nancy; his children, David and Alexander; his sister, Joan; his brother, Gary; and his friends and colleagues; therefore, be it

RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE NINETY-THIRD GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that we mourn, along with all who knew him, the death of Lee J. Schwartz; and be it further

RESOLVED, That a suitable copy of this resolution be presented to the family of Lee J. Schwartz as an expression of our deepest sympathy.

HOUSE RESOLUTION 381

Offered by Representative Brosnahan:

WHEREAS, The members of the House of Representatives of the State of Illinois would like to congratulate the Reverend Father Richard J. Dempsey for his many years of service and devotion to the people of Evergreen Park at the Most Holy Redeemer Church on the occasion of his retirement; and

WHEREAS, Father Dempsey was born in Chicago, the second of eight children of Chicago Police Officer George and Myrtle Dempsey; he was ordained on April 12, 1958 for the Archdiocese of Chicago; and

WHEREAS, Father Dempsey's first assignment was at Our Lady of Grace in Chicago from 1958 until 1965; in 1961, he joined the U.S. Navy Reserves; in 1965, he served at St. Sebastian Church in Chicago; and

WHEREAS, In 1966, at the request of Cardinal Cody, Father Dempsey went into the Navy Marine Corps to minister to the spiritual needs of those valiantly serving our country; with the U.S. Marines, his tours of duty included Vietnam, Okinawa, Marine Corps Recruit Depot, and San Diego; with the U.S. Navy, his tours of duty included the Philippines, the USS Constellation Aircraft Carrier, San Diego, Monterey, and the Great Lakes; while on active duty, he earned a PhD in psychology; and

WHEREAS, Upon retiring from the military with the rank of Captain in 1988, Father Dempsey spent a year at St. Victor's in Calumet City; he has spent the last 12 years at Most Holy Redeemer Church in Evergreen Park where he is retiring; for 11 of those years, he served as pastor; therefore, be it

RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE NINETY-THIRD GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that we congratulate the Reverend Father Richard J. Dempsey on the occasion of his retirement, and we thank him for his many years of service and devotion to the spiritual needs of the citizens of Illinois; and be it further

RESOLVED, That a suitable copy of this resolution be presented to Father Richard J. Dempsey as an expression of deep respect and esteem.

HOUSE RESOLUTION 382

Offered by Representative Brosnahan:

WHEREAS, Mother McAuley Liberal Arts High School is run by the Sisters of Mercy; recently, the Mother McAuley Liberal Arts High School Mighty Macs water polo team convincingly won a second straight Illinois High School Association (IHSA) State Championship; and

WHEREAS, The Mighty Macs successfully completed their 2003 season with a victory over a fine Mundelein High School team in the final game of the IHSA State Tournament with a score of 18 to l2; and

WHEREAS, The Macs polo team finished their 2003 season with an impressive record of 27 wins and only 3 losses, each one to a tough Fenwick team; and

WHEREAS, The Mighty Macs polo team is a strong team because each member understands the importance of working together as a team and being positive and supportive to each other; and

WHEREAS, The 2003 Macs polo team members, Bianca Cabrera, Jade Cabrera, Maggie Coghlan, Ashley Colby, Erin Delaney, Katie Egan, Megan Garmes, Emily Ginger, Kellianne Grant, Amanda Grunauer, Taylor Kedzior, Colleen Mixan, Megan O'Connell, Sandra Perez, Kathleen Reilly, Megan Quinn, and Ashley Whirity, displayed awesome athleticism, genuine "sportswomanship", and true class in each and every athletic contest; and

WHEREAS, Coaches Colleen McShane, Maura Tiernan, and Nancy O'Brien-Kane; Athletic Director

Nancy Pedersen; Principal Sr. Rose Wiorek; and all the faculty and students of Mother McAuley Liberal Arts High School provided inspiration, guidance, and support so important in an athletic achievement of this magnitude; and

WHEREAS, All past and present students, faculty, staff and supporters of the Macs, all Chicago residents, and citizens of Illinois, must be proud of the dedication, character, spirit, and resolve of the Macs; and

WHEREAS, All the team members, coaches, and supporters of the Macs polo team have learned that anything in life can be achieved through teamwork; therefore, be it

RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE NINETY-THIRD GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that we congratulate each and every team member and coach and all teachers and students of Mother McAuley Liberal Arts High School upon winning back to back State water polo championships in 2002 and 2003; and be it further

RESOLVED, That a suitable copy of this preamble and resolution be sent to the coaches, athletic director, principal, and each team member of the Mother McAuley Liberal Arts High School water polo team.

HOUSE RESOLUTION 383

Offered by Representative Brosnahan:

WHEREAS, The members of the House of Representatives of the State of Illinois wish to congratulate the Brother Rice High School Water Polo Team, the Crusaders, on winning its first IHSA State championship; and

WHEREAS, The school won the Illinois Swimming Association (ISA) water polo championships in 1980, 1981, 1982, 1983, 1984, 1985, 1986, 1988, 1989, 1994, 1995, 1996, and 1998; the team ended the season with an overall record of 30 wins and 2 losses; and

WHEREAS, The members of the team include Dan Fadden, Dan Melaniphy, Jake Oprondek, Brian McShane, Brian Kuczynski, Matt Wood, Ulysses Cortes, Oscar Martinez, Fernando Chavez, Matt Latham, Damian Roman, Alonzo Cruz, Dominic Barraco, Dan Ilanzie, Kevin McShane, Mark DiCola, Sean Castle, John Colby, Omar Vasquez, Nick Velasquez, and Andrew Omastiak; and

WHEREAS, Seniors Brian McShane (Player of the Year) and Alonzo Cruz made the first team All-State; juniors Brian Kuczynski and Ulysses Cortes made second team All-State; junior, Matt Wood and senior, Matt Latham got honorable mention All-State; and Brian McShane, Alonzo Cruz, and Matt Wood made the All-Chicago Catholic League; the Tony Lawless Award recipients for top player and coach in the Chicago Catholic League went to senior Brian McShane and head coach Bill Mulcrone; and

WHEREAS, The team dedicated this season to long-time head coach Jim "Moose" Mulcrone who passed away in December 2002; his son Bill, a 1996 Brother Rice graduate, was named interim head coach for this season and guided the team to the State championship; he was named head coach on a permanent basis on May 19, 2003, at an all-school assembly honoring the team; his brother Scott, a 1984 Brother Rice graduate is an assistant coach along with Chris Kolasa; Joe Augustyn serves as moderator for the team; therefore, be it

RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE NINETY-THIRD GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that we congratulate the Brother Rice High School Water Polo Team, the Crusaders, on becoming the 2003 IHSA State Water Polo Champions and wish them well in all of their future endeavors; and be it further

RESOLVED, That a suitable copy of this resolution be presented to each member of the team, the coaches, and assistant coaches as an expression of our respect and esteem.

HOUSE RESOLUTION 384

Offered by Representative Kelly:

WHEREAS, The members of the Illinois House of Representatives congratulate the ladies of Homewood High School in Flossmoor for their participation in the IHSA Girls State Track meet on May 24, 2003; and

WHEREAS, The team placed 9th overall at the meet with 19 points; and

WHEREAS, Brittany Riley, a junior at Flossmoor, placed 2nd in the discus throw with a 135 foot throw, and 4th in Shot Put with a 42 foot 10 3/4 inch throw; senior Kristina Jones placed 5th in the Triple Jump with a 38 foot 2 1/2 inch jump; therefore, be it

RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE NINETY-THIRD GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that we congratulate the ladies of the Homewood High School Girls Track Team and wish them well in all of their future endeavors; and be it further

RESOLVED, That a suitable copy of this resolution be presented to each member of the Homewood High School Girls Track Team.

HOUSE RESOLUTION 385

Offered by Representative Parke:

WHEREAS, The members of the House of Representatives of the State of Illinois wish to congratulate the Illinois Association of Park Districts (IAPD) on the occasion of its 75th anniversary; and

WHEREAS, The IAPD was established on May 17, 1928; it provides education, research, and advocacy for its 362 members, consisting of 279 park districts, eight forest preserve districts, four conservation districts, one conservancy district, 35 city agencies, one State agency (the Department of Natural Resources), and 34 associate members in the allied fields of law, landscape architecture, and public finance; and

WHEREAS, The mission of IAPD is to advance its members in their ability to provide outstanding park and recreation opportunities, preserve our natural resources, and improve the quality of life for all people in Illinois; and

WHEREAS, The IAPD is the oldest statewide association of its kind in the country; it is the only park association with a primary membership of elected board members who serve without compensation on local park and forest preserve boards; its member agencies and their staffs are nationally recognized leaders in parks and recreation and have won the National Gold Medal Award more times than any other state; and

WHEREAS, Early legislation addressed by the association sought to establish uniform laws for organizing park districts and the powers of elected officials, establish the powers of park districts for acquiring land for open space and public parks and recreation; over the years, the association has worked in bipartisan partnership with legislative leaders in Illinois and Washington, D.C. to secure funding for open space, recreation, wildlife preservation, senior health interests, and after-school recreation and nutrition programs for youth; and

WHEREAS, As a grass-roots organization, with its 2,100 elected officials and more than 300 park and forest preserve agency leaders, IAPD's voice for parks and natural resources is strong and respected; therefore, be it

RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE NINETY-THIRD GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that we congratulate the Illinois Association of Park Districts on celebrating its 75th anniversary; and be it further

RESOLVED, That a suitable copy of this resolution be presented to Dr. Ted Flickinger, President/CEO and Mr. Dennis Flanagin, chairman of the Board of Trustees of the Illinois Association of Park Districts for 2003.

HOUSE RESOLUTION 388

Offered by Representative Brosnahan:

WHEREAS, The members of the House of Representatives of the State of Illinois were saddened to learn of the death of Roberta Kemph Sheahan on April 10, 2003; and

WHEREAS, Mrs. Sheahan was born on August 28, 1955; she married John Sheahan and was the mother of Kelly, Mike, Mary Rose, and Marty; and

WHEREAS, Roberta was well-respected and loved by the Beverly area of Chicago for over 25 years; she worked as a legislative assistant for the office of Representative Thomas Dart where she selflessly served constituents for over 3 years; and

WHEREAS, Roberta's extraordinary sense of humor always made her fun to be with whether at home or in the office; and

WHEREAS, Roberta was an enthusiastic supporter of Mt. Carmel High School, located in Chicago, where her brother, Steve, and son, Mike, were students; and

WHEREAS, Roberta was instrumental in the establishment of dating violence prevention programs in Chicago and suburban high schools; and

WHEREAS, Roberta's sense of family, friendship, and community are a testament to the deep caring and love she felt for others, as was evidenced by her organizing a yearly Christmas Party for the needy children of her area; and

WHEREAS, Roberta was an active member of St. Cajetan Parish where she participated in many community activities; she will be greatly missed and her family, friends, and community will truly feel the loss of her presence; therefore, be it

RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE NINETY-THIRD GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that together with her friends, family, and all who knew and loved her, we mourn the death of Roberta Kemph Sheahan and extend to them our deepest sympathy; and be it further

RESOLVED, That a suitable copy of this resolution be presented to the family of Roberta Kemph Sheahan as an expression of our sincere condolences.

SENATE BILL ON SECOND READING

SENATE BILL 1075. Having been printed, was taken up and read by title a second time.

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

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend Senate Bill 1075 by replacing everything after the enacting clause with the following:

"Section 5. The Rural Bond Bank Act is amended by changing Section 1-2 as follows:

(30 ILCS 360/1-2) (from Ch. 17, par. 7201-2)

Sec. 1-2. Declaration of purpose. (a) It is declared to be in the public interest and to be the policy of Illinois ~~this State~~:

(1) To foster and promote by all reasonable means the provision of adequate capital markets and facilities for borrowing money by rural units of local government, and for the financing of their respective public improvements and other governmental purposes within the State from proceeds of bonds or notes issued by those governmental units;

(2) To assist rural governmental units in fulfilling their needs for those purposes by use of creation of indebtedness;

(3) To the extent possible, to reduce the costs of indebtedness to taxpayers and residents of this State and to encourage continued investor interest in the purchase of bonds or notes of rural governmental units as sound and preferred securities for investment; and

(4) To encourage rural governmental units to continue their independent undertakings of public improvements and other governmental purposes and the financing thereof, and to assist them in those activities by making funds available at reduced interest costs for orderly financing of those purposes, especially during periods of restricted credit or money supply, and particularly for those rural governmental units not otherwise able to borrow for those purposes.

(b) It is further declared that current credit and municipal bond market conditions require the exercise of State powers in the interest of rural governmental units to further and implement these policies by:

(1) Authorizing a State instrumentality to be created as a body corporate and politic to have full powers to borrow money and to issue its bonds and notes to make funds available through the facilities of the instrumentality at reduced rates and on more favorable terms for borrowing by rural governmental units through the instrumentality's purchase of the bonds or notes of the governmental units in fully marketable form; and

(2) Granting broad powers to the instrumentality to accomplish and to carry out these policies of the State which are in the public interest of the State and of its taxpayers and residents. (Source: P.A. 86-

927.)".

There being no further amendments, the foregoing Amendment No. 1 was adopted and the bill, as amended, was held on the order of Second Reading.

RECALL

By unanimous consent, on motion of Representative Brosnahan, SENATE BILL 1621 was recalled from the order of Third Reading to the order of Second Reading and held on that order.

ACTION ON MOTIONS

Pursuant to the motion submitted previously, Representative Molaro moved to suspend the posting requirements in Rule 25 in relation to Senate Bill 640.

The motion prevailed.

RECALL

By unanimous consent, on motion of Representative Hannig, SENATE BILL 1601 was recalled from the order of Third Reading to the order of Second Reading and held on that order.

SENATE BILLS ON SECOND READING

SENATE BILL 989. Having been printed, was taken up and read by title a second time.

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

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend Senate Bill 989 by replacing everything after the enacting clause with the following:

"Section 5. The Illinois Public Aid Code is amended by adding Section 5-2.05 as follows:

(305 ILCS 5/5-2.05 new)

Sec. 5-2.05. Disabled children.

(a) The Department of Public Aid may offer, to children with developmental disabilities and severely mentally ill or emotionally disturbed children who otherwise would not qualify for medical assistance under this Article due to family income, home-based and community-based services instead of institutional placement, as allowed under paragraph 7 of Section 5-2.

(b) The Department of Public Aid, in conjunction with the Department of Human Services and the Division of Specialized Care for Children, University of Illinois-Chicago, shall also report to the Governor and the General Assembly no later than January 1, 2004 regarding the status of existing services offered under paragraph 7 of Section 5-2. This report shall include, but not be limited to, the following information:

(1) The number of persons eligible for these services.

(2) The number of persons who applied for these services.

(3) The number of persons who currently receive these services.

(4) The nature, scope, and cost of services provided under paragraph 7 of Section 5-2.

(5) The comparative cost of providing those services in a hospital, skilled nursing facility, or intermediate care facility.

(6) The funding sources for the provision of services, including federal financial participation.

(7) The qualifications, skills, and availability of caregivers for children receiving services.

The report shall also include information regarding the extent to which the existing programs could provide coverage for mentally disabled children who are currently being provided services in an institution who could otherwise be served in a less-restrictive, community-based setting for the same or a lower cost.

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

There being no further amendments, the foregoing Amendment No. 1 was adopted and the bill, as amended, was advanced to the order of Third Reading.

SENATE BILL 994. Having been printed, was taken up and read by title a second time.

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

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend Senate Bill 994 by replacing everything after the enacting clause with the following:

"Section 5. The Department of Human Services Act is amended by changing Section 80-5 and the Article 80 heading as follows:

(20 ILCS 1305/Art. 80 heading) ARTICLE 80. EVALUATION AND TRANSITION PROVISIONS

(20 ILCS 1305/80-5)

Sec. 80-5. Task Force on the Department of Human Services ~~Consolidation~~.

(a) There is hereby established a Task Force on the Department of Human Services ~~Consolidation~~.

(b) The Task Force shall consist of 7 voting members, as follows: one person appointed by the Governor, who shall serve as chair of the Task Force; 2 members appointed by the President of the Senate, one of whom shall be designated a vice chair at the time of appointment; one member appointed by the Senate Minority Leader; 2 members appointed by the Speaker of the House of Representatives, one of whom shall be designated a vice chair at the time of appointment; and one member appointed by the House Minority Leader.

Members appointed by the legislative leaders shall be appointed for the duration of the Task Force; in the event of a vacancy, the appointment to fill the vacancy shall be made by the legislative leader of the same house and party as the leader who made the original appointment. The Governor may at any time terminate the service of the person appointed by the Governor and reappoint a different person to serve as chair of the Task Force.

The following persons (or their designees) shall serve, ex officio, as nonvoting members of the Task Force: the Director of Public Health, the Director of Public Aid, the Director of Children and Family Services, the Director of the Bureau of the Budget, and the Secretary of Human Services~~, until their offices are abolished, the Director of Mental Health and Developmental Disabilities, the Director of Rehabilitation Services, and the Director of Alcoholism and Substance Abuse~~. The Governor may appoint up to 3 additional persons to serve as nonvoting members of the Task Force, who may be technical consultants from~~; such persons shall be officers or employees of a constitutional office or of~~ a department or agency of the executive branch.

The Task Force may begin to conduct business upon the appointment of a majority of the voting members. If the chair has not been appointed but both vice chairs have been appointed, the 2 vice chairs shall preside jointly. If the chair has not been appointed and only one vice chair has been appointed, that vice chair shall preside.

Members shall serve without compensation but may be reimbursed for their expenses.

(c) The Task Force shall gather information and make recommendations relating to the performance of the Illinois Department of Human Services since its creation under this Act, with respect to its success in achieving the goals and objectives of the human services consolidation, the effectiveness of its structure and function, and its impact on the delivery of programs and services. ~~planning, organization, and implementation of human services consolidation.~~ The Task Force shall work to assure that the human services delivery system is meeting ~~meets~~ and adhering ~~adheres~~ to the goals of quality, efficiency, accountability, and financial responsibility; to make recommendations in keeping with those goals concerning the design, operation, and organizational structure of the ~~new~~ Department of Human Services; and to recommend any necessary implementing legislation for the improvement of programs and services under the jurisdiction of the Department of Human Services.

The Task Force shall evaluate ~~monitor~~ the implementation of human service program reorganization and shall study its effect on the delivery of services to the citizens of Illinois. The Task Force shall make recommendations to the Governor and the General Assembly regarding the effect of the ~~future~~ consolidation of human service programs and functions.

(d) The Task Force shall:

(1) review and make recommendations on the organizational structure of the ~~new~~ Department of Human Services;

(2) review the status of ~~and approve~~ plans for a unified electronic management and intake information and reporting system as provided in Section 1-25, and monitor ~~and guide~~ the implementation of the system;

(3) review the progress that the Department has made toward ~~and make recommendations on~~ the consolidation or elimination of fragmented or duplicative programs;

(4) monitor and review the progress that the Department has made on maximizing ~~make recommendations on how best to maximize~~ future federal funding for the ~~new~~ Department ~~of Human Services~~, with specific ~~specifically including~~ consideration of any federal Medicaid, welfare, or block grant reforms that have been authorized to enhance State programs and services ~~reform~~;

(5) review the progress that the Department has made ~~and make recommendations~~ on geographic regionalization;

(6) review the progress that the Department has made ~~and make recommendations~~ on the development of common intake and client confidentiality processes;

(7) review the progress that the Department has made with respect ~~and make recommendations~~ to ~~foster~~ effective community-based privatization; and

~~(8) obtain a management audit of the Department of Children and Family Services, to be completed and submitted to the Task Force no later than July 1, 1997~~; ~~and~~

(8) ~~(9)~~ review any other appropriate matter and make recommendations to assure a high quality, efficient, accountable, and financially responsible system for the delivery of human services to the people of Illinois.

(e) The Task Force may hire any necessary staff or consultants, enter into contracts, and make any expenditures necessary for carrying out its duties, all out of moneys appropriated for that purpose. Staff support services may be provided to the Task Force by the Office of the Governor, the agencies of State government represented on the Task Force by ex officio members ~~directly involved in the reorganization of the delivery of human services~~, and appropriate legislative staff.

(f) The Task Force may establish an advisory committee to ensure maximum public participation in the Task Force's planning, organization, and implementation review process. If established, the advisory committee shall (1) advise and assist the Task Force in its duties, (2) help the Task Force to identify issues of public concern, and (3) meet at least quarterly.

(g) The Task Force shall submit preliminary reports of its findings and recommendations to the Governor and the General Assembly by January 1, 2004 and March 1, 2004, and a final report by September 1, 2004 ~~February 1, 1997 and February 1, 1998 and a final report by January 1, 1999~~. It may submit other reports as it deems appropriate.

(h) The Task Force is abolished on January 1, 2005 ~~February 1, 1999~~. (Source: P.A. 89-506, eff. 7-3-96.)

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

There being no further amendments, the foregoing Amendment No. 1 was adopted and the bill, as amended, was advanced to the order of Third Reading.

Having been printed, the following bill was taken up, read by title a second time and advanced to the order of Third Reading: SENATE BILL 1064.

SENATE BILL 1649. Having been read by title a second time on May 28, 2003, and held on the order of Second Reading, the same was again taken up and advanced to the order of Third Reading.

SENATE BILL 1743. Having been read by title a second time on May 27, 2003, and held on the order of Second Reading, the same was again taken up and advanced to the order of Third Reading.

SENATE BILL 1848. Having been read by title a second time on May 28, 2003, and held on the order of Second Reading, the same was again taken up and advanced to the order of Third Reading.

SENATE BILL 1865. Having been read by title a second time on May 28, 2003, and held on the order of Second Reading, the same was again taken up and advanced to the order of Third Reading.

SENATE BILL 172. Having been read by title a second time on May 27, 2003, and held on the order of Second Reading, the same was again taken up.

Representative Granberg offered the following amendment and moved its adoption.

AMENDMENT NO. 2

AMENDMENT NO. 2____. Amend Senate Bill 172, AS AMENDED, with reference to page and line numbers of House Amendment No. 1, on page 2, by replacing lines 29 through 32 with the following: "initial appointments. The members shall not receive a salary but shall be reimbursed for the necessary expenses incurred in the performance of their duties.".

The motion prevailed and the amendment was adopted and ordered printed.

There being no further amendments, the foregoing Amendment No. 2 was adopted and the bill, as amended, was advanced to the order of Third Reading.

SENATE BILL ON THIRD READING

The following bill and any amendments adopted thereto were printed and laid upon the Members' desks. Any amendments pending were tabled pursuant to Rule 40(a).

On motion of Representative Granberg, SENATE BILL 172 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:

116, Yeas; 0, Nays; 1, Answering Present.

(ROLL CALL 2)

This bill, as amended, having received the votes of a constitutional majority of the Members elected, was declared passed.

Ordered that the Clerk inform the Senate and ask their concurrence in the House amendment/s adopted.

SENATE BILL ON SECOND READING

SENATE BILL 1743. Having been read by title a second time on May 27, 2003, and held on the order of Second Reading, the same was again taken up.

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

AMENDMENT NO. 1

AMENDMENT NO. 1____. Amend Senate Bill 1743 by replacing everything after the enacting clause with the following:

"Section 5. The Department of Commerce and Community Affairs Law of the Civil Administrative Code of Illinois is amended by adding Section 605-970 as follows:

(20 ILCS 605/605-970 new)

Sec. 605-970. Motor Sports Promotion Council Task Force. The Motor Sports Promotion Council Task Force is created within the Department to gather information and make recommendations to the Governor and the General Assembly regarding the creation of a Motor Sports Promotion Council. The mission of the Motor Sports Promotion Council shall be to conduct a study and make recommendations regarding the effects that the motor sports racing industry would have on the State of Illinois. The Motor Sports Promotion Council would aim to enhance Illinois' economy, image, and quality of life through the recruitment, development, and promotion of regional, national, and international motor racing industry events. The Council would be responsible for enhancing the sports tourism industry throughout the State by the process of attracting, hosting, and supporting regional, national, and international motor sports racing events and organizations throughout the State.

The Motor Sports Promotion Council Task Force shall consist of 7 voting members as follows: 3 members appointed by the Governor, one of whom shall be designated as Chair of the Task Force at the

time of appointment; one member appointed by the President of the Senate; one member appointed by the Senate Minority Leader; one member appointed by the Speaker of the House; and one member appointed by the House Minority Leader. If a vacancy occurs in the Motor Sports Promotion Council Task Force membership, the vacancy shall be filled in the same manner as the initial appointment.

Task Force members shall serve without compensation, but may be reimbursed for their personal travel expense from funds available for that purpose. The Department shall provide staff and administrative support services to the Task Force. The Department and the Task Force may accept donated services and other resources from registered not-for-profit organizations that may be necessary to complete the work of the Task Force with minimal expense to the State of Illinois.

The Motor Sports Promotion Council Task Force may begin to conduct business upon appointment of a majority of the voting members, including the Chair of the Task Force. The Task Force may adopt by-laws and shall meet at least once each calendar quarter. The Task Force may establish any committees and offices it deems necessary. For purposes of Task Force meetings, a quorum is 4 voting members. Meetings of the Task Force are subject to the Open Meetings Act. The Task Force must afford an opportunity for public comment at each of its meetings. The Task Force shall submit a report to the Governor and General Assembly no later than February 1, 2004 concerning its finding and recommendations.".

There being no further amendments, the foregoing Amendment No. 1 was adopted and the bill, as amended, was advanced to the order of Third Reading.

SENATE BILL ON THIRD READING

The following bill and any amendments adopted thereto were printed and laid upon the Members' desks. Any amendments pending were tabled pursuant to Rule 40(a).

On motion of Representative Molaro, SENATE BILL 1743 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:

106, Yeas; 11, Nays; 0, Answering Present.

(ROLL CALL 3)

This bill, as amended, having received the votes of a constitutional majority of the Members elected, was declared passed.

Ordered that the Clerk inform the Senate and ask their concurrence in the House amendment/s adopted.

SENATE BILL ON SECOND READING

SENATE BILL 802. Having been printed, was taken up and read by title a second time.

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

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend Senate Bill 802 by replacing everything after the enacting clause with the following:

"Section 1. Short Title. This Act may be cited as the O'Hare Modernization Act.

Section 5. Findings and purposes.

(a) The Illinois General Assembly Finds and determines:

(1) The reliability and efficiency of the State and national air transportation systems significantly depend on the efficiency of the Chicago O'Hare International Airport. O'Hare has an essential role in air transportation for the State of Illinois. The reliability and efficiency of air transportation for residents and businesses in Illinois and other States depend on efficient air traffic operations at O'Hare.

(2) O'Hare cannot efficiently perform its role in the State and national air transportation systems unless it is reconfigured with multiple parallel runways.

(3) The O'Hare Modernization Program will enhance the economic welfare of the State of Illinois and its residents by creating thousands of jobs and business opportunities.

(4) O'Hare provides, and will continue to provide, unique air transportation functions that cannot be replaced by any other airport in Illinois.

(5) Public roadway access through the existing western boundary of O'Hare to passenger terminal and parking facilities located inside the boundary of O'Hare and reasonably accessible to that western access is an essential element of the O'Hare Modernization Program. That western access to O'Hare is needed to realize the full economic opportunities created by the O'Hare Modernization Program and to improve ground transportation in the O'Hare area. It is important to the State that the western access be constructed not later than the time existing runway 14R-32L is removed from service.

(6) For the reasons stated in paragraphs (1), (2), (3), (4), and (5), it is essential that the O'Hare Modernization Program be completed efficiently and without unnecessary delay.

(7) For the reasons stated in paragraphs (1), (2), (3), (4), and (5), it is essential that acquisition of property as required for the O'Hare Modernization Program be completed as expeditiously as practicable.

(8) The General Assembly recognizes that the planning, construction, and use of O'Hare and the planning, construction, and use of the O'Hare Modernization Program will be subject to intensive regulatory scrutiny by the United States and that no purpose would be served by duplicative or redundant regulation of the safety and impacts of the airport or the O'Hare Modernization Program.

(b) It is the intent of the General Assembly that all agencies of this State and its subdivisions shall facilitate the efficient and expeditious completion of the O'Hare Modernization Program to the extent not specifically prohibited by law, and that legal impediments to the completion of the project be eliminated.

Section 10. Definitions. As used in this Act:

"Airport property" means (i) any property or an interest in property that is, or hereafter becomes, part of O'Hare International Airport and (ii) any property or an interest in property that is not part of O'Hare International Airport, but that is acquired by the City of Chicago for purposes of air navigation or air safety in accordance with standards established by the Federal Aviation Administration. "Airport property", however, shall not include any substitute property acquired pursuant to Section 15 of this Act, including property acquired for cemetery purposes.

"O'Hare Modernization Program" means the plan for modernization of O'Hare International Airport by (1) construction and reconfiguration of runways, taxiways, and facilities for movement and servicing of aircraft; construction of western airport access and related roadways; construction and reconfiguration of roadways, terminals, passenger transportation facilities, parking facilities, and cargo facilities; construction of drainage and stormwater management facilities; and related projects, within the area bounded on the north by Touhy Avenue; on the east by the eastern boundary of O'Hare existing on January 1, 2003; on the southeast by the southeastern boundary of O'Hare existing on January 1, 2003; on the south between the eastern boundary of O'Hare and the Union Pacific Railroad by the southern boundary of O'Hare existing on January 1, 2003; on the south, between the Union Pacific Railroad and the west boundary of York Road by the Canadian Pacific railroad yard; and on the west by the west boundary of York Road; and (2) provision for air navigation and air safety outside that area in accordance with standards established by the Federal Aviation Administration.

"O'Hare" means Chicago O'Hare International Airport.

"City" means the City of Chicago.

Section 15. Acquisition of property. In addition to any other powers the City may have, and notwithstanding any other law to the contrary, the City may acquire by gift, grant, lease, purchase, condemnation (including condemnation by quick take under Section 7-103 of the Code of Civil Procedure), or otherwise any right, title, or interest in any private property, property held in the name of or belonging to any public body or unit of government, or any property devoted to a public use, or any other rights or easements, including any property, rights, or easements owned by the State, units of local government, or school districts, including forest preserve districts, for purposes related to the O'Hare Modernization Program. The powers given to the City under this Section include the power to acquire, by condemnation or otherwise, any property used for cemetery purposes within or outside of the City, and to require that the cemetery be removed to a different location. The powers given to the City under this Section include the power to condemn or otherwise acquire (other than by condemnation by quick take under Section 7-103 of the Code of Civil Procedure), and to convey, substitute property when the City reasonably determines that monetary compensation will not be sufficient or practical just compensation for property acquired by the City in connection with the O'Hare Modernization Program. The acquisition of substitute property is declared to be for public use. Property acquired under this Section includes property that the City reasonably determines will be necessary for future use, regardless of whether final regulatory or funding

decisions have been made.

Section 20. Condemnation by other governmental units. No airport property may be subject to taking by condemnation or otherwise by any unit of local government other than the City of Chicago, or by any agency, instrumentality, or political subdivision of the State.

Section 25. Jurisdiction over airport property. Airport property shall not be subject to the the laws of any unit of local government except as provided by ordinance of the City. Plans of all public agencies that may affect the O'Hare Modernization Program shall be consistent with the O'Hare Modernization Program, and to the extent that any plan of any public agency or unit or division of State or local government is inconsistent with the O'Hare Modernization Program, that plan is and shall be void and of no effect.

Section 30. Home Rule. It is declared to be the law of this State, pursuant to paragraph (h) of Section 6 of Article VII of the Illinois Constitution, that the regulation and supervision of the City of Chicago's implementation of the O'Hare Modernization Program is an exclusive State function that may not be exercised concurrently by any unit of local government.

Section 90. The Archeological and Paleontological Resources Protection Act is amended by adding Section 1.5 as follows:

(20 ILCS 3435/1.5 new)

Sec. 1.5. O'Hare Modernization. Nothing in this Act limits the authority of the City of Chicago to exercise its powers under the O'Hare Modernization Act or requires that City, or any person acting on behalf of that City, to obtain a permit under this Act when exercising powers under the O'Hare Modernization Act.

Section 91. The Human Skeletal Remains Protection Act is amended by adding Section 4.5 as follows:

(20 ILCS 3440/4.5 new)

Sec. 4.5. O'Hare Modernization. Nothing in this Act limits the authority of the City of Chicago to exercise its powers under the O'Hare Modernization Act or requires that City, or any person acting on behalf of that City, to obtain a permit under this Act when exercising powers under the O'Hare Modernization Act.

Section 92. The Illinois Municipal Code is amended by changing Sections 11-51-1, 11-102-2, and 11-102-4 as follows:

(65 ILCS 5/11-51-1) (from Ch. 24, par. 11-51-1)

Sec. 11-51-1. Cemetery removal. Whenever any cemetery is embraced within the limits of any city, village, or incorporated town, the corporate authorities thereof, if, in their opinion, any good cause exists why such cemetery should be removed, may cause the remains of all persons interred therein to be removed to some other suitable place. However, the corporate authorities shall first obtain the assent of the trustees or other persons having the control or ownership of such cemetery, or a majority thereof. When such cemetery is owned by one or more private parties, or private corporation or chartered society, the corporate authorities of such city may require the removal of such cemetery to be done at the expense of such private parties, or private corporation or chartered society, if such removal be based upon their application. Nothing in this Section limits the powers of the City of Chicago to acquire property under Section 15 of the O'Hare Modernization Act. (Source: P.A. 87-1153.)

(65 ILCS 5/11-102-2) (from Ch. 24, par. 11-102-2)

Sec. 11-102-2. Every municipality specified in Section 11-102-1 may purchase, construct, reconstruct, expand and improve landing fields, landing strips, landing floats, hangers, terminal buildings and other structures relating thereto and may provide terminal facilities for public airports; may construct, reconstruct and improve causeways, roadways, and bridges for approaches to or connections with the landing fields, landing strips and landing floats; and may construct and maintain breakwaters for the protection of such airports with a water front. Before any work of construction is commenced in, over or upon any public waters of the state, the plans and specifications therefor shall be submitted to and approved by the Department of Transportation of the state. Submission to and approval by the Department of Transportation is not required for any work or construction undertaken as part of the O'Hare Modernization Program as defined in Section 10 of the O'Hare Modernization Act. (Source: P.A. 81-840.)

(65 ILCS 5/11-102-4) (from Ch. 24, par. 11-102-4)

Sec. 11-102-4. Every municipality specified in Section 11-102-1 may contract for the removal or relocation of all buildings, railways, mains, pipes, conduits, wires, poles, and all other structures, facilities and equipment which may interfere with the location, expansion or improvement of any public airport, or with the safe approach thereto or take-off therefrom by aircraft, and may acquire by gift, grant, lease, purchase, condemnation or otherwise any private property, public property or property devoted to any public use or rights or easements therein for any purpose authorized by this Section and Sections 11-102-1

through 11-102-3. Nothing in this Section limits the powers of the City of Chicago to acquire property under Section 15 of the O'Hare Modernization Act. (Source: Laws 1961, p. 576.)

Section 93. The Downstate Forest Preserve District Act is amended by changing Section 5e as follows:

(70 ILCS 805/5e) (from Ch. 96 1/2, par. 6308e)

Sec. 5e. Property owned by a forest preserve district shall not be subject to eminent domain or condemnation proceedings, except as otherwise provided in Section 15 of the O'Hare Modernization Act. (Source: P.A. 85-993.)

Section 93.5. The Vital Records Act is amended by changing Section 21 as follows:

(410 ILCS 535/21) (from Ch. 111 1/2, par. 73-21)

Sec. 21. (1) The funeral director or person acting as such who first assumes custody of a dead body or fetus shall make a written report to the registrar of the district in which death occurred or in which the body or fetus was found within 24 hours after taking custody of the body or fetus on a form prescribed and furnished by the State Registrar and in accordance with the rules promulgated by the State Registrar. Except as specified in paragraph (2) of this Section, the written report shall serve as a permit to transport, bury or entomb the body or fetus within this State, provided that the funeral director or person acting as such shall certify that the physician in charge of the patient's care for the illness or condition which resulted in death has been contacted and has affirmatively stated that he will sign the medical certificate of death or the fetal death certificate. If a funeral director fails to file written reports under this Section in a timely manner, the local registrar may suspend the funeral director's privilege of filing written reports by mail. In a county with a population greater than 3,000,000, if a funeral director or person acting as such inters or entombs a dead body without having previously certified that the physician in charge of the patient's care for the illness or condition that resulted in death has been contacted and has affirmatively stated that he or she will sign the medical certificate of death, then that funeral director or person acting as such is responsible for payment of the specific costs incurred by the county medical examiner in disinterring and reinterring or reentombing the dead body.

(2) The written report as specified in paragraph (1) of this Section shall not serve as a permit to:

(a) Remove body or fetus from this State;

(b) Cremate the body or fetus; or

(c) Make disposal of any body or fetus in any manner when death is subject to the coroner's or medical examiner's investigation.

(3) In accordance with the provisions of paragraph (2) of this Section the funeral director or person acting as such who first assumes custody of a dead body or fetus shall obtain a permit for disposition of such dead human body prior to final disposition or removal from the State of the body or fetus. Such permit shall be issued by the registrar of the district where death occurred or the body or fetus was found. No such permit shall be issued until a properly completed certificate of death has been filed with the registrar. The registrar shall insure the issuance of a permit for disposition within an expedited period of time to accommodate Sunday or holiday burials of decedents whose time of death and religious tenets or beliefs necessitate Sunday or holiday burials.

(4) A permit which accompanies a dead body or fetus brought into this State shall be authority for final disposition of the body or fetus in this State, except in municipalities where local ordinance requires the issuance of a local permit prior to disposition.

(5) A permit for disposition of a dead human body shall be required prior to disinterment of a dead body or fetus, and when the disinterred body is to be shipped by a common carrier. Such permit shall be issued to a licensed funeral director or person acting as such, upon proper application, by the local registrar of the district in which disinterment is to be made. In the case of disinterment, proper application shall include a statement providing the name and address of any surviving spouse of the deceased, or, if none, any surviving children of the deceased, or if no surviving spouse or children, a parent, brother, or sister of the deceased. The application shall indicate whether the applicant is one of these parties and, if so, whether the applicant is a surviving spouse or a surviving child. Prior to the issuance of a permit for disinterment, the local registrar shall, by certified mail, notify the surviving spouse, unless he or she is the applicant, or if there is no surviving spouse, all surviving children except for the applicant, of the application for the permit. The person or persons notified shall have 30 days from the mailing of the notice to object by obtaining an injunction enjoining the issuance of the permit. After the 30-day period has expired, the local registrar shall issue the permit unless he or she has been enjoined from doing so or there are other statutory grounds for refusal. The notice to the spouse or surviving children shall inform the person or persons being notified of the right to seek an injunction within 30 days. Notwithstanding any other provision of this subsection (5), a court may order issuance of a permit for disinterment without notice or prior to the

expiration of the 30-day period where the petition is made by an agency of any governmental unit and good cause is shown for disinterment without notice or for the early order. Nothing in this subsection (5) limits the authority of the City of Chicago to exercise its powers under the O'Hare Modernization Act or requires that City, or any person acting on behalf of that City, to obtain a permit under this subsection (5) when exercising powers under the O'Hare Modernization Act. (Source: P.A. 88-261; 89-381, eff. 8-18-95.)

Section 94. The Illinois Aeronautics Act is amended by changing Sections 38.01 and 47 and by adding Section 47.1 as follows:

(620 ILCS 5/38.01) (from Ch. 15 1/2, par. 22.38a)

Sec. 38.01. Project applications.

(a) No municipality or political subdivision in this state, whether acting alone or jointly with another municipality or political subdivision or with the state, shall submit any project application under the provisions of the Airport and Airway Improvement Act of 1982, or any amendment thereof, unless the project and the project application have been first approved by the Department. No such municipality or political subdivision shall directly accept, receive, or disburse any funds granted by the United States under the Airport and Airway Improvement Act of 1982, but it shall designate the Department as its agent to accept, receive, and disburse such funds, provided, however, nothing in this Section shall be construed to prohibit any municipality or any political sub-division of more than 500,000 inhabitants from disbursing such funds through its corporate authorities. It shall enter into an agreement with the Department prescribing the terms and conditions of such agency in accordance with federal laws, rules and regulations and applicable laws of this state. This subsection (a) does not apply to any project application submitted in connection with the O'Hare Modernization Program as defined in Section 10 of the O'Hare Modernization Act.

(b) The City of Chicago may submit a project application under the provisions of the Airport and Airway Improvement Act of 1982, as now or hereafter amended, or any other federal law providing for airport planning or development, if the application is submitted in connection with the O'Hare Modernization Program as defined in Section 10 of the O'Hare Modernization Act, and the City may directly accept, receive, and disburse any such funds. (Source: P.A. 92-341, eff. 8-10-01.)

(620 ILCS 5/47) (from Ch. 15 1/2, par. 22.47)

Sec. 47. Operation without certificate of approval unlawful; applications.) An application for a certificate of approval of an airport or restricted landing area, or the alteration or extension thereof, shall set forth, among other things, the location of all railways, mains, pipes, conduits, wires, cables, poles and other facilities and structures of public service corporations or municipal or quasi-municipal corporations, located within the area proposed to be acquired or restricted, and the names of persons owning the same, to the extent that such information can be reasonably ascertained by the applicant.

It shall be unlawful for any municipality or other political subdivision, or officer or employee thereof, or for any person, to make any alteration or extension of an existing airport or restricted landing area, or to use or operate any airport or restricted landing area, for which a certificate of approval has not been issued by the Department; Provided, that no certificate of approval shall be required for an airport or restricted landing area which was in existence and approved by the Illinois Aeronautics Commission, whether or not being operated, on or before July 1, 1945, or for the O'Hare Modernization Program as defined in Section 10 of the O'Hare Modernization Act. The Department shall supervise, monitor, and enforce compliance with the O'Hare Modernization Act by all other departments, agencies, and units of State and local government.

Provisions of this Section do not apply to special purpose aircraft designated as such by the Department when operating to or from uncertificated areas other than their principal base of operations, provided mutually acceptable arrangements are made with the property owner, and provided the owner or operator of the aircraft assumes liabilities which may arise out of such operations. (Source: P.A. 81-840.)

(620 ILCS 5/47.1 new)

Sec. 47.1. Review by Department of O'Hare Modernization Program. The Department shall monitor the design, planning, financing, and construction of the O'Hare Modernization Program as defined in Section 10 of the O'Hare Modernization Act in order to ensure that the O'Hare Modernization Program proceeds in a timely, efficient, and safe manner, and shall monitor the effects of the O'Hare Modernization Program on units of local government throughout the State. The Department shall file reports with the General Assembly as the Department deems appropriate concerning the design, planning, financing, and construction of the O'Hare Modernization Program as defined in Section 10 of the O'Hare Modernization Act, and the effects of the O'Hare Modernization Program on units of local government.

Section 95. The Code of Civil Procedure is amended by changing Section 2-103 and adding Section 7-

103.149 as follows:

(735 ILCS 5/2-103) (from Ch. 110, par. 2-103)

Sec. 2-103. Public corporations - Local actions - Libel - Insurance companies.

(a) Actions must be brought against a public, municipal, governmental or quasi-municipal corporation in the county in which its principal office is located or in the county in which the transaction or some part thereof occurred out of which the cause of action arose. Except as otherwise provided in Section 7-102 of this Code, if the cause of action is related to an airport owned by a unit of local government or the property or aircraft operations thereof, however, including an action challenging the constitutionality of this amendatory Act of the 93rd General Assembly, the action must be brought in the county in which the unit of local government's principal office is located. Actions to recover damage to real estate which may be overflowed or otherwise damaged by reason of any act of the corporation may be brought in the county where the real estate or some part of it is situated, or in the county where the corporation is located, at the option of the party claiming to be injured. Except as otherwise provided in Section 7-102 of this Code, any cause of action that is related to an airport owned by a unit of local government, and that is pending on or after the effective date of this amendatory Act of the 93rd General Assembly in a county other than the county in which the unit of local government's principal office is located, shall be transferred, upon motion of any party under Section 2-106 of this Code, to the county in which the unit of local government's principal office is located.

(b) Any action to quiet title to real estate, or to partition or recover possession thereof or to foreclose a mortgage or other lien thereon, must be brought in the county in which the real estate or some part of it is situated.

(c) Any action which is made local by any statute must be brought in the county designated in the statute.

(d) Every action against any owner, publisher, editor, author or printer of a newspaper or magazine of general circulation for libel contained in that newspaper or magazine may be commenced only in the county in which the defendant resides or has his, her or its principal office or in which the article was composed or printed, except when the defendant resides or the article was printed without this State, in either of which cases the action may be commenced in any county in which the libel was circulated or published.

(e) Actions against any insurance company incorporated under the law of this State or doing business in this State may also be brought in any county in which the plaintiff or one of the plaintiffs may reside. (Source: P.A. 85-887.)

(735 ILCS 5/7-103.149 new)

Sec. 7-103.149. Quick-take; O'Hare Modernization Program purposes. Quick-take proceedings under Section 7-103 may be used by the City of Chicago for the purpose of acquiring property for the O'Hare Modernization Program as defined in Section 10 of the O'Hare Modernization Act.

Section 96. The Religious Freedom Restoration Act is amended by adding Section 30 as follows:

(775 ILCS 35/30 new)

Sec. 30. O'Hare Modernization. Nothing in this Act limits the authority of the City of Chicago to exercise its powers under the O'Hare Modernization Act.

Section 98. Severability. The provisions of this Act are severable under Section 1.31 of the Statute on Statutes.

Section 99. Effective date. This Act takes effect upon its becoming law, and Section 95 of this Act applies to cases pending on or after the effective date.".

Floor Amendments numbered 2, 3, 4, 5, 6, 7, 8, 10 and 11 remained in the Committee on Rules.

Floor Amendment No. 9 remained in the Committee on Executive.

There being no further amendments, the foregoing Amendment No. 1 was adopted and the bill, as amended, was held on the order of Second Reading.

SENATE BILL 1912. Having been printed, was taken up and read by title a second time.

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

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend Senate Bill 1912 by replacing the title with the following:

"AN ACT concerning health care workers."; and

by replacing everything after the enacting clause with the following:

"Section 5. The Health Care Worker Background Check Act is amended by changing Sections 25 and 65 as follows:

(225 ILCS 46/25)

Sec. 25. Persons ineligible to be hired by health care employers. (a) After January 1, 1996, or January 1, 1997, as applicable, no health care employer shall knowingly hire, employ, or retain any individual in a position with duties involving direct care for clients, patients, or residents, who has been convicted of committing or attempting to commit one or more of the offenses defined in Sections 8-1.1, 8-1.2, 9-1, 9-1.2, 9-2, 9-2.1, 9-3, 9-3.1, 9-3.2, 9-3.3, 10-1, 10-2, 10-3, 10-3.1, 10-4, 10-5, 10-7, 11-6, 11-9.1, 11-19.2, 11-20.1, 12-1, 12-2, 12-3, 12-3.1, 12-3.2, 12-4, 12-4.1, 12-4.2, 12-4.3, 12-4.4, 12-4.5, 12-4.6, 12-4.7, 12-7.4, 12-11, 12-13, 12-14, 12-14.1, 12-15, 12-16, 12-19, 12-21, 12-21.6, 12-32, 12-33, 16-1, 16-1.3, 16A-3, 17-3, 18-1, 18-2, 18-3, 18-4, 18-5, 19-1, 19-3, 19-4, 20-1, 20-1.1, 24-1, 24-1.2, 24-1.5, or 33A-2 of the Criminal Code of 1961; those provided in Section 4 of the Wrongs to Children Act; those provided in Section 53 of the Criminal Jurisprudence Act; those defined in Section 5, 5.1, 5.2, 7, or 9 of the Cannabis Control Act; or those defined in Sections 401, 401.1, 404, 405, 405.1, 407, or 407.1 of the Illinois Controlled Substances Act, unless the applicant or employee obtains a waiver pursuant to Section 40.

(a-1) After January 1, 2004, no health care employer shall knowingly hire any individual in a position with duties involving direct care for clients, patients, or residents who has (i) been convicted of committing or attempting to commit one or more of the offenses defined in Section 12-3.3, 12-4.2-5, 16-2, 16G-15, 16G-20, 18-5, 20-1.2, 24-1.1, 24-1.2-5, 24-1.6, 24-3.2, or 24-3.3 of the Criminal Code of 1961; Section 4, 5, 6, 8, or 17.02 of the Illinois Credit Card and Debit Card Act; or Section 5.1 of the Wrongs to Children Act; or (ii) violated Section 10-5 of the Nursing and Advanced Practice Nursing Act.

A UCIA criminal history record check need not be redone for health care employees who have been continuously employed by a health care employer since January 1, 2004, but nothing in this Section prohibits a health care employer from initiating a criminal history check for these employees.

A health care employer is not required to retain an individual in a position with duties involving direct care for clients, patients, or residents who has been convicted of committing or attempting to commit one or more of the offenses enumerated in this subsection.

(b) A health care employer shall not hire, employ, or retain any individual in a position with duties involving direct care of clients, patients, or residents if the health care employer becomes aware that the individual has been convicted in another state of committing or attempting to commit an offense that has the same or similar elements as an offense listed in subsection (a) or (a-1), as verified by court records, records from a state agency, or an FBI criminal history record check. This shall not be construed to mean that a health care employer has an obligation to conduct a criminal history records check in other states in which an employee has resided. (Source: P.A. 90-441, eff. 1-1-98; 91-598, eff. 1-1-00.)

(225 ILCS 46/65)

Sec. 65. Health Care Worker Task Force. A Health Care Worker Task Force shall be appointed ~~no later than July 1, 1996,~~ to study and make recommendations on statutory changes to this Act.

(a) The Task Force shall monitor the status of the implementation of this Act and monitor complaint investigations relating to this Act by the Department on Aging, Department of Public Health, Department of Professional Regulation, and the Department of Human Services to determine the criminal background, if any, of health care workers who have had findings of abuse, theft, or exploitation.

(b) The Task Force shall make recommendations concerning~~: (1) additional health care positions, including licensed individuals and volunteers, that should be included in the Act; (2) development of a transition to fingerprint based State and federal criminal records checks for all direct care applicants or employees; (3) development of a system that is affordable to applicants; (4)~~ modifications to the list of offenses enumerated in Section 25, including time limits on all or some of the disqualifying offenses,~~;~~ and ~~(5)~~ any other necessary or desirable changes to the Act.

(c) The Task Force shall issue an interim report to the Governor and General Assembly no later than January 1, 2004 ~~December 31, 1996~~. The final report shall be issued no later than September 30, 2005 ~~1997~~, and shall include specific statutory changes recommended, if any.

(d) The Task Force shall be composed ~~comprised~~ of the following members, who shall serve without pay:

(1) a chairman knowledgeable about health care issues, who shall be appointed by the Governor;

(2) the Director of ~~the Department of~~ Public Health or his or her designee;

(3) the Director of ~~the Department of~~ State Police or his or her designee;

(3.5) the Director of ~~the Department of~~ Public Aid or his or her designee;

(3.6) the Secretary of Human Services or his or her designee;

(3.7) the Director of Aging or his or her designee;

(4) 2 representatives of health care providers, who shall be appointed by the Governor;

(5) 2 representatives of health care employees, who shall be appointed by the Governor;

(5.5) a representative of a Community Care homemaker program, who shall be appointed by the Governor;

(6) a representative of the general public who has an interest in health care, who shall be appointed by the Governor; and

(7) 4 members of the General Assembly, one appointed by the Speaker of the House, one appointed by the House Minority Leader, one appointed by the President of the Senate, and one appointed by the Senate Minority Leader.

(Source: P.A. 89-197, eff. 7-21-95; 89-507, eff. 7-1-97; 89-674, eff. 8-14-96; 90-14, eff. 7-1-97.)

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

There being no further amendments, the foregoing Amendment No. 1 was adopted and the bill, as amended, was advanced to the order of Third Reading.

SENATE BILL 1915. Having been printed, was taken up and read by title a second time.

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

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend Senate Bill 1915 by replacing the title with the following:

AN ACT in relation to criminal law."; and

by replacing everything after the enacting clause with the following:

"Section 5. The Criminal Code of 1961 is amended by adding Section 21-9 as follows:

(720 ILCS 5/21-9 new)

Sec. 21-9. Criminal trespass to a place of public amusement.

(a) A person commits the offense of criminal trespass to a place of public amusement if he or she knowingly and without lawful authority enters or remains on any portion of a place of public amusement after having received notice that the general public is restricted from access to that portion of the place of public amusement. Such areas may include, but are not limited to: a playing field, an athletic surface, a stage, a locker room, or a dressing room located at the place of public amusement.

(b) A property owner, a lessee, an agent of either the owner or lessee, or a performer or participant may use reasonable force to restrain a trespasser and remove him or her from the restricted area; however, any use of force beyond reasonable force may subject that person to any applicable criminal penalty.

(c) A person has received notice within the meaning of subsection (a) if he or she has been notified personally, either orally or in writing, or if a printed or written notice forbidding such entry has been conspicuously posted or exhibited at the entrance to the portion of the place of public amusement that is restricted or an oral warning has been broadcast over the public address system of the place of public amusement.

(d) In this Section, "place of public amusement" means a stadium, a theater, or any other facility of any kind, whether licensed or not, where a live performance, a sporting event, or any other activity takes place for other entertainment and where access to the facility is made available to the public, regardless of whether admission is charged.

(e) Sentence. Criminal trespass to a place of public amusement is a Class 4 felony. Upon imposition of any sentence, the court shall also impose a fine of not less than $1,000. In addition, any order of probation or conditional discharge entered following a conviction shall include a condition that the offender perform public or community service of not less than 30 and not more than 120 hours, if community service is available in the jurisdiction and is funded and approved by the county board of the county where the offender was convicted. The court may also impose any other condition of probation or conditional discharge under this Section.".

There being no further amendments, the foregoing Amendment No. 1 was adopted and the bill, as amended, was advanced to the order of Third Reading.

SENATE BILL 992. Having been recalled on May 15, 2003, and held on the order of Second Reading, the same was again taken up.

Representative Wait offered the following amendment and moved its adoption.

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend Senate Bill 992 by replacing everything after the enacting clause with the following:

"Section 5. The Criminal Code of 1961 is amended by changing Section 31-1 as follows:

(720 ILCS 5/31-1) (from Ch. 38, par. 31-1)

Sec. 31-1. Resisting or obstructing a peace officer, ~~or~~ correctional institution employee, probation officer, or parole officer.

(a) A person who knowingly resists or obstructs the performance by one known to the person to be a peace officer, ~~or~~ correctional institution employee, probation officer, or parole officer of any authorized act within his official capacity commits a Class A misdemeanor.

(a-5) In addition to any other sentence that may be imposed, a court shall order any person convicted of resisting or obstructing a peace officer, correctional institution employee, probation officer, or parole officer to be sentenced to a minimum of 48 consecutive hours of imprisonment or ordered to perform community service for not less than 100 hours as may be determined by the court. The person shall not be eligible for probation in order to reduce the sentence of imprisonment or community service.

(a-7) A person convicted for a violation of this Section whose violation was the proximate cause of an injury to a peace officer, correctional institution employee, probation officer, or parole officer is guilty of a Class 3 ~~4~~ felony.

(a-8) A person who, having been given a signal by a peace officer, correctional institution employee, probation officer, or parole officer that he or she is under arrest, willfully flees or attempts to elude the officer or employee is guilty of a Class 4 felony.

(b) For purposes of this Section:~~,~~

"Correctional institution employee" means any person employed to supervise and control inmates incarcerated in a penitentiary, State farm, reformatory, prison, jail, house of correction, police detention area, half-way house, or other institution or place for the incarceration or custody of persons under sentence for offenses or awaiting trial or sentence for offenses, under arrest for an offense, a violation of probation, a violation of parole, or a violation of mandatory supervised release, or awaiting a bail setting hearing or preliminary hearing, or who are sexually dangerous persons or who are sexually violent persons.

"Probation officer" has the meaning ascribed to it in Section 9b of the Probation and Probation Officers Act. (Source: P.A. 92-841, eff. 8-22-02.)".

The motion prevailed and the amendment was adopted and ordered printed.

There being no further amendments, the foregoing Amendment No. 1 was adopted and the bill, as amended, was again advanced to the order of Third Reading.

SENATE BILL 969. Having been read by title a second time on May 27, 2003, and held on the order of Second Reading, the same was again taken up.

Representative Currie offered the following amendment and moved its adoption.

AMENDMENT NO. 1

AMENDMENT NO. 1____. Amend Senate Bill 969 by replacing everything after the enacting clause with the following:

"Section 1. Short title. This Act may be cited as the Tax Delinquency Amnesty Act.

Section 5. Definitions. As used in this Act:

"Department" means the Illinois Department of Revenue.

"Rules" means any rules adopted or forms prescribed by the Department.

"Taxable period" means any period of time for which any tax is imposed by and owed to the State of Illinois.

"Taxpayer" means any person, corporation, or other entity subject to any tax, except for the motor fuel

use tax, imposed by any law of the State of Illinois and payable to the State of Illinois.

Section 10. Amnesty program. The Department shall establish an amnesty program for all taxpayers owing any tax imposed by reason of or pursuant to authorization by any law of the State of Illinois and collected by the Department.

The amnesty program shall be for a period from October 1, 2003 through November 15, 2003.

The amnesty program shall provide that, upon payment by a taxpayer of all taxes due from that taxpayer to the State of Illinois for any taxable period ending after June 30, 1983 and prior to July 1, 2002, the Department shall abate and not seek to collect any interest or penalties that may be applicable and the Department shall not seek civil or criminal prosecution for any taxpayer for the period of time for which amnesty has been granted to the taxpayer. Failure to pay all taxes due to the State for a taxable period shall invalidate any amnesty granted under this Act. Amnesty shall be granted only if all amnesty conditions are satisfied by the taxpayer.

Amnesty shall not be granted to taxpayers who are a party to any criminal investigation or to any civil or criminal litigation that is pending in any circuit court or appellate court or the Supreme Court of this State for nonpayment, delinquency, or fraud in relation to any State tax imposed by any law of the State of Illinois.

Voluntary payments made under this Act shall be made by cash, check, guaranteed remittance, or ACH debit.

The Department shall adopt rules as necessary to implement the provisions of this Act.

Except as otherwise provided in this Section, all money collected under this Act that would otherwise be deposited into the General Revenue Fund shall be deposited as follows: (i) one-half into the Common School Fund; (ii) one-half into the General Revenue Fund. Two percent of all money collected under this Act shall be deposited by the State Treasurer into the Tax Compliance and Administration Fund and, subject to appropriation, shall be used by the Department to cover costs associated with the administration of this Act.

Section 905. The Uniform Penalty and Interest Act is amended by changing Sections 3-2, 3-3, 3-4, 3-5, 3-6, and 3-7.5 as follows:

(35 ILCS 735/3-2) (from Ch. 120, par. 2603-2)

Sec. 3-2. Interest. (a) Interest paid by the Department to taxpayers and interest charged to taxpayers by the Department shall be paid at the annual rate determined by the Department. That rate shall be the underpayment rate established under Section 6621 of the Internal Revenue Code.

(b) The interest rate shall be adjusted on a semiannual basis, on January 1 and July 1, based upon the underpayment rate going into effect on that January 1 or July 1 under Section 6621 of the Internal Revenue Code.

(c) This subsection (c) is applicable to returns due on and before December 31, 2000. Interest shall be simple interest calculated on a daily basis. Interest shall accrue upon tax and penalty due. If notice and demand is made for the payment of any amount of tax due and if the amount due is paid within 30 days after the date of such notice and demand, interest under this Section on the amount so paid shall not be imposed for the period after the date of the notice and demand.

(c-5) This subsection (c-5) is applicable to returns due on and after January 1, 2001. Interest shall be simple interest calculated on a daily basis. Interest shall accrue upon tax due. If notice and demand is made for the payment of any amount of tax due and if the amount due is paid within 30 days after the date of the notice and demand, interest under this Section on the amount so paid shall not be imposed for the period after the date of the notice and demand.

(d) No interest shall be paid upon any overpayment of tax if the overpayment is refunded or a credit approved within 90 days after the last date prescribed for filing the original return, or within 90 days of the receipt of the processable return, or within 90 days after the date of overpayment, whichever date is latest, as determined without regard to processing time by the Comptroller or without regard to the date on which the credit is applied to the taxpayer's account. In order for an original return to be processable for purposes of this Section, it must be in the form prescribed or approved by the Department, signed by the person authorized by law, and contain all information, schedules, and support documents necessary to determine the tax due and to make allocations of tax as prescribed by law. For the purposes of computing interest, a return shall be deemed to be processable unless the Department notifies the taxpayer that the return is not processable within 90 days after the receipt of the return; however, interest shall not accumulate for the period following this date of notice. Interest on amounts refunded or credited pursuant to the filing of an amended return or claim for refund shall be determined from the due date of the original return or the date of overpayment, whichever is later, to the date of payment by the Department without regard to processing

time by the Comptroller or the date of credit by the Department or without regard to the date on which the credit is applied to the taxpayer's account. If a claim for refund relates to an overpayment attributable to a net loss carryback as provided by Section 207 of the Illinois Income Tax Act, the date of overpayment shall be the last day of the taxable year in which the loss was incurred.

(e) Interest on erroneous refunds. Any portion of the tax imposed by an Act to which this Act is applicable or any interest or penalty which has been erroneously refunded and which is recoverable by the Department shall bear interest from the date of payment of the refund. However, no interest will be charged if the erroneous refund is for an amount less than $500 and is due to a mistake of the Department.

(f) If a taxpayer has a tax liability that is eligible for amnesty under the Tax Delinquency Amnesty Act and the taxpayer fails to satisfy the tax liability during the amnesty period provided for in that Act, then the interest charged by the Department under this Section shall be imposed at a rate that is 200% of the rate that would otherwise be imposed under this Section. (Source: P.A. 91-803, eff. 1-1-01.)

(35 ILCS 735/3-3) (from Ch. 120, par. 2603-3)

Sec. 3-3. Penalty for failure to file or pay. (a) This subsection (a) is applicable before January 1, 1996. A penalty of 5% of the tax required to be shown due on a return shall be imposed for failure to file the tax return on or before the due date prescribed for filing determined with regard for any extension of time for filing (penalty for late filing or nonfiling). If any unprocessable return is corrected and filed within 21 days after notice by the Department, the late filing or nonfiling penalty shall not apply. If a penalty for late filing or nonfiling is imposed in addition to a penalty for late payment, the total penalty due shall be the sum of the late filing penalty and the applicable late payment penalty. Beginning on the effective date of this amendatory Act of 1995, in the case of any type of tax return required to be filed more frequently than annually, when the failure to file the tax return on or before the date prescribed for filing (including any extensions) is shown to be nonfraudulent and has not occurred in the 2 years immediately preceding the failure to file on the prescribed due date, the penalty imposed by Section 3-3(a) shall be abated.

(a-5) This subsection (a-5) is applicable to returns due on and after January 1, 1996 and on or before December 31, 2000. A penalty equal to 2% of the tax required to be shown due on a return, up to a maximum amount of $250, determined without regard to any part of the tax that is paid on time or by any credit that was properly allowable on the date the return was required to be filed, shall be imposed for failure to file the tax return on or before the due date prescribed for filing determined with regard for any extension of time for filing. However, if any return is not filed within 30 days after notice of nonfiling mailed by the Department to the last known address of the taxpayer contained in Department records, an additional penalty amount shall be imposed equal to the greater of $250 or 2% of the tax shown on the return. However, the additional penalty amount may not exceed $5,000 and is determined without regard to any part of the tax that is paid on time or by any credit that was properly allowable on the date the return was required to be filed (penalty for late filing or nonfiling). If any unprocessable return is corrected and filed within 30 days after notice by the Department, the late filing or nonfiling penalty shall not apply. If a penalty for late filing or nonfiling is imposed in addition to a penalty for late payment, the total penalty due shall be the sum of the late filing penalty and the applicable late payment penalty. In the case of any type of tax return required to be filed more frequently than annually, when the failure to file the tax return on or before the date prescribed for filing (including any extensions) is shown to be nonfraudulent and has not occurred in the 2 years immediately preceding the failure to file on the prescribed due date, the penalty imposed by Section 3-3(a-5) shall be abated.

(a-10) This subsection (a-10) is applicable to returns due on and after January 1, 2001. A penalty equal to 2% of the tax required to be shown due on a return, up to a maximum amount of $250, reduced by any tax that is paid on time or by any credit that was properly allowable on the date the return was required to be filed, shall be imposed for failure to file the tax return on or before the due date prescribed for filing determined with regard for any extension of time for filing. However, if any return is not filed within 30 days after notice of nonfiling mailed by the Department to the last known address of the taxpayer contained in Department records, an additional penalty amount shall be imposed equal to the greater of $250 or 2% of the tax shown on the return. However, the additional penalty amount may not exceed $5,000 and is determined without regard to any part of the tax that is paid on time or by any credit that was properly allowable on the date the return was required to be filed (penalty for late filing or nonfiling). If any unprocessable return is corrected and filed within 30 days after notice by the Department, the late filing or nonfiling penalty shall not apply. If a penalty for late filing or nonfiling is imposed in addition to a penalty for late payment, the total penalty due shall be the sum of the late filing penalty and the applicable late payment penalty. In the case of any type of tax return required to be filed more frequently than annually, when the failure to file the tax return on or before the date prescribed for filing (including any extensions)

is shown to be nonfraudulent and has not occurred in the 2 years immediately preceding the failure to file on the prescribed due date, the penalty imposed by Section 3-3(a-10) shall be abated.

(b) This subsection is applicable before January 1, 1998. A penalty of 15% of the tax shown on the return or the tax required to be shown due on the return shall be imposed for failure to pay:

(1) the tax shown due on the return on or before the due date prescribed for payment of that tax, an amount of underpayment of estimated tax, or an amount that is reported in an amended return other than an amended return timely filed as required by subsection (b) of Section 506 of the Illinois Income Tax Act (penalty for late payment or nonpayment of admitted liability); or

(2) the full amount of any tax required to be shown due on a return and which is not shown (penalty for late payment or nonpayment of additional liability), within 30 days after a notice of arithmetic error, notice and demand, or a final assessment is issued by the Department. In the case of a final assessment arising following a protest and hearing, the 30-day period shall not begin until all proceedings in court for review of the final assessment have terminated or the period for obtaining a review has expired without proceedings for a review having been instituted. In the case of a notice of tax liability that becomes a final assessment without a protest and hearing, the penalty provided in this paragraph (2) shall be imposed at the expiration of the period provided for the filing of a protest.

(b-5) This subsection is applicable to returns due on and after January 1, 1998 and on or before December 31, 2000. A penalty of 20% of the tax shown on the return or the tax required to be shown due on the return shall be imposed for failure to pay:

(1) the tax shown due on the return on or before the due date prescribed for payment of that tax, an amount of underpayment of estimated tax, or an amount that is reported in an amended return other than an amended return timely filed as required by subsection (b) of Section 506 of the Illinois Income Tax Act (penalty for late payment or nonpayment of admitted liability); or

(2) the full amount of any tax required to be shown due on a return and which is not shown (penalty for late payment or nonpayment of additional liability), within 30 days after a notice of arithmetic error, notice and demand, or a final assessment is issued by the Department. In the case of a final assessment arising following a protest and hearing, the 30-day period shall not begin until all proceedings in court for review of the final assessment have terminated or the period for obtaining a review has expired without proceedings for a review having been instituted. In the case of a notice of tax liability that becomes a final assessment without a protest and hearing, the penalty provided in this paragraph (2) shall be imposed at the expiration of the period provided for the filing of a protest.

(b-10) This subsection (b-10) is applicable to returns due on and after January 1, 2001. A penalty shall be imposed for failure to pay:

(1) the tax shown due on a return on or before the due date prescribed for payment of that tax, an amount of underpayment of estimated tax, or an amount that is reported in an amended return other than an amended return timely filed as required by subsection (b) of Section 506 of the Illinois Income Tax Act (penalty for late payment or nonpayment of admitted liability). The amount of penalty imposed under this subsection (b-10)(1) shall be 2% of any amount that is paid no later than 30 days after the due date, 5% of any amount that is paid later than 30 days after the due date and not later than 90 days after the due date, 10% of any amount that is paid later than 90 days after the due date and not later than 180 days after the due date, and 15% of any amount that is paid later than 180 days after the due date. If notice and demand is made for the payment of any amount of tax due and if the amount due is paid within 30 days after the date of the notice and demand, then the penalty for late payment or nonpayment of admitted liability under this subsection (b-10)(1) on the amount so paid shall not accrue for the period after the date of the notice and demand.

(2) the full amount of any tax required to be shown due on a return and that is not shown (penalty for late payment or nonpayment of additional liability), within 30 days after a notice of arithmetic error, notice and demand, or a final assessment is issued by the Department. In the case of a final assessment arising following a protest and hearing, the 30-day period shall not begin until all proceedings in court for review of the final assessment have terminated or the period for obtaining a review has expired without proceedings for a review having been instituted. The amount of penalty imposed under this subsection (b-10)(2) shall be 20% of any amount that is not paid within the 30-day period. In the case of a notice of tax liability that becomes a final assessment without a protest and hearing, the penalty provided in this subsection (b-10)(2) shall be imposed at the expiration of the period provided for the filing of a protest.

(c) For purposes of the late payment penalties, the basis of the penalty shall be the tax shown or required to be shown on a return, whichever is applicable, reduced by any part of the tax which is paid on

time and by any credit which was properly allowable on the date the return was required to be filed.

(d) A penalty shall be applied to the tax required to be shown even if that amount is less than the tax shown on the return.

(e) This subsection (e) is applicable to returns due before January 1, 2001. If both a subsection (b)(1) or (b-5)(1) penalty and a subsection (b)(2) or (b-5)(2) penalty are assessed against the same return, the subsection (b)(2) or (b-5)(2) penalty shall be assessed against only the additional tax found to be due.

(e-5) This subsection (e-5) is applicable to returns due on and after January 1, 2001. If both a subsection (b-10)(1) penalty and a subsection (b-10)(2) penalty are assessed against the same return, the subsection (b-10)(2) penalty shall be assessed against only the additional tax found to be due.

(f) If the taxpayer has failed to file the return, the Department shall determine the correct tax according to its best judgment and information, which amount shall be prima facie evidence of the correctness of the tax due.

(g) The time within which to file a return or pay an amount of tax due without imposition of a penalty does not extend the time within which to file a protest to a notice of tax liability or a notice of deficiency.

(h) No return shall be determined to be unprocessable because of the omission of any information requested on the return pursuant to Section 2505-575 of the Department of Revenue Law (20 ILCS 2505/2505-575).

(i) If a taxpayer has a tax liability that is eligible for amnesty under the Tax Delinquency Amnesty Act and the taxpayer fails to satisfy the tax liability during the amnesty period provided for in that Act, then the penalty imposed by the Department under this Section shall be imposed in an amount that is 200% of the amount that would otherwise be imposed under this Section. (Source: P.A. 91-239, eff. 1-1-00; 91-803, eff. 1-1-01; 92-742, eff. 7-25-02.)

(35 ILCS 735/3-4) (from Ch. 120, par. 2603-4)

Sec. 3-4. Penalty for failure to file correct information returns. (a) Failure to file correct information returns - imposition of penalty.

(1) In general. Unless otherwise provided in a tax Act, in the case of a failure described in paragraph (2) of this subsection (a) by any person with respect to an information return, that person shall pay a penalty of $5 for each return or statement with respect to which the failure occurs, but the total amount imposed on that person for all such failures during any calendar year shall not exceed $25,000.

(2) Failures subject to penalty. The following failures are subject to the penalty imposed in paragraph (1) of this subsection (a):

(A) any failure to file an information return with the Department on or before the required filing date, or

(B) any failure to include all of the information required to be shown on the return or the inclusion of incorrect information.

(b) Reduction where correction in specified period.

(1) Correction within 60 days. If any failure described in subsection (a) (2) is corrected within 60 days after the required filing date:

(A) the penalty imposed by subsection (a) shall be reduced by 50%; and

(B) the total amount imposed on the person for all such failures during any calendar year which are so corrected shall not exceed 50% of the maximum prescribed in subsection (a) (1).

(c) Information return defined. An information return is any tax return required by a tax Act to be filed with the Department that does not, by law, require the payment of a tax liability.

(d) If a taxpayer has a tax liability that is eligible for amnesty under the Tax Delinquency Amnesty Act and the taxpayer fails to satisfy the tax liability during the amnesty period provided for in that Act, then the penalty imposed by the Department under this Section shall be imposed in an amount that is 200% of the amount that would otherwise be imposed under this Section. (Source: P.A. 87-205.)

(35 ILCS 735/3-5) (from Ch. 120, par. 2603-5)

Sec. 3-5. Penalty for negligence. (a) If any return or amended return is prepared negligently, but without intent to defraud, and filed, in addition to any penalty imposed under Section 3-3 of this Act, a penalty shall be imposed in an amount equal to 20% of any resulting deficiency.

(b) Negligence includes any failure to make a reasonable attempt to comply with the provisions of any tax Act and includes careless, reckless, or intentional disregard of the law or regulations.

(c) No penalty shall be imposed under this Section if it is shown that failure to comply with the tax Act is due to reasonable cause. A taxpayer is not negligent if the taxpayer shows substantial authority to support the return as filed.

(d) If a taxpayer has a tax liability that is eligible for amnesty under the Tax Delinquency Amnesty Act

and the taxpayer fails to satisfy the tax liability during the amnesty period provided for in that Act, then the penalty imposed by the Department shall be imposed in an amount that is 200% of the amount that would otherwise be imposed in accordance with this Section. (Source: P.A. 87-205; 87-1189.)

(35 ILCS 735/3-6) (from Ch. 120, par. 2603-6)

Sec. 3-6. Penalty for fraud. (a) If any return or amended return is filed with intent to defraud, in addition to any penalty imposed under Section 3-3 of this Act, a penalty shall be imposed in an amount equal to 50% of any resulting deficiency.

(b) If any claim is filed with intent to defraud, a penalty shall be imposed in an amount equal to 50% of the amount fraudulently claimed for credit or refund.

(c) If a taxpayer has a tax liability that is eligible for amnesty under the Tax Delinquency Amnesty Act and the taxpayer fails to satisfy the tax liability during the amnesty period provided for in that Act, then the penalty imposed by the Department under this Section shall be imposed in an amount that is 200% of the amount that would otherwise be imposed under this Section. (Source: P.A. 87-205.)

(35 ILCS 735/3-7.5)

Sec. 3-7.5. Bad check penalty. (a) In addition to any other penalty provided in this Act, a penalty of $25 shall be imposed on any person who issues a check or other draft to the Department that is not honored upon presentment. The penalty imposed under this Section shall be deemed assessed at the time of presentment of the check or other draft and shall be treated for all purposes, including collection and allocation, as part of the tax or other liability for which the check or other draft represented payment.

(b) If a taxpayer has a tax liability that is eligible for amnesty under the Tax Delinquency Amnesty Act and the taxpayer fails to satisfy the tax liability during the amnesty period provided for in that Act, then the penalty imposed by the Department under this Section shall be imposed in an amount that is 200% of the amount that would otherwise be imposed under this Section. (Source: P.A. 91-803, eff. 1-1-01.)

Section 999. 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 adopted and the bill, as amended, was advanced to the order of Third Reading.

SENATE BILL 1021. Having been printed, was taken up and read by title a second time.

The following amendment was offered in the Committee on Higher Education, adopted and printed:

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend Senate Bill 1021 by replacing everything after the enacting clause with the following:

"Section 5. The University Credit and Retail Sales Act is amended by changing Section 0.01 and adding Section 0.05 as follows:

(110 ILCS 115/0.01) (from Ch. 144, par. 251.9)

Sec. 0.01. Short title. This Act may be cited as the Higher Education Institution ~~University~~ Credit and Retail Sales Act. (Source: P.A. 89-407, eff. 7-1-96.)

(110 ILCS 115/0.05 new)

Sec. 0.05. State institution of higher learning defined. "State institution of higher learning" means a university, college, community college, or junior college in this State that is publicly supported by taxes levied and collected within the State on income, sales, or property. "State institution of higher learning" does not include a private institution of higher education as that term is defined in Section 3.07 of the Illinois Educational Facilities Authority Act.

Section 90. The State Mandates Act is amended by adding Section 8.27 as follows:

(30 ILCS 805/8.27 new)

Sec. 8.27. 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 93rd General Assembly.

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

Floor Amendments numbered 2 and 3 remained in the Committee on Rules.

There being no further amendments, the foregoing Amendment No. 1 was adopted and the bill, as amended, was advanced to the order of Third Reading.

SENATE BILLS ON THIRD READING

The following bills and any amendments adopted thereto were printed and laid upon the Members' desks. Any amendments pending were tabled pursuant to Rule 40(a).

On motion of Representative Flider, SENATE BILL 96 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:
117, Yeas; 0, Nays; 0, Answering Present.
(ROLL CALL 4)
This bill, as amended, having received the votes of a constitutional majority of the Members elected, was declared passed.
Ordered that the Clerk inform the Senate and ask their concurrence in the House amendment/s adopted.

On motion of Representative Molaro, SENATE BILL 153 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:
67, Yeas; 50, Nays; 0, Answering Present.
(ROLL CALL 5)
This bill, as amended, having received the votes of a constitutional majority of the Members elected, was declared passed.
Ordered that the Clerk inform the Senate and ask their concurrence in the House amendment/s adopted.

On motion of Representative Osterman, SENATE BILL 173 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:
20, Yeas; 97, Nays; 0, Answering Present.
(ROLL CALL 6)
This bill, as amended, having received the votes of a constitutional majority of the Members elected, was declared lost.
Ordered that the Clerk inform the Senate and ask their concurrence in the House amendment/s adopted.

On motion of Representative Giles, SENATE BILL 206 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:
114, Yeas; 2, Nays; 1, Answering Present.
(ROLL CALL 7)
This bill, having received the votes of a constitutional majority of the Members elected, was declared passed.
Ordered that the Clerk inform the Senate.

On motion of Representative Burke, SENATE BILL 777 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:
117, Yeas; 0, Nays; 0, Answering Present.
(ROLL CALL 8)
This bill, as amended, having received the votes of a constitutional majority of the Members elected, was declared passed.
Ordered that the Clerk inform the Senate and ask their concurrence in the House amendment/s adopted.

On motion of Representative Biggins, SENATE BILL 496 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:
116, Yeas; 0, Nays; 1, Answering Present.
(ROLL CALL 9)
This bill, having received the votes of a constitutional majority of the Members elected, was declared passed.
Ordered that the Clerk inform the Senate.

On motion of Representative Molaro, SENATE BILL 594 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:
62, Yeas; 53, Nays; 2, Answering Present.
(ROLL CALL 10)
This bill, as amended, having received the votes of a constitutional majority of the Members elected, was declared passed.
Ordered that the Clerk inform the Senate and ask their concurrence in the House amendment/s adopted.

On motion of Representative Daniels, SENATE BILL 871 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:
117, Yeas; 0, Nays; 0, Answering Present.
(ROLL CALL 11)
This bill, as amended, having received the votes of a constitutional majority of the Members elected, was declared passed.
Ordered that the Clerk inform the Senate and ask their concurrence in the House amendment/s adopted.

On motion of Representative Kosel, SENATE BILL 1147 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:
117, Yeas; 0, Nays; 0, Answering Present.
(ROLL CALL 12)
This bill, as amended, having received the votes of a constitutional majority of the Members elected, was declared passed.
Ordered that the Clerk inform the Senate and ask their concurrence in the House amendment/s adopted.

On motion of Representative Feigenholtz, SENATE BILL 1352 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:
115, Yeas; 0, Nays; 2, Answering Present.
(ROLL CALL 13)
This bill, having received the votes of a constitutional majority of the Members elected, was declared passed.
Ordered that the Clerk inform the Senate.

On motion of Representative Jones, SENATE BILL 1589 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:
85, Yeas; 24, Nays; 8, Answering Present.
(ROLL CALL 14)
This bill, having received the votes of a constitutional majority of the Members elected, was declared passed.
Ordered that the Clerk inform the Senate.

On motion of Representative Jefferson, SENATE BILL 1994 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:

61, Yeas; 54, Nays; 2, Answering Present.

(ROLL CALL 15)

This bill, as amended, having received the votes of a constitutional majority of the Members elected, was declared passed.

Ordered that the Clerk inform the Senate and ask their concurrence in the House amendment/s adopted.

On motion of Representative Hoffman, SENATE BILL 417 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:

114, Yeas; 2, Nays; 0, Answering Present.

(ROLL CALL 16)

This bill, as amended, having received the votes of a constitutional majority of the Members elected, was declared passed.

Ordered that the Clerk inform the Senate and ask their concurrence in the House amendment/s adopted.

On motion of Representative Granberg, SENATE BILL 1476 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:

116, Yeas; 1, Nays; 0, Answering Present.

(ROLL CALL 17)

This bill, having received the votes of a constitutional majority of the Members elected, was declared passed.

Ordered that the Clerk inform the Senate.

CONCURRENCES AND NON-CONCURRENCES IN SENATE AMENDMENTS TO HOUSE BILLS

Senate Amendment No. 1 to HOUSE BILL 44, having been printed, was taken up for consideration.

Representative Joseph Lyons moved that the House concur with the Senate in the adoption of Senate Amendment No. 1.

And on that motion, a vote was taken resulting as follows:

116, Yeas; 1, Nays; 0, Answering Present.

(ROLL CALL 18)

The motion prevailed and the House concurred with the Senate in the adoption of Senate Amendment No. 1 to HOUSE BILL 44.

Ordered that the Clerk inform the Senate.

Senate Amendment No. 1 to HOUSE BILL 51, having been printed, was taken up for consideration.

Representative Lang moved that the House concur with the Senate in the adoption of Senate Amendment No. 1.

And on that motion, a vote was taken resulting as follows:

117, Yeas; 0, Nays; 0, Answering Present.

(ROLL CALL 19)

The motion prevailed and the House concurred with the Senate in the adoption of Senate Amendment No. 1 to HOUSE BILL 51.

Ordered that the Clerk inform the Senate.

Senate Amendment No. 1 to HOUSE BILL 429, having been printed, was taken up for consideration.

Representative Leitch moved that the House concur with the Senate in the adoption of Senate Amendment No. 1.

And on that motion, a vote was taken resulting as follows:

117, Yeas; 0, Nays; 0, Answering Present.

(ROLL CALL 20)

The motion prevailed and the House concurred with the Senate in the adoption of Senate Amendment No. 1 to HOUSE BILL 429.

Ordered that the Clerk inform the Senate.

Senate Amendment No. 2 to HOUSE BILL 536, having been printed, was taken up for consideration.

Representative Cross moved that the House concur with the Senate in the adoption of Senate Amendment No. 2.

And on that motion, a vote was taken resulting as follows:

117, Yeas; 0, Nays; 0, Answering Present.

(ROLL CALL 21)

The motion prevailed and the House concurred with the Senate in the adoption of Senate Amendment No. 2 to HOUSE BILL 536.

Ordered that the Clerk inform the Senate.

Senate Amendment No. 1 to HOUSE BILL 556, having been printed, was taken up for consideration.

Representative Collins moved that the House concur with the Senate in the adoption of Senate Amendment No. 1.

And on that motion, a vote was taken resulting as follows:

117, Yeas; 0, Nays; 0, Answering Present.

(ROLL CALL 22)

The motion prevailed and the House concurred with the Senate in the adoption of Senate Amendment No. 1 to HOUSE BILL 556.

Ordered that the Clerk inform the Senate.

Senate Amendment No. 1 to HOUSE BILL 558, having been printed, was taken up for consideration.

Representative Fritchey moved that the House concur with the Senate in the adoption of Senate Amendment No. 1.

And on that motion, a vote was taken resulting as follows:

116, Yeas; 0, Nays; 1, Answering Present.

(ROLL CALL 23)

The motion prevailed and the House concurred with the Senate in the adoption of Senate Amendment No. 1 to HOUSE BILL 558.

Ordered that the Clerk inform the Senate.

Senate Amendment No. 1 to HOUSE BILL 561, having been printed, was taken up for consideration.

Representative Moffitt moved that the House concur with the Senate in the adoption of Senate Amendment No. 1.

And on that motion, a vote was taken resulting as follows:

116, Yeas; 0, Nays; 1, Answering Present.

(ROLL CALL 24)

The motion prevailed and the House concurred with the Senate in the adoption of Senate Amendment No. 1 to HOUSE BILL 561.

Ordered that the Clerk inform the Senate.

Senate Amendment No. 2 to HOUSE BILL 563, having been printed, was taken up for consideration.

Representative Osterman moved that the House concur with the Senate in the adoption of Senate Amendment No. 2.

And on that motion, a vote was taken resulting as follows:

117, Yeas; 0, Nays; 0, Answering Present.

(ROLL CALL 25)

The motion prevailed and the House concurred with the Senate in the adoption of Senate Amendment No. 2 to HOUSE BILL 563.

Ordered that the Clerk inform the Senate.

Senate Amendment No. 1 to HOUSE BILL 564, having been printed, was taken up for consideration.

Representative Joyce moved that the House concur with the Senate in the adoption of Senate Amendment No. 1.

And on that motion, a vote was taken resulting as follows:

112, Yeas; 4, Nays; 1, Answering Present.

(ROLL CALL 26)

The motion prevailed and the House concurred with the Senate in the adoption of Senate Amendment No. 1 to HOUSE BILL 564.

Ordered that the Clerk inform the Senate.

Senate Amendment No. 3 to HOUSE BILL 571, having been printed, was taken up for consideration.

Representative Dunn moved that the House concur with the Senate in the adoption of Senate Amendment No. 3.

And on that motion, a vote was taken resulting as follows:

117, Yeas; 0, Nays; 0, Answering Present.

(ROLL CALL 27)

The motion prevailed and the House concurred with the Senate in the adoption of Senate Amendment No. 3 to HOUSE BILL 571.

Ordered that the Clerk inform the Senate.

Senate Amendment No. 1 to HOUSE BILL 567, having been printed, was taken up for consideration.

Representative Millner moved that the House concur with the Senate in the adoption of Senate Amendment No. 1.

And on that motion, a vote was taken resulting as follows:

117, Yeas; 0, Nays; 0, Answering Present.

(ROLL CALL 28)

The motion prevailed and the House concurred with the Senate in the adoption of Senate Amendment No. 1 to HOUSE BILL 567.

Ordered that the Clerk inform the Senate.

Senate Amendment No. 1 to HOUSE BILL 572, having been printed, was taken up for consideration.

Representative Moffitt moved that the House concur with the Senate in the adoption of Senate Amendment No. 1.

And on that motion, a vote was taken resulting as follows:

116, Yeas; 0, Nays; 0, Answering Present.

(ROLL CALL 29)

The motion prevailed and the House concurred with the Senate in the adoption of Senate Amendment No. 1 to HOUSE BILL 572.

Ordered that the Clerk inform the Senate.

Senate Amendment No. 1 to HOUSE BILL 579, having been printed, was taken up for consideration.

Representative O'Brien moved that the House concur with the Senate in the adoption of Senate Amendment No. 1.

And on that motion, a vote was taken resulting as follows:
117, Yeas; 0, Nays; 0, Answering Present.
(ROLL CALL 30)
The motion prevailed and the House concurred with the Senate in the adoption of Senate Amendment No. 1 to HOUSE BILL 579.
Ordered that the Clerk inform the Senate.

Senate Amendments numbered 1 and 2 to HOUSE BILL 691, having been printed, were taken up for consideration.
Representative Brady moved that the House concur with the Senate in the adoption of Senate Amendments numbered 1 and 2.
And on that motion, a vote was taken resulting as follows:
116, Yeas; 0, Nays; 0, Answering Present.
(ROLL CALL 31)
The motion prevailed and the House concurred with the Senate in the adoption of Senate Amendments numbered 1 and 2 to HOUSE BILL 691.
Ordered that the Clerk inform the Senate.

Senate Amendment No. 1 to HOUSE BILL 703, having been printed, was taken up for consideration.
Representative Coulson moved that the House concur with the Senate in the adoption of Senate Amendment No. 1.
And on that motion, a vote was taken resulting as follows:
117, Yeas; 0, Nays; 0, Answering Present.
(ROLL CALL 33)
The motion prevailed and the House concurred with the Senate in the adoption of Senate Amendment No. 1 to HOUSE BILL 703.
Ordered that the Clerk inform the Senate.

Senate Amendment No. 1 to HOUSE BILL 715, having been printed, was taken up for consideration.
Representative Hannig moved that the House concur with the Senate in the adoption of Senate Amendment No. 1.
And on that motion, a vote was taken resulting as follows:
117, Yeas; 0, Nays; 0, Answering Present.
(ROLL CALL 34)
The motion prevailed and the House concurred with the Senate in the adoption of Senate Amendment No. 1 to HOUSE BILL 715.
Ordered that the Clerk inform the Senate.

DISTRIBUTION OF SUPPLEMENTAL CALENDAR

Supplemental Calendar No. 1 was distributed to the Members at 3:00 o'clock p.m.

CONCURRENCES AND NON-CONCURRENCES IN SENATE AMENDMENTS TO HOUSE BILLS

Senate Amendment No. 1 to HOUSE BILL 761, having been printed, was taken up for consideration.
Representative Flider moved that the House concur with the Senate in the adoption of Senate Amendment No. 1.
And on that motion, a vote was taken resulting as follows:
115, Yeas; 1, Nays; 0, Answering Present.
(ROLL CALL 35)

The motion prevailed and the House concurred with the Senate in the adoption of Senate Amendment No. 1 to HOUSE BILL 761.

Ordered that the Clerk inform the Senate.

Senate Amendment No. 2 to HOUSE BILL 784, having been printed, was taken up for consideration.

Representative Coulson moved that the House concur with the Senate in the adoption of Senate Amendment No. 2.

And on that motion, a vote was taken resulting as follows:

116, Yeas; 0, Nays; 0, Answering Present.

(ROLL CALL 36)

The motion prevailed and the House concurred with the Senate in the adoption of Senate Amendment No. 2 to HOUSE BILL 784.

Ordered that the Clerk inform the Senate.

Senate Amendment No. 1 to HOUSE BILL 816, having been printed, was taken up for consideration.

Representative McGuire moved that the House concur with the Senate in the adoption of Senate Amendment No. 1.

And on that motion, a vote was taken resulting as follows:

117, Yeas; 0, Nays; 0, Answering Present.

(ROLL CALL 37)

The motion prevailed and the House concurred with the Senate in the adoption of Senate Amendment No. 1 to HOUSE BILL 816.

Ordered that the Clerk inform the Senate.

Senate Amendment No. 1 to HOUSE BILL 865, having been printed, was taken up for consideration.

Representative Watson moved that the House concur with the Senate in the adoption of Senate Amendment No. 1.

And on that motion, a vote was taken resulting as follows:

117, Yeas; 0, Nays; 0, Answering Present.

(ROLL CALL 38)

The motion prevailed and the House concurred with the Senate in the adoption of Senate Amendment No. 1 to HOUSE BILL 865.

Ordered that the Clerk inform the Senate.

Senate Amendment No. 1 to HOUSE BILL 771, having been printed, was taken up for consideration.

Representative Osterman moved that the House concur with the Senate in the adoption of Senate Amendment No. 1.

And on that motion, a vote was taken resulting as follows:

117, Yeas; 0, Nays; 0, Answering Present.

(ROLL CALL 39)

The motion prevailed and the House concurred with the Senate in the adoption of Senate Amendment No. 1 to HOUSE BILL 771.

Ordered that the Clerk inform the Senate.

Senate Amendment No. 1 to HOUSE BILL 873, having been printed, was taken up for consideration.

Representative Reitz moved that the House concur with the Senate in the adoption of Senate Amendment No. 1.

And on that motion, a vote was taken resulting as follows:

117, Yeas; 0, Nays; 0, Answering Present.

(ROLL CALL 40)

The motion prevailed and the House concurred with the Senate in the adoption of Senate Amendment No. 1 to HOUSE BILL 873.

Ordered that the Clerk inform the Senate.

Senate Amendment No. 2 to HOUSE BILL 696, having been printed, was taken up for consideration.

Representative Younge moved that the House concur with the Senate in the adoption of Senate Amendment No. 2.

And on that motion, a vote was taken resulting as follows:

96, Yeas; 8, Nays; 13, Answering Present.

(ROLL CALL 41)

The motion prevailed and the House concurred with the Senate in the adoption of Senate Amendment No. 2 to HOUSE BILL 696.

Ordered that the Clerk inform the Senate.

Senate Amendment No. 1 to HOUSE BILL 943, having been printed, was taken up for consideration.

Representative Currie moved that the House concur with the Senate in the adoption of Senate Amendment No. 1.

And on that motion, a vote was taken resulting as follows:

109, Yeas; 3, Nays; 5, Answering Present.

(ROLL CALL 41)

The motion prevailed and the House concurred with the Senate in the adoption of Senate Amendment No. 1 to HOUSE BILL 943.

Ordered that the Clerk inform the Senate.

SENATE BILL ON THIRD READING

The following bill and any amendments adopted thereto were printed and laid upon the Members' desks. Any amendments pending were tabled pursuant to Rule 40(a).

On motion of Representative Capparelli, SENATE BILL 320 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:

72, Yeas; 44, Nays; 0, Answering Present.

(ROLL CALL 42)

This bill, having received the votes of a constitutional majority of the Members elected, was declared passed.

Ordered that the Clerk inform the Senate.

SENATE BILLS ON SECOND READING

SENATE BILL 1548. Having been printed, was taken up and read by title a second time.

Floor Amendment No. 1 remained in the Committee on Rules.

Floor Amendment No. 2 remained in the Committee on Human Services.

Representative Delgado offered the following amendment and moved its adoption:

AMENDMENT NO. 3

AMENDMENT NO. 3____. Amend Senate Bill 1548, by replacing everything after the enacting clause with the following:

"Section 5. The Illinois Public Aid Code is amended by changing Sections 10-26 and 12-8.1 as follows:

(305 ILCS 5/10-26)

Sec. 10-26. State Disbursement Unit. (a) Effective October 1, 1999 the Illinois Department shall establish a State Disbursement Unit in accordance with the requirements of Title IV-D of the Social Security Act. The Illinois Department shall enter into an agreement with a State or local governmental unit or private entity to perform the functions of the State Disbursement Unit as set forth in this Section. The State Disbursement Unit shall collect and disburse support payments made under court and administrative support orders:

(1) being enforced in cases in which child and spouse support services are being provided under this Article X; and

(2) in all cases in which child and spouse support services are not being provided under this Article X and in which support payments are made under the provisions of the Income Withholding for Support Act.

(a-2) The contract entered into by the Illinois Department with a public or private entity or an individual for the operation of the State Disbursement Unit is subject to competitive bidding. In addition, the contract is subject to Section 10-26.2 of this Code. As used in this subsection (a-2), "contract" has the same meaning as in the Illinois Procurement Code.

(a-5) If the State Disbursement Unit receives a support payment that was not appropriately made to the Unit under this Section, the Unit shall immediately return the payment to the sender, including, if possible, instructions detailing where to send the support payments.

(b) All payments received by the State Disbursement Unit:

(1) shall be deposited into an account obtained by the Illinois Department ~~the State or local governmental unit or private entity, as the case may be,~~ and

(2) distributed and disbursed by the State Disbursement Unit, in accordance with the directions of the Illinois Department, pursuant to Title IV-D of the Social Security Act and rules promulgated by the Department.

(c) All support payments assigned to the Illinois Department under Article X of this Code and rules promulgated by the Illinois Department that are disbursed to the Illinois Department by the State Disbursement Unit shall be paid into the Child Support Enforcement Trust Fund.

(d) If the agreement with the State or local governmental unit or private entity provided for in this Section is not in effect for any reason, the Department shall perform the functions of the State Disbursement Unit as set forth in this Section for a maximum of 12 months before July 1, 2001, and for a maximum of 24 months after June 30, 2001. If the Illinois Department is performing the functions of the State Disbursement Unit on July 1, 2001, then the Illinois Department shall make an award on or before December 31, 2002, to a State or local government unit or private entity to perform the functions of the State Disbursement Unit. Payments received by the Illinois Department in performance of the duties of the State Disbursement Unit shall be deposited into the State Disbursement Unit Revolving Fund established under Section 12-8.1. Nothing in this Section shall prohibit the Illinois Department from holding the State Disbursement Unit Revolving Fund after June 30, 2003.

(e) By February 1, 2000, the Illinois Department shall conduct at least 4 regional training and educational seminars to educate the clerks of the circuit court on the general operation of the State Disbursement Unit, the role of the State Disbursement Unit, and the role of the clerks of the circuit court in the collection and distribution of child support payments.

(f) By March 1, 2000, the Illinois Department shall conduct at least 4 regional educational and training seminars to educate payors, as defined in the Income Withholding for Support Act, on the general operation of the State Disbursement Unit, the role of the State Disbursement Unit, and the distribution of income withholding payments pursuant to this Section and the Income Withholding for Support Act. (Source: P.A. 91-212, eff. 7-20-99; 91-677, eff. 1-5-00; 91-712, eff. 7-1-00; 92-44, eff. 7-1-01.)

(305 ILCS 5/12-8.1)

Sec. 12-8.1. State Disbursement Unit Revolving Fund. (a) There is created a revolving fund to be known as the State Disbursement Unit Revolving Fund, to be held by the Director of the Illinois Department, outside the State treasury, for the following purposes:

(1) the deposit of all support payments received by the Illinois Department's State Disbursement Unit;

(2) the deposit of other funds including, but not limited to, transfers of funds from other accounts attributable to support payments received by the Illinois Department's State Disbursement Unit;

(3) the deposit of any interest accrued by the revolving fund, which interest shall be available for payment of (i) any amounts considered to be Title IV-D program income that must be paid to the U.S. Department of Health and Human Services and (ii) any balance remaining after payments made under

item (i) of this subsection (3) to the General Revenue Fund; however, the disbursements under this subdivision (3) may not exceed the amount of the interest accrued by the revolving fund;

(4) the disbursement of such payments to obligees or to the assignees of the obligees in accordance with the provisions of Title IV-D of the Social Security Act and rules promulgated by the Department, provided that such disbursement is based upon a payment by a payor or obligor deposited into the revolving fund established by this Section; and

(5) the disbursement of funds to payors or obligors to correct erroneous payments to the Illinois Department's State Disbursement Unit, in an amount not to exceed the erroneous payments.

(b) (Blank). ~~The provisions of this Section shall apply only if the Department performs the functions of the Illinois Department's State Disbursement Unit under paragraph (d) of Section 10-26.~~ (Source: P.A. 91-712, eff. 7-1-00; 92-44, eff. 7-1-01.)".

The motion prevailed and the amendment was adopted and ordered printed.

There being no further amendments, the foregoing Amendment No. 3 was adopted and the bill, as amended, was held on the order of Second Reading.

RECESS

At the hour of 3:45 o'clock p.m., Representative Brady moved that the House do now take a recess until the call of the Chair.

The motion prevailed.

At the hour of 5:30 o'clock p.m., the House resumed its session.

Speaker Madigan in the Chair.

SENATE BILLS ON SECOND READING

Having been printed, the following bills were taken up, read by title a second time and held on the order of Second Reading: SENATE BILLS 20, 36, 37, 461, 701, 710, 711, 713, 723, 724, 735, 738, 739, 740, 746, 751, 755, 759, 769, 771, 773, 778, 783, 785, 787, 788, 792, 794, 796, 797, 800, 821, 825, 827, 829, 831, 841, 857, 861, 862, 864, 865, 867, 869, 916, 920, 924, 933, 934, 936, 938, 943, 956, 958, 963, 973, 976, 978, 980, 984, 1013, 1014, 1553, 1557, 1559, 1560, 1567, 1598, 1599, 1604, 1605, 1607, 1610, 1611, 1626, 1631, 1645, 1656, 1657, 1666, 1676, 1680, 1684, 1689, 1691, 1699, 1704, 1705, 1736, 1745, 1897, 1901, 1904, 1909, 1913, 1914, 1920, 1921, 1923, 1924, 1935, 1936, 1937, 1943, 1944, 1946, 1951, 1953, 1955, 1957, 1960, 1962, 1971, 1972, 1973, 1975, 1976, 1977, 1978, 1979, 1988, 1991, 1993 and 1995.

HOUSE BILLS ON SECOND READING

HOUSE BILL 142. Having been printed, was taken up and read by title a second time.

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

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend House Bill 142 by replacing everything after the enacting clause with the following:

"Section 1. Short title. This Act may be cited as the Video Gaming Act.

Section 5. Definitions. As used in this Act:

"Board" means the Illinois Gaming Board.

"Credit" means 5, 10, or 25 cents either won or purchased by a player.

"Distributor" means an individual, partnership, or corporation licensed under this Act to buy, sell, lease, or distribute video gaming terminals or major components or parts of video gaming terminals to or from terminal operators.

"Terminal operator" means an individual, partnership or corporation that is licensed under this Act and

that owns, services, and maintains video gaming terminals for placement in licensed establishments, licensed fraternal establishments, or licensed veterans establishments.

"Licensed technician" means an individual who is licensed under this Act to repair, service, and maintain video gaming terminals.

"Manufacturer" means an individual, partnership, or corporation that is licensed under this Act and that manufactures or assembles video gaming terminals.

"Supplier" means an individual, partnership, or corporation that is licensed under this Act to supply major components or parts to video gaming terminals to licensed terminal operators.

"Net terminal income" means money put into a video gaming terminal minus credits paid out to players.

"Video gaming terminal" means any electronic video game machine that, upon insertion of cash, is available to play or simulate the play of a video game, including but not limited to video poker, line up, and blackjack, authorized by the Board utilizing a video display and microprocessors in which the player may receive free games or credits that can be redeemed for cash. The term does not include a machine that directly dispenses coins, cash, or tokens or is for amusement purposes only.

"Licensed establishment" means any licensed retail establishment where alcoholic liquor is drawn, poured, mixed, or otherwise served for consumption on the premises.

"Licensed fraternal establishment" means the location where a qualified fraternal organization that derives its charter from a national fraternal organization regularly meets.

"Licensed veterans establishment" means the location where a qualified veterans organization that derives its charter from a national veterans organization regularly meets.

Section 15. Minimum requirements for licensing and registration. Every video gaming terminal offered for play shall first be tested and approved pursuant to the rules of the Board, and each video gaming terminal offered in this State for play shall conform to an approved model. The Board may contract with an independent outside vendor for the examination of video gaming machines and associated equipment as required by this Section. Each approved model shall, at a minimum, meet the following criteria:

(1) It must conform to all requirements of federal law and regulations, including FCC Class A Emissions Standards.

(2) It must theoretically pay out a mathematically demonstrable percentage during the expected lifetime of the machine of all amounts played, which must not be less than 80%. Video gaming terminals that may be affected by skill must meet this standard when using a method of play that will provide the greatest return to the player over a period of continuous play.

(3) It must use a random selection process to determine the outcome of each play of a game. The random selection process must meet 99% confidence limits using a standard chi-squared test for (randomness) goodness of fit.

(4) It must display an accurate representation of the game outcome.

(5) It must not automatically alter pay tables or any function of the video gaming terminal based on internal computation of hold percentage or have any means of manipulation that affects the random selection process or probabilities of winning a game.

(6) It must not be adversely affected by static discharge or other electromagnetic interference.

(7) It must be capable of detecting and displaying the following conditions during idle states or on demand: power reset; door open; and door just closed.

(8) It must have the capacity to display complete play history (outcome, intermediate play steps, credits available, bets placed, credits paid, and credits cashed out) for the most recent game played and 10 games prior thereto.

(9) The theoretical payback percentage of a video gaming terminal must not be capable of being changed without making a hardware or software change in the video gaming terminal.

(10) Video gaming terminals must be designed so that replacement of parts or modules required for normal maintenance does not necessitate replacement of the electromechanical meters.

(11) It must have nonresettable meters housed in a locked area of the terminal that keep a permanent record of all cash inserted into the machine, all winnings made by the terminal printer, credits played in for video gaming terminals, and credits won by video gaming players. The video gaming terminal must provide the means for on-demand display of stored information as determined by the Board.

(12) Electronically stored meter information required by this Section must be preserved for a minimum of 180 days after a power loss to the service.

(13) It must have one or more mechanisms that accept coins or cash in the form of bills. The mechanisms shall be designed to prevent obtaining credits without paying by stringing, slamming, drilling, or other means.

(14) It shall have accounting software that keeps an electronic record which includes, but is not limited to, the following: total cash inserted into the video gaming terminal; the value of winning tickets claimed by players; the total credits played; and the total credits awarded by a video gaming terminal.

(15) It shall be linked by a central communications system to provide auditing program information as approved by the Board. In no event may the communications system approved by the Board limit participation to only one manufacturer of video gaming terminals by either the cost in implementing the necessary program modifications to communicate or the inability to communicate with the central communications system.

Section 20. Direct dispensing of receipt tickets only. A video gaming terminal may not directly dispense coins, cash, tokens, or any other article of exchange or value except for receipt tickets. Tickets shall be dispensed by pressing the ticket dispensing button on the video gaming terminal at the end of one's turn or play. The ticket shall indicate the total amount of credits and the cash award, the time of day in a 24-hour format showing hours and minutes, the date, the terminal serial number, the sequential number of the ticket, and an encrypted validation number from which the validity of the prize may be determined. The player shall turn in this ticket to the appropriate person at the licensed establishment, licensed fraternal establishment, or licensed veterans establishment to receive the cash award. The cost of the credit shall be 5 cents, 10 cents, or 25 cents, and the maximum wager played per hand shall not exceed $2. No cash award for the maximum wager on any individual hand shall exceed $500.

Section 25. Restriction of licensees.

(a) Manufacturer. A person may not be licensed as a manufacturer of a video gaming terminal in Illinois unless the person has a valid manufacturer's license issued under this Act. A manufacturer may only sell video gaming terminals for use in Illinois to persons having a valid distributor's license.

(b) Distributor. A person may not sell, service, distribute, or lease or market a video gaming terminal in Illinois unless the person has a valid distributor's license issued under this Act. A distributor may only sell video gaming terminals for use in Illinois to persons having a valid distributor's or terminal operator's license.

(c) Terminal operator. A person may not own, service, maintain, lease, or place a video gaming terminal unless he has a valid terminal operator's license issued under this Act. A terminal operator may only place video gaming terminals for use in Illinois in licensed establishments, licensed fraternal establishments, and licensed veterans establishments. No terminal operator may give anything of value, including but not limited to a loan or financing arrangement, to a licensed establishment, licensed fraternal establishment, or licensed veterans establishment as any incentive or inducement to locate video terminals in that establishment. Of the after-tax profits from a video gaming terminal, 50% shall be paid to the terminal operator and 50% shall be paid to the licensed establishment, licensed fraternal establishment, or licensed veterans establishment. A terminal operator shall be entitled to access all information recorded by the operator's machines pursuant to item (17) of Section 15. No terminal operator may own or have a substantial interest in more than 5% of the video gaming terminals licensed in this State.

(d) Licensed technician. A person may not service, maintain, or repair a video gaming terminal in this State unless he or she (1) has a valid technician's license issued under this Act, (2) is a terminal operator, or (3) is employed by a terminal operator, distributor, or manufacturer.

(e) Licensed establishment. A valid liquor license shall be prima facie evidence of compliance with the licensing requirements of this Act. No video gaming terminal may be placed in any licensed veterans establishment or licensed fraternal establishment unless the owner or agent of the owner of the licensed veterans establishment or licensed fraternal establishment has entered into a written use agreement with the terminal operator for placement of the terminals. A copy of the use agreement shall be on file in the terminal operator's place of business and available for inspection by individuals authorized by the Board. A licensed establishment may not have more than 3 video gaming terminals on its premises at any time, unless the Board authorizes a greater number. A licensed veterans establishment or licensed fraternal establishment may have up to 5 video gaming terminals on its premises at any time, unless the Board authorizes a greater number.

(f) Residency requirement. Each licensed distributor and terminal operator must be an Illinois resident. However, if an out of state distributor or terminal operator has performed its respective business within Illinois for at least 48 months prior to the effective date of this Act, the out of state person may be eligible for licensing under this Act, upon application to and approval of the Board.

(g) Financial interest restrictions. As used in this Act, "substantial interest" in an organization, association, or business means:

(A) When, with respect to a sole proprietorship, an individual or his or her marital community

owns, operates, manages, or conducts, directly or indirectly, the organization, association, or business, or any part thereof; or

(B) When, with respect to a partnership, the individual or his or her marital community shares in any of the profits, or potential profits, of the partnership activities; or

(C) When, with respect to a corporation, an individual or his or her spouse is an officer or director, or the individual or his or her marital community is a holder, directly or beneficially, of 5% or more of any class of stock of the corporation; or

(D) When, with respect to an organization not covered in (A), (B) or (C) above, an individual or his or her spouse is an officer or manages the business affairs, or the individual or his or her marital community is the owner of or otherwise controls 10% or more of the assets of the organization; or

(E) When an individual or his or her marital community furnishes 5% or more of the capital, whether in cash, goods, or services, for the operation of any business, association, or organization during any calendar year.

(h) Location restriction. A licensed establishment, licensed fraternal establishment, or licensed veterans establishment that is located within 500 feet of a race track licensed under the Illinois Horse Racing Act of 1975 or within 1,000 feet of the home dock of a riverboat licensed under the Riverboat Gambling Act is ineligible to operate a video gaming terminal.

Section 27. Prohibition of video gaming by political subdivision. A municipality may pass an ordinance prohibiting video gaming within the corporate limits of the municipality. A county board may, for the unincorporated area of the county, pass an ordinance prohibiting video gaming within the unincorporated area of the county.

Section 30. Multiple types of licenses prohibited. A video gaming terminal manufacturer may not be licensed as a video gaming terminal distributor or operator or own, manage, or control a licensed establishment, licensed fraternal establishment, or licensed veterans establishment, and shall be licensed only to sell to distributors. A video gaming terminal distributor may not be licensed as a video gaming terminal manufacturer or operator or own, manage, or control a licensed establishment, licensed fraternal establishment, or licensed veterans establishment, and shall only contract with a licensed terminal operator. A video gaming terminal operator may not be licensed as a video gaming terminal manufacturer or distributor or own, manage, or control a licensed establishment, licensed fraternal establishment, or licensed veterans establishment, and shall be licensed only to contract with licensed distributors and licensed establishments, licensed fraternal establishments, and licensed veterans establishments. An owner or manager of a licensed establishment, licensed fraternal establishment, or licensed veterans establishment may not be licensed as a video gaming terminal manufacturer, distributor, or operator, and shall only contract with a licensed operator to place and service this equipment.

Section 35. Display of license; confiscation; violation as felony. Each video gaming terminal shall be licensed by the Board before placement or operation on the premises of a licensed establishment. Each machine shall have the license maintained at the location. Failure to do so is a petty offense with a fine not to exceed $100. Any licensed establishment, licensed fraternal establishment, or licensed veterans establishment used for the conduct of gambling games in violation of this Act shall be considered a gambling place in violation of Section 28-3 of the Criminal Code of 1961. Every gambling device found in a licensed establishment, licensed fraternal establishment, or licensed veterans establishment operating gambling games in violation of this Act shall be subject to seizure, confiscation, and destruction as provided in Section 28-5 of the Criminal Code of 1961. Any license issued under the Liquor Control Act of 1934 to any owner or operator of a licensed establishment, licensed fraternal establishment, or licensed veterans establishment that operates or permits the operation of a video gaming terminal within its establishment in violation of this Act shall be immediately revoked. No person may own, operate, have in his or her possession or custody or under his or her control, or permit to be kept in any place under his or her possession or control, any device that awards credits and contains a circuit, meter, or switch capable of removing and recording the removal of credits when the award of credits is dependent upon chance. A violation of this Section is a Class 4 felony. All devices that are owned, operated, or possessed in violation of this Section are hereby declared to be public nuisances and shall be subject to seizure, confiscation, and destruction as provided in Section 28-5 of the Criminal Code of 1961. The provisions of this Section do not apply to devices or electronic video game terminals licensed pursuant to this Act.

Section 40. Video gaming terminal use by minors prohibited. No licensee shall cause or permit any person under the age of 21 years to use or play a video gaming terminal. Any licensee who knowingly permits a person under the age of 21 years to use or play a video gaming terminal is guilty of a business offense and shall be fined an amount not to exceed $5,000.

Section 45. Issuance of license.

(a) The burden is upon each applicant to demonstrate his suitability for licensure. Each video gaming terminal manufacturer, distributor, operator, licensed establishment, licensed fraternal establishment, and licensed veterans establishment shall be licensed by the Board. The Board may not issue a license under this Act to any person who, within 10 years of the date of the application, has been convicted of a felony under the laws of this State, any other state, or the United States, or to any firm or corporation in which such a person is an officer, director, or managerial employee.

(b) A non-refundable application fee shall be paid at the time an application for a license is filed with the Board in the following amounts:

(1) Manufacturer.....	$ 5,000
(2) Distributor.....	$ 5,000
(3) Terminal operator.....	$ 5,000
(4) Supplier.....	$ 2,500
(5) Technician.....	$ 100

(c) Any application not approved within 90 days of receipt by the Board shall be deemed approved.

(d) Each licensed distributor, terminal operator, or person with a substantial interest in a distributor or terminal operator must have resided in Illinois for at least 24 months prior to application unless he or she has performed his or her respective business in Illinois for at least 48 months prior to the effective date of this Act.

The Board shall establish an annual fee for each license not to exceed the following:

(1) Manufacturer.....	$10,000
(2) Distributor.....	$10,000
(3) Terminal operator.....	$ 5,000
(4) Supplier.....	$ 2,000
(5) Technician.....	$ 100
(6) Licensed establishment, licensed fraternal establishment, or licensed veterans establishment.....	$ 100
(7) Video gaming terminal.....	$ 100

Section 50. Distribution of license fees.

(a) All fees collected under Section 45 shall be deposited in the General Revenue Fund.

(b) Fees collected under Section 45 shall be used as follows:

(1) Twenty-five percent shall be paid to programs for the treatment of compulsive gambling.

(2) Seventy-five percent shall be used for the administration of this Act.

(c) All licenses issued by the Board under this Act are renewable annually unless sooner cancelled or terminated. No license issued under this Act is transferable or assignable.

Section 55. Precondition for licensed establishment. In all cases of application for a licensed establishment, each licensed fraternal establishment or licensed veterans establishment shall possess a valid liquor license issued by the Illinois Liquor Control Commission in effect at the time of application for a video gaming terminal license and at all times thereafter during which a video gaming terminal is made available to the public for play at that location.

Section 57. Insurance. Each licensed establishment, licensed fraternal establishment, and licensed veterans establishment shall maintain insurance on any gaming device on its premises in an amount set by the Board.

Section 58. Location of terminals. Video gaming terminals must be located in an area that is within the view of at least one employee of the establishment in which they are located.

Section 60. Imposition and distribution of tax.

(a) A tax of 20% is imposed on net terminal income and shall be collected by the Board.

(b) Of the tax collected under this Section, 75% shall be deposited in the General Revenue Fund and 25% shall be deposited into the Local Government Video Gaming Distributive Fund.

(c) Revenues generated from the play of video gaming terminals shall be deposited by the terminal operator, who is responsible for tax payments, in a specially created, separate bank account maintained by the video gaming terminal operator to allow for electronic fund transfers of moneys for tax payment.

(d) Each licensed location shall maintain an adequate video gaming fund, with the amount to be determined by the Board.

Section 65. Fees. A non-home rule unit of government may not impose any fee for the operation of a video gaming terminal in excess of $25 per year.

Section 70. Referendum. Upon the filing in the office of the clerk, at least 90 days before an election in any municipality or county, as the case may be, of a petition directed to such clerk, containing the signatures of not less than 25% of the legal voters of the municipality or county which has prohibited video gaming, the clerk shall certify such proposition to the proper election officials, who shall submit the proposition at such election to the voters of such municipality or county. The proposition shall be in the following form:

Shall video gaming be prohibited in .....? YES / NO

If a majority of the voters voting upon such last mentioned proposition in any municipality or county vote "NO", such prohibition shall cease in such municipality or county; and where a municipality is situated wholly or partly within the boundaries of a township or road district having a similar prohibition, a majority vote of the voters voting "NO" upon such proposition as above described will result in the prohibition ceasing in that part of the township or road district situated within such municipality or county. In the event the boundaries of such municipality or county have been altered subsequent to the original election prohibiting video gaming and prior to the filing of such petition for resubmission of the question, only those voters actually residing in the municipality or county shall be eligible as signers of such resubmission petition, except that this limitation shall not apply in the case of a resubmission petition signed by at least 25% of the legal voters of a municipality or county. The petition mentioned in this Section shall be a public document and shall be subject to inspection by the public.

Section 75. Revenue sharing; Local Government Video Gaming Distributive Fund.

(a) Beginning July 1, 2003, as soon as may be after the first day of each month, the Department of Revenue shall certify to the Treasurer an amount equal to 25% of the net revenue realized from the tax imposed by Section 60 during the preceding month. Net revenue realized for a month shall be defined as the revenue from the tax imposed by Section 60 during the month. Upon receipt of such certification, the Treasurer shall transfer from the General Revenue Fund to a special fund in the State treasury, to be known as the Local Government Video Gaming Distributive Fund, the amount shown on such certification.

All amounts paid into the Local Government Video Gaming Distributive Fund and allocated in accordance with this Section are appropriated on a continuing basis.

(b) As soon as may be after the first day of each month, the Department of Revenue shall allocate among those municipalities and counties of this State that have not prohibited video gaming pursuant to Section 27 the amount available in the Local Government Video Gaming Distributive Fund, as provided in Section 60. The Department shall then certify such allocations to the State Comptroller, who shall pay over to those eligible municipalities and counties the respective amounts allocated to them. The amount of such funds allocable to each such municipality and county shall be in proportion to the number of individual residents of such municipality or county to the total population of those eligible municipalities and counties determined in each case on the basis of the latest census of the municipality or county conducted by the federal government and certified by the Secretary of State and for annexations to municipalities, the latest federal, State, or municipal census of the annexed area which has been certified by the Department of Revenue. For the purpose of this Section, the number of individual residents of a county shall be reduced by the number of individuals residing therein in municipalities, but the number of individual residents of the municipality shall reflect the latest census of the municipality.

(c) The amounts allocated and paid to a municipality or county of this State pursuant to the provisions of this Section may be used for any general corporate purpose authorized for that municipality or county.

(d) Upon determination by the Department that an amount has been paid pursuant to this Section in excess of the amount to which the county or municipality receiving such payment was entitled, the county or municipality shall, upon demand by the Department, repay such amount. If such repayment is not made within a reasonable time, the Department shall withhold from future payments an amount equal to such overpayment. If the appropriation from which such payment was originally made has not lapsed, the Department shall redistribute the amount of such payment to the county or municipality entitled thereto. If the appropriation has lapsed, the repayment shall be deposited in the General Revenue Fund in the State

Treasury.

Section 185. The Riverboat Gambling Act is amended by changing Section 5 as follows:

(230 ILCS 10/5) (from Ch. 120, par. 2405)

Sec. 5. Gaming Board. (a) (1) There is hereby established within the Department of Revenue an Illinois Gaming Board which shall have the powers and duties specified in this Act, and all other powers necessary and proper to fully and effectively execute this Act for the purpose of administering, regulating, and enforcing the system of riverboat gambling established by this Act. Its jurisdiction shall extend under this Act to every person, association, corporation, partnership and trust involved in riverboat gambling operations in the State of Illinois.

(2) The Board shall consist of 5 members to be appointed by the Governor with the advice and consent of the Senate, one of whom shall be designated by the Governor to be chairman. Each member shall have a reasonable knowledge of the practice, procedure and principles of gambling operations. Each member shall either be a resident of Illinois or shall certify that he will become a resident of Illinois before taking office. At least one member shall be experienced in law enforcement and criminal investigation, at least one member shall be a certified public accountant experienced in accounting and auditing, and at least one member shall be a lawyer licensed to practice law in Illinois.

(3) The terms of office of the Board members shall be 3 years, except that the terms of office of the initial Board members appointed pursuant to this Act will commence from the effective date of this Act and run as follows: one for a term ending July 1, 1991, 2 for a term ending July 1, 1992, and 2 for a term ending July 1, 1993. Upon the expiration of the foregoing terms, the successors of such members shall serve a term for 3 years and until their successors are appointed and qualified for like terms. Vacancies in the Board shall be filled for the unexpired term in like manner as original appointments. Each member of the Board shall be eligible for reappointment at the discretion of the Governor with the advice and consent of the Senate.

(4) Each member of the Board shall receive $300 for each day the Board meets and for each day the member conducts any hearing pursuant to this Act. Each member of the Board shall also be reimbursed for all actual and necessary expenses and disbursements incurred in the execution of official duties.

(5) No person shall be appointed a member of the Board or continue to be a member of the Board who is, or whose spouse, child or parent is, a member of the board of directors of, or a person financially interested in, any gambling operation subject to the jurisdiction of this Board, or any race track, race meeting, racing association or the operations thereof subject to the jurisdiction of the Illinois Racing Board. No Board member shall hold any other public office for which he shall receive compensation other than necessary travel or other incidental expenses. No person shall be a member of the Board who is not of good moral character or who has been convicted of, or is under indictment for, a felony under the laws of Illinois or any other state, or the United States.

(6) Any member of the Board may be removed by the Governor for neglect of duty, misfeasance, malfeasance, or nonfeasance in office.

(7) Before entering upon the discharge of the duties of his office, each member of the Board shall take an oath that he will faithfully execute the duties of his office according to the laws of the State and the rules and regulations adopted therewith and shall give bond to the State of Illinois, approved by the Governor, in the sum of $25,000. Every such bond, when duly executed and approved, shall be recorded in the office of the Secretary of State. Whenever the Governor determines that the bond of any member of the Board has become or is likely to become invalid or insufficient, he shall require such member forthwith to renew his bond, which is to be approved by the Governor. Any member of the Board who fails to take oath and give bond within 30 days from the date of his appointment, or who fails to renew his bond within 30 days after it is demanded by the Governor, shall be guilty of neglect of duty and may be removed by the Governor. The cost of any bond given by any member of the Board under this Section shall be taken to be a part of the necessary expenses of the Board.

(8) Upon the request of the Board, the Department shall employ such personnel as may be necessary to carry out the functions of the Board. No person shall be employed to serve the Board who is, or whose spouse, parent or child is, an official of, or has a financial interest in or financial relation with, any operator engaged in gambling operations within this State or any organization engaged in conducting horse racing within this State. Any employee violating these prohibitions shall be subject to termination of employment.

(9) An Administrator shall perform any and all duties that the Board shall assign him. The salary of the Administrator shall be determined by the Board and approved by the Director of the Department and, in addition, he shall be reimbursed for all actual and necessary expenses incurred by him in discharge of his official duties. The Administrator shall keep records of all proceedings of the Board and shall preserve all

records, books, documents and other papers belonging to the Board or entrusted to its care. The Administrator shall devote his full time to the duties of the office and shall not hold any other office or employment.

(b) The Board shall have general responsibility for the implementation of this Act. Its duties include, without limitation, the following:

(1) To decide promptly and in reasonable order all license applications. Any party aggrieved by an action of the Board denying, suspending, revoking, restricting or refusing to renew a license may request a hearing before the Board. A request for a hearing must be made to the Board in writing within 5 days after service of notice of the action of the Board. Notice of the action of the Board shall be served either by personal delivery or by certified mail, postage prepaid, to the aggrieved party. Notice served by certified mail shall be deemed complete on the business day following the date of such mailing. The Board shall conduct all requested hearings promptly and in reasonable order;

(2) To conduct all hearings pertaining to civil violations of this Act or rules and regulations promulgated hereunder;

(3) To promulgate such rules and regulations as in its judgment may be necessary to protect or enhance the credibility and integrity of gambling operations authorized by this Act and the regulatory process hereunder;

(4) To provide for the establishment and collection of all license and registration fees and taxes imposed by this Act and the rules and regulations issued pursuant hereto. All such fees and taxes shall be deposited into the State Gaming Fund;

(5) To provide for the levy and collection of penalties and fines for the violation of provisions of this Act and the rules and regulations promulgated hereunder. All such fines and penalties shall be deposited into the Education Assistance Fund, created by Public Act 86-0018, of the State of Illinois;

(6) To be present through its inspectors and agents any time gambling operations are conducted on any riverboat for the purpose of certifying the revenue thereof, receiving complaints from the public, and conducting such other investigations into the conduct of the gambling games and the maintenance of the equipment as from time to time the Board may deem necessary and proper;

(7) To review and rule upon any complaint by a licensee regarding any investigative procedures of the State which are unnecessarily disruptive of gambling operations. The need to inspect and investigate shall be presumed at all times. The disruption of a licensee's operations shall be proved by clear and convincing evidence, and establish that: (A) the procedures had no reasonable law enforcement purposes, and (B) the procedures were so disruptive as to unreasonably inhibit gambling operations;

(8) To hold at least one meeting each quarter of the fiscal year. In addition, special meetings may be called by the Chairman or any 2 Board members upon 72 hours written notice to each member. All Board meetings shall be subject to the Open Meetings Act. Three members of the Board shall constitute a quorum, and 3 votes shall be required for any final determination by the Board. The Board shall keep a complete and accurate record of all its meetings. A majority of the members of the Board shall constitute a quorum for the transaction of any business, for the performance of any duty, or for the exercise of any power which this Act requires the Board members to transact, perform or exercise en banc, except that, upon order of the Board, one of the Board members or an administrative law judge designated by the Board may conduct any hearing provided for under this Act or by Board rule and may recommend findings and decisions to the Board. The Board member or administrative law judge conducting such hearing shall have all powers and rights granted to the Board in this Act. The record made at the time of the hearing shall be reviewed by the Board, or a majority thereof, and the findings and decision of the majority of the Board shall constitute the order of the Board in such case;

(9) To maintain records which are separate and distinct from the records of any other State board or commission. Such records shall be available for public inspection and shall accurately reflect all Board proceedings;

(10) To file a written annual report with the Governor on or before March 1 each year and such additional reports as the Governor may request. The annual report shall include a statement of receipts and disbursements by the Board, actions taken by the Board, and any additional information and recommendations which the Board may deem valuable or which the Governor may request;

(11) (Blank); ~~and~~

(12) To assume responsibility for the administration and enforcement of the Bingo License and Tax Act, the Charitable Games Act, and the Pull Tabs and Jar Games Act if such responsibility is delegated to it by the Director of Revenue; and~~.~~

(13) To assume responsibility for administration and enforcement of the Video Gaming Act.

(c) The Board shall have jurisdiction over and shall supervise all gambling operations governed by this Act. The Board shall have all powers necessary and proper to fully and effectively execute the provisions of this Act, including, but not limited to, the following:

(1) To investigate applicants and determine the eligibility of applicants for licenses and to select among competing applicants the applicants which best serve the interests of the citizens of Illinois.

(2) To have jurisdiction and supervision over all riverboat gambling operations in this State and all persons on riverboats where gambling operations are conducted.

(3) To promulgate rules and regulations for the purpose of administering the provisions of this Act and to prescribe rules, regulations and conditions under which all riverboat gambling in the State shall be conducted. Such rules and regulations are to provide for the prevention of practices detrimental to the public interest and for the best interests of riverboat gambling, including rules and regulations regarding the inspection of such riverboats and the review of any permits or licenses necessary to operate a riverboat under any laws or regulations applicable to riverboats, and to impose penalties for violations thereof.

(4) To enter the office, riverboats, facilities, or other places of business of a licensee, where evidence of the compliance or noncompliance with the provisions of this Act is likely to be found.

(5) To investigate alleged violations of this Act or the rules of the Board and to take appropriate disciplinary action against a licensee or a holder of an occupational license for a violation, or institute appropriate legal action for enforcement, or both.

(6) To adopt standards for the licensing of all persons under this Act, as well as for electronic or mechanical gambling games, and to establish fees for such licenses.

(7) To adopt appropriate standards for all riverboats and facilities.

(8) To require that the records, including financial or other statements of any licensee under this Act, shall be kept in such manner as prescribed by the Board and that any such licensee involved in the ownership or management of gambling operations submit to the Board an annual balance sheet and profit and loss statement, list of the stockholders or other persons having a 1% or greater beneficial interest in the gambling activities of each licensee, and any other information the Board deems necessary in order to effectively administer this Act and all rules, regulations, orders and final decisions promulgated under this Act.

(9) To conduct hearings, issue subpoenas for the attendance of witnesses and subpoenas duces tecum for the production of books, records and other pertinent documents in accordance with the Illinois Administrative Procedure Act, and to administer oaths and affirmations to the witnesses, when, in the judgment of the Board, it is necessary to administer or enforce this Act or the Board rules.

(10) To prescribe a form to be used by any licensee involved in the ownership or management of gambling operations as an application for employment for their employees.

(11) To revoke or suspend licenses, as the Board may see fit and in compliance with applicable laws of the State regarding administrative procedures, and to review applications for the renewal of licenses. The Board may suspend an owners license, without notice or hearing upon a determination that the safety or health of patrons or employees is jeopardized by continuing a riverboat's operation. The suspension may remain in effect until the Board determines that the cause for suspension has been abated. The Board may revoke the owners license upon a determination that the owner has not made satisfactory progress toward abating the hazard.

(12) To eject or exclude or authorize the ejection or exclusion of, any person from riverboat gambling facilities where such person is in violation of this Act, rules and regulations thereunder, or final orders of the Board, or where such person's conduct or reputation is such that his presence within the riverboat gambling facilities may, in the opinion of the Board, call into question the honesty and integrity of the gambling operations or interfere with orderly conduct thereof; provided that the propriety of such ejection or exclusion is subject to subsequent hearing by the Board.

(13) To require all licensees of gambling operations to utilize a cashless wagering system whereby all players' money is converted to tokens, electronic cards, or chips which shall be used only for wagering in the gambling establishment.

(14) (Blank).

(15) To suspend, revoke or restrict licenses, to require the removal of a licensee or an employee of a licensee for a violation of this Act or a Board rule or for engaging in a fraudulent practice, and to impose civil penalties of up to $5,000 against individuals and up to $10,000 or an amount equal to the daily gross receipts, whichever is larger, against licensees for each violation of any provision of the Act, any rules adopted by the Board, any order of the Board or any other action which, in the Board's discretion,

is a detriment or impediment to riverboat gambling operations.

(16) To hire employees to gather information, conduct investigations and carry out any other tasks contemplated under this Act.

(17) To establish minimum levels of insurance to be maintained by licensees.

(18) To authorize a licensee to sell or serve alcoholic liquors, wine or beer as defined in the Liquor Control Act of 1934 on board a riverboat and to have exclusive authority to establish the hours for sale and consumption of alcoholic liquor on board a riverboat, notwithstanding any provision of the Liquor Control Act of 1934 or any local ordinance, and regardless of whether the riverboat makes excursions. The establishment of the hours for sale and consumption of alcoholic liquor on board a riverboat is an exclusive power and function of the State. A home rule unit may not establish the hours for sale and consumption of alcoholic liquor on board a riverboat. This amendatory Act of 1991 is a denial and limitation of home rule powers and functions under subsection (h) of Section 6 of Article VII of the Illinois Constitution.

(19) After consultation with the U.S. Army Corps of Engineers, to establish binding emergency orders upon the concurrence of a majority of the members of the Board regarding the navigability of water, relative to excursions, in the event of extreme weather conditions, acts of God or other extreme circumstances.

(20) To delegate the execution of any of its powers under this Act for the purpose of administering and enforcing this Act and its rules and regulations hereunder.

(21) To take any other action as may be reasonable or appropriate to enforce this Act and rules and regulations hereunder.

(d) The Board may seek and shall receive the cooperation of the Department of State Police in conducting background investigations of applicants and in fulfilling its responsibilities under this Section. Costs incurred by the Department of State Police as a result of such cooperation shall be paid by the Board in conformance with the requirements of Section 2605-400 of the Department of State Police Law (20 ILCS 2605/2605-400).

(e) The Board must authorize to each investigator and to any other employee of the Board exercising the powers of a peace officer a distinct badge that, on its face, (i) clearly states that the badge is authorized by the Board and (ii) contains a unique identifying number. No other badge shall be authorized by the Board. (Source: P.A. 91-40, eff. 1-1-00; 91-239, eff. 1-1-00; 91-883, eff. 1-1-01.)

Section 190. The Criminal Code of 1961 is amended by changing Sections 28-1, 28-1.1, and 28-3 as follows:

(720 ILCS 5/28-1) (from Ch. 38, par. 28-1)

Sec. 28-1. Gambling. (a) A person commits gambling when he:

(1) Plays a game of chance or skill for money or other thing of value, unless excepted in subsection (b) of this Section; or

(2) Makes a wager upon the result of any game, contest, or any political nomination, appointment or election; or

(3) Operates, keeps, owns, uses, purchases, exhibits, rents, sells, bargains for the sale or lease of, manufactures or distributes any gambling device; or

(4) Contracts to have or give himself or another the option to buy or sell, or contracts to buy or sell, at a future time, any grain or other commodity whatsoever, or any stock or security of any company, where it is at the time of making such contract intended by both parties thereto that the contract to buy or sell, or the option, whenever exercised, or the contract resulting therefrom, shall be settled, not by the receipt or delivery of such property, but by the payment only of differences in prices thereof; however, the issuance, purchase, sale, exercise, endorsement or guarantee, by or through a person registered with the Secretary of State pursuant to Section 8 of the Illinois Securities Law of 1953, or by or through a person exempt from such registration under said Section 8, of a put, call, or other option to buy or sell securities which have been registered with the Secretary of State or which are exempt from such registration under Section 3 of the Illinois Securities Law of 1953 is not gambling within the meaning of this paragraph (4); or

(5) Knowingly owns or possesses any book, instrument or apparatus by means of which bets or wagers have been, or are, recorded or registered, or knowingly possesses any money which he has received in the course of a bet or wager; or

(6) Sells pools upon the result of any game or contest of skill or chance, political nomination, appointment or election; or

(7) Sets up or promotes any lottery or sells, offers to sell or transfers any ticket or share for any

lottery; or

(8) Sets up or promotes any policy game or sells, offers to sell or knowingly possesses or transfers any policy ticket, slip, record, document or other similar device; or

(9) Knowingly drafts, prints or publishes any lottery ticket or share, or any policy ticket, slip, record, document or similar device, except for such activity related to lotteries, bingo games and raffles authorized by and conducted in accordance with the laws of Illinois or any other state or foreign government; or

(10) Knowingly advertises any lottery or policy game, except for such activity related to lotteries, bingo games and raffles authorized by and conducted in accordance with the laws of Illinois or any other state; or

(11) Knowingly transmits information as to wagers, betting odds, or changes in betting odds by telephone, telegraph, radio, semaphore or similar means; or knowingly installs or maintains equipment for the transmission or receipt of such information; except that nothing in this subdivision (11) prohibits transmission or receipt of such information for use in news reporting of sporting events or contests; or

(12) Knowingly establishes, maintains, or operates an Internet site that permits a person to play a game of chance or skill for money or other thing of value by means of the Internet or to make a wager upon the result of any game, contest, political nomination, appointment, or election by means of the Internet.

(b) Participants in any of the following activities shall not be convicted of gambling therefor:

(1) Agreements to compensate for loss caused by the happening of chance including without limitation contracts of indemnity or guaranty and life or health or accident insurance;

(2) Offers of prizes, award or compensation to the actual contestants in any bona fide contest for the determination of skill, speed, strength or endurance or to the owners of animals or vehicles entered in such contest;

(3) Pari-mutuel betting as authorized by the law of this State;

(4) Manufacture of gambling devices, including the acquisition of essential parts therefor and the assembly thereof, for transportation in interstate or foreign commerce to any place outside this State when such transportation is not prohibited by any applicable Federal law; or the manufacture, distribution, or possession of video gaming terminals, as defined in the Video Gaming Act, by manufacturers, distributors, and terminal operators licensed to do so under the Video Gaming Act;

(5) The game commonly known as "bingo", when conducted in accordance with the Bingo License and Tax Act;

(6) Lotteries when conducted by the State of Illinois in accordance with the Illinois Lottery Law;

(7) Possession of an antique slot machine that is neither used nor intended to be used in the operation or promotion of any unlawful gambling activity or enterprise. For the purpose of this subparagraph (b)(7), an antique slot machine is one manufactured 25 years ago or earlier;

(8) Raffles when conducted in accordance with the Raffles Act;

(9) Charitable games when conducted in accordance with the Charitable Games Act;

(10) Pull tabs and jar games when conducted under the Illinois Pull Tabs and Jar Games Act; ~~or~~

(11) Gambling games conducted on riverboats when authorized by the Riverboat Gambling Act; or~~.~~

(12) Video gaming terminal games at a licensed establishment, licensed fraternal establishment, or licensed veterans establishment when conducted in accordance with the Video Gaming Act.

(c) Sentence.

Gambling under subsection (a)(1) or (a)(2) of this Section is a Class A misdemeanor. Gambling under any of subsections (a)(3) through (a)(11) of this Section is a Class A misdemeanor. A second or subsequent conviction under any of subsections (a)(3) through (a)(11), is a Class 4 felony. Gambling under subsection (a)(12) of this Section is a Class A misdemeanor. A second or subsequent conviction under subsection (a)(12) is a Class 4 felony.

(d) Circumstantial evidence.

In prosecutions under subsection (a)(1) through (a)(12) of this Section circumstantial evidence shall have the same validity and weight as in any criminal prosecution. (Source: P.A. 91-257, eff. 1-1-00.)

(720 ILCS 5/28-1.1) (from Ch. 38, par. 28-1.1)

Sec. 28-1.1. Syndicated gambling. (a) Declaration of Purpose. Recognizing the close relationship between professional gambling and other organized crime, it is declared to be the policy of the legislature to restrain persons from engaging in the business of gambling for profit in this State. This Section shall be liberally construed and administered with a view to carrying out this policy.

(b) A person commits syndicated gambling when he operates a "policy game" or engages in the

business of bookmaking.

(c) A person "operates a policy game" when he knowingly uses any premises or property for the purpose of receiving or knowingly does receive from what is commonly called "policy":

(1) money from a person other than the better or player whose bets or plays are represented by such money; or

(2) written "policy game" records, made or used over any period of time, from a person other than the better or player whose bets or plays are represented by such written record.

(d) A person engages in bookmaking when he receives or accepts more than five bets or wagers upon the result of any trials or contests of skill, speed or power of endurance or upon any lot, chance, casualty, unknown or contingent event whatsoever, which bets or wagers shall be of such size that the total of the amounts of money paid or promised to be paid to such bookmaker on account thereof shall exceed $2,000. Bookmaking is the receiving or accepting of such bets or wagers regardless of the form or manner in which the bookmaker records them.

(e) Participants in any of the following activities shall not be convicted of syndicated gambling:

(1) Agreements to compensate for loss caused by the happening of chance including without limitation contracts of indemnity or guaranty and life or health or accident insurance; and

(2) Offers of prizes, award or compensation to the actual contestants in any bona fide contest for the determination of skill, speed, strength or endurance or to the owners of animals or vehicles entered in such contest; and

(3) Pari-mutuel betting as authorized by law of this State; and

(4) Manufacture of gambling devices, including the acquisition of essential parts therefor and the assembly thereof, for transportation in interstate or foreign commerce to any place outside this State when such transportation is not prohibited by any applicable Federal law; and

(5) Raffles when conducted in accordance with the Raffles Act; and

(6) Gambling games conducted on riverboats when authorized by the Riverboat Gambling Act; and.

(7) Video gaming terminal games at a licensed establishment, licensed fraternal establishment, or licensed veterans establishment when conducted in accordance with the Video Gaming Act.

(f) Sentence. Syndicated gambling is a Class 3 felony. (Source: P.A. 86-1029; 87-435.)

(720 ILCS 5/28-3) (from Ch. 38, par. 28-3)

Sec. 28-3. Keeping a Gambling Place. A "gambling place" is any real estate, vehicle, boat or any other property whatsoever used for the purposes of gambling other than gambling conducted in the manner authorized by the Riverboat Gambling Act or the Video Gaming Act. Any person who knowingly permits any premises or property owned or occupied by him or under his control to be used as a gambling place commits a Class A misdemeanor. Each subsequent offense is a Class 4 felony. When any premises is determined by the circuit court to be a gambling place:

(a) Such premises is a public nuisance and may be proceeded against as such, and

(b) All licenses, permits or certificates issued by the State of Illinois or any subdivision or public agency thereof authorizing the serving of food or liquor on such premises shall be void; and no license, permit or certificate so cancelled shall be reissued for such premises for a period of 60 days thereafter; nor shall any person convicted of keeping a gambling place be reissued such license for one year from his conviction and, after a second conviction of keeping a gambling place, any such person shall not be reissued such license, and

(c) Such premises of any person who knowingly permits thereon a violation of any Section of this Article shall be held liable for, and may be sold to pay any unsatisfied judgment that may be recovered and any unsatisfied fine that may be levied under any Section of this Article. (Source: P.A. 86-1029.)

Section 195. The State Finance Act is amended by adding Section 5.595 as follows:

(30 ILCS 105/5.595 new)

Sec. 5.595. The Local Government Video Gaming Distributive Fund. Section 999. Effective date. This Act takes effect upon becoming law.".

Floor Amendment No. 2 remained in the Committee on Gaming.

There being no further amendments, the foregoing Amendment No. 1 was ordered engrossed; and the bill, as amended, was held on the order of Second Reading.

HOUSE BILL 143. Having been printed, was taken up and read by title a second time.

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

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend House Bill 143 by replacing everything after the enacting clause with the following:

"Section 1. Short title. This Act may be cited as the Intercity Development Act.

Section 5. Findings and purpose.

(a) The General Assembly finds that:

(1) There is a great need for economic revitalization in many communities throughout this State.

(2) Each community has valuable resources at its fingertips that can be tapped in the revitalization process.

(3) With adequate support and assistance from the State and other resources, each community can participate in and shepherd its own economic renewal.

(4) Successful redevelopment plans are based on policy that is responsive to the existing composition and character of the economically distressed community and that allows and compels the community to participate in the redevelopment planning process.

(5) A successful redevelopment initiative creates and maintains a capable and adaptable workforce, has access to capital, has a sound fiscal base, has adequate infrastructure, has well-managed natural resources, and has an attractive quality of life.

(b) It is the purpose of this legislation to provide a mechanism for an economically distressed community to use in its efforts to revitalize the community.

Section 10. Definitions. As used in this Section:

"Community" means a municipality, a county with respect to the unincorporated areas of a county, and any combination of municipalities and counties acting jointly.

"Department" means the Department of Commerce and Community Affairs.

"Economically distressed community" means any community that is certified by the Department as being in the highest 3% of all communities in the State in its rate of unemployment, its poverty rate, and the rate of bankruptcy petitions filed.

Section 15. Certification; Board of Economic Advisors.

(a) In order to receive the assistance as provided in this Act, a community shall first, by ordinance passed by its corporate authorities, request that the Department certify that it is an economically distressed community. The community must submit a certified copy of the ordinance to the Department. After review of the ordinance, if the Department determines that the community meets the requirements for certification, the Department shall certify the community as an economically distressed community.

(b) A community that is certified by the Department as an economically distressed community may appoint a Board of Economic Advisors to create and implement a revitalization plan for the community. The Board shall consist of 12 members of the community, appointed by the mayor or the presiding officer of the county or jointly by the presiding officers of each municipality and county that have joined to form a community for the purposes of this Act. The Board members shall be appointed from the 12 sectors vital to community redevelopment as follows:

(1) A member representing households and families.

(2) A member representing religious organizations.

(3) A member representing educational institutions.

(4) A member representing daycare centers, care centers for the handicapped, and care centers for the disadvantaged.

(5) A member representing community based organizations such as neighborhood improvement associations.

(6) A member representing federal and State employment service systems, skill training centers, and placement referrals.

(7) A member representing Masonic organizations, fraternities, sororities, and social clubs.

(8) A member representing hospitals, nursing homes, senior citizens, public health agencies, and funeral homes.

(9) A member representing organized sports, parks, parties, and games of chance.

(10) A member representing political parties, clubs, and affiliations, and election related matters concerning voter education and participation.

(11) A member representing the cultural aspects of the community, including cultural events, lifestyles, languages, music, visual and performing arts, and literature.

(12) A member representing police and fire protection agencies, prisons, weapons systems, and the military industrial complex.

The Board shall meet initially within 30 days of its appointment, shall select one member as chairperson at its initial meeting, and shall thereafter meet at the call of the chairperson. Members of the Board shall serve without compensation but shall be reimbursed for their reasonable and necessary expenses from funds available for that purpose.

(b) The Board shall create a 3-year to 5-year revitalization plan for the community. The plan shall contain distinct, measurable objectives for revitalization. The objectives shall be used to guide ongoing implementation of the plan and to measure progress during the 3-year to 5-year period. The Board shall work in a dynamic manner defining goals for the community based on the strengths and weaknesses of the individual sectors of the community as presented by each member of the Board. The Board shall meet periodically and revise the plan in light of the input from each member of the Board concerning his or her respective sector of expertise. The process shall be a community driven revitalization process, with community-specific data determining the direction and scope of the revitalization.

Section 20. Action by the Board.

(a) Organize. The Board shall first assess the needs and the resources of the community operating from the basic premise that the family unit is the primary unit of community and that the demand for goods and services from this residential sector is the main source of recovery and growth for the redevelopment of a community. The Board shall inventory community assets, including the condition of the family with respect to the role of the family as workers, consumers, and investors. The Board shall inventory the type and viability of businesses and industries currently in the community. In compiling the inventory, the Board shall rely on the input of each Board member with respect to his or her expertise in a given sector of the revitalization plan.

(b) Revitalize. In implementing the revitalization plan, the Board shall focus on and build from existing resources in the community, growing existing businesses rather than luring business into the community from the outside. The Board shall also focus on the residents themselves rather than jobs. The Board shall promote investment in training residents in areas that will lead to employment and in turn will bring revenue into the community.

(c) Mobilize. The Board shall engage in the dynamic process of community self-revitalization through a continuous reassessment of the needs of the community in the revitalization process. As each goal of the 3-year to 5-year plan is achieved, the Board shall draw from the resources of its members to establish new goals and implement new strategies employing the lessons learned in the earlier stages of revitalization.

(d) Advise. The Board shall Act as the liaison between the community and the local, county, and State Government. The Board shall make use of the resources of these governmental entities and shall provide counsel to each of these bodies with respect to economic development.

The Board shall also act as a liaison between private business entities located in the community and the community itself. The Board shall offer advice and assistance to these entities when requested and provide incentives and support, both economic and otherwise, to facilitate expansion and further investment in the community by the businesses.

The Board shall annually submit a report to the General Assembly and the Governor summarizing the accomplishments of the community concerning revitalization and the goals of the community for future revitalization.

Section 25. Funding sources.

(a) The moneys appropriated into the Intercity Development Fund, which is hereby created as a special fund in the State Treasury, shall be allocated as follows:

(1) 50% shall be paid to the Department to be used to make grants as follows:

(A) 25% shall be allocated for use within the City of Chicago;

(B) 25% shall be allocated for use within Cook County, but outside of the City of Chicago; and

(C) 50% shall be allocated to communities that are located outside of Cook County and are certified as economically distressed communities and that have created Boards of Economic Advisors under this Act for the operational expenses of the Boards.

The procedures for grant applications shall be established by the Department by rule.

(2) The remaining 50% of the moneys shall be allocated as follows:

(A) 25% shall be paid, subject to appropriation, to the general fund of the City of Chicago;

(B) 25% shall be paid, subject to appropriation, to the general fund of Cook County; and

(C) 50% shall be paid, subject to appropriation, to the general funds of communities that are located outside of Cook County and are certified as economically distressed communities and that have created

Boards of Economic Advisors under this Act for the operational expenses of the Boards.

(b) The Board, as a vital part of its function, shall seek funding sources to enhance economic development. The Board shall seek funding from the local, State, and federal government as well as from private funding sources, whether in the form of grants, loans, or otherwise. The Department shall advise the Boards of Economic Advisors created under this Act of all available sources of funding for economic development that it is aware of and shall assist the Boards in securing this funding.

(c) To the extent that there is a gap in funding for economic development, the Board shall recommend possible solutions to be undertaken by the State in addressing this issue to fill the funding gap.

Section 75. The Illinois Horse Racing Act of 1975 is amended by changing Sections 1.2, 3.11, 9, 20, 25, 26, 26.1, 27, 28.1, 30, 31, 36, and 42 and adding Sections 3.24, 3.25, 3.26, 3.27, 34.2, and 56 as follows:

(230 ILCS 5/1.2)

Sec. 1.2. Legislative intent. This Act is intended to benefit the people of the State of Illinois by encouraging the breeding and production of race horses, assisting economic development, and promoting Illinois tourism. The General Assembly finds and declares it to be the public policy of the State of Illinois to:

(a) support and enhance Illinois' horse racing industry, which is a significant component within the agribusiness industry;

(b) ensure that Illinois' horse racing industry remains competitive with neighboring states;

(c) stimulate growth within Illinois' horse racing industry, thereby encouraging new investment and development to produce additional tax revenues and to create additional jobs;

(d) promote the further growth of tourism;

(e) encourage the breeding of thoroughbred and standardbred horses in this State; and

(f) ensure that public confidence and trust in the credibility and integrity of racing operations and the regulatory process is maintained. (Source: P.A. 91-40, eff. 6-25-99.)

(230 ILCS 5/3.11) (from Ch. 8, par. 37-3.11)

Sec. 3.11. "Organization licensee" means any person, not-for-profit corporation, municipality, or legal authority with bonding power created to promote tourism, receiving an organization license from the Board to conduct a race meeting or meetings. (Source: P.A. 79-1185.)

(230 ILCS 5/3.24 new)

Sec. 3.24. "Adjusted gross receipts" means the gross receipts from electronic gaming less winnings paid to wagerers.

(230 ILCS 5/3.25 new)

Sec. 3.25. "Electronic gaming" means slot machine gambling conducted at a race track pursuant to an electronic gaming license.

(230 ILCS 5/3.26 new)

Sec. 3.26. "Electronic gaming license" means a license to conduct electronic gaming issued under Section 56.

(230 ILCS 5/3.27 new)

Sec. 3.27. "Electronic gaming facility" means that portion of an organization licensee's race track facility at which electronic gaming is conducted.

(230 ILCS 5/9) (from Ch. 8, par. 37-9)

Sec. 9. The Board shall have all powers necessary and proper to fully and effectively execute the provisions of this Act, including, but not limited to, the following:

(a) The Board is vested with jurisdiction and supervision over all race meetings in this State, over all licensees doing business in this State, over all occupation licensees, and over all persons on the facilities of any licensee. Such jurisdiction shall include the power to issue licenses to the Illinois Department of Agriculture authorizing the pari-mutuel system of wagering on harness and Quarter Horse races held (1) at the Illinois State Fair in Sangamon County, and (2) at the DuQuoin State Fair in Perry County. The jurisdiction of the Board shall also include the power to issue licenses to county fairs which are eligible to receive funds pursuant to the Agricultural Fair Act, as now or hereafter amended, or their agents, authorizing the pari-mutuel system of wagering on horse races conducted at the county fairs receiving such licenses. Such licenses shall be governed by subsection (n) of this Section.

Upon application, the Board shall issue a license to the Illinois Department of Agriculture to conduct harness and Quarter Horse races at the Illinois State Fair and at the DuQuoin State Fairgrounds during the scheduled dates of each fair. The Board shall not require and the Department of Agriculture shall be exempt from the requirements of Sections 15.3, 18 and 19, paragraphs (a)(2), (b), (c), (d), (e), (e-5), (e-10), (f), (g), and (h) of Section 20, and Sections 21, 24 and 25. The Board and the Department of Agriculture

may extend any or all of these exemptions to any contractor or agent engaged by the Department of Agriculture to conduct its race meetings when the Board determines that this would best serve the public interest and the interest of horse racing.

Notwithstanding any provision of law to the contrary, it shall be lawful for any licensee to operate pari-mutuel wagering or contract with the Department of Agriculture to operate pari-mutuel wagering at the DuQuoin State Fairgrounds or for the Department to enter into contracts with a licensee, employ its owners, employees or agents and employ such other occupation licensees as the Department deems necessary in connection with race meetings and wagerings.

(b) The Board is vested with the full power to promulgate reasonable rules and regulations for the purpose of administering the provisions of this Act and to prescribe reasonable rules, regulations and conditions under which all horse race meetings or wagering in the State shall be conducted. Such reasonable rules and regulations are to provide for the prevention of practices detrimental to the public interest and to promote the best interests of horse racing and to impose penalties for violations thereof.

(c) The Board, and any person or persons to whom it delegates this power, is vested with the power to enter the facilities and other places of business of any licensee to determine whether there has been compliance with the provisions of this Act and its rules and regulations.

(d) The Board, and any person or persons to whom it delegates this power, is vested with the authority to investigate alleged violations of the provisions of this Act, its reasonable rules and regulations, orders and final decisions; the Board shall take appropriate disciplinary action against any licensee or occupation licensee for violation thereof or institute appropriate legal action for the enforcement thereof.

(e) The Board, and any person or persons to whom it delegates this power, may eject or exclude from any race meeting or the facilities of any licensee, or any part thereof, any occupation licensee or any other individual whose conduct or reputation is such that his presence on those facilities may, in the opinion of the Board, call into question the honesty and integrity of horse racing or wagering or interfere with the orderly conduct of horse racing or wagering; provided, however, that no person shall be excluded or ejected from the facilities of any licensee solely on the grounds of race, color, creed, national origin, ancestry, or sex. The power to eject or exclude an occupation licensee or other individual may be exercised for just cause by the licensee or the Board, subject to subsequent hearing by the Board as to the propriety of said exclusion.

(f) The Board is vested with the power to acquire, establish, maintain and operate (or provide by contract to maintain and operate) testing laboratories and related facilities, for the purpose of conducting saliva, blood, urine and other tests on the horses run or to be run in any horse race meeting, including races run at county fairs, and to purchase all equipment and supplies deemed necessary or desirable in connection with any such testing laboratories and related facilities and all such tests.

(g) The Board may require that the records, including financial or other statements of any licensee or any person affiliated with the licensee who is involved directly or indirectly in the activities of any licensee as regulated under this Act to the extent that those financial or other statements relate to such activities be kept in such manner as prescribed by the Board, and that Board employees shall have access to those records during reasonable business hours. Within 120 days of the end of its fiscal year, each licensee shall transmit to the Board an audit of the financial transactions and condition of the licensee's total operations. All audits shall be conducted by certified public accountants. Each certified public accountant must be registered in the State of Illinois under the Illinois Public Accounting Act. The compensation for each certified public accountant shall be paid directly by the licensee to the certified public accountant. A licensee shall also submit any other financial or related information the Board deems necessary to effectively administer this Act and all rules, regulations, and final decisions promulgated under this Act.

(h) The Board shall name and appoint in the manner provided by the rules and regulations of the Board: an Executive Director; a State director of mutuels; State veterinarians and representatives to take saliva, blood, urine and other tests on horses; licensing personnel; revenue inspectors; and State seasonal employees (excluding admission ticket sellers and mutuel clerks). All of those named and appointed as provided in this subsection shall serve during the pleasure of the Board; their compensation shall be determined by the Board and be paid in the same manner as other employees of the Board under this Act.

(i) The Board shall require that there shall be 3 stewards at each horse race meeting, at least 2 of whom shall be named and appointed by the Board. Stewards appointed or approved by the Board, while performing duties required by this Act or by the Board, shall be entitled to the same rights and immunities as granted to Board members and Board employees in Section 10 of this Act.

(j) The Board may discharge any Board employee who fails or refuses for any reason to comply with the rules and regulations of the Board, or who, in the opinion of the Board, is guilty of fraud, dishonesty or

who is proven to be incompetent. The Board shall have no right or power to determine who shall be officers, directors or employees of any licensee, or their salaries except the Board may, by rule, require that all or any officials or employees in charge of or whose duties relate to the actual running of races be approved by the Board.

(k) The Board is vested with the power to appoint delegates to execute any of the powers granted to it under this Section for the purpose of administering this Act and any rules or regulations promulgated in accordance with this Act.

(l) The Board is vested with the power to impose civil penalties of up to $5,000 against an individual and up to $10,000 against a licensee for each violation of any provision of this Act, any rules adopted by the Board, any order of the Board or any other action which, in the Board's discretion, is a detriment or impediment to horse racing or wagering.

(m) The Board is vested with the power to prescribe a form to be used by licensees as an application for employment for employees of each licensee.

(n) The Board shall have the power to issue a license to any county fair, or its agent, authorizing the conduct of the pari-mutuel system of wagering. The Board is vested with the full power to promulgate reasonable rules, regulations and conditions under which all horse race meetings licensed pursuant to this subsection shall be held and conducted, including rules, regulations and conditions for the conduct of the pari-mutuel system of wagering. The rules, regulations and conditions shall provide for the prevention of practices detrimental to the public interest and for the best interests of horse racing, and shall prescribe penalties for violations thereof. Any authority granted the Board under this Act shall extend to its jurisdiction and supervision over county fairs, or their agents, licensed pursuant to this subsection. However, the Board may waive any provision of this Act or its rules or regulations which would otherwise apply to such county fairs or their agents.

(o) Whenever the Board is authorized or required by law to consider some aspect of criminal history record information for the purpose of carrying out its statutory powers and responsibilities, then, upon request and payment of fees in conformance with the requirements of Section 2605-400 of the Department of State Police Law (20 ILCS 2605/2605-400), the Department of State Police is authorized to furnish, pursuant to positive identification, such information contained in State files as is necessary to fulfill the request.

(p) To insure the convenience, comfort, and wagering accessibility of race track patrons, to provide for the maximization of State revenue, and to generate increases in purse allotments to the horsemen, the Board shall require any licensee to staff the pari-mutuel department with adequate personnel. (Source: P.A. 91-239, eff. 1-1-00.)

(230 ILCS 5/20) (from Ch. 8, par. 37-20)

Sec. 20. (a) Any person desiring to conduct a horse race meeting may apply to the Board for an organization license. The application shall be made on a form prescribed and furnished by the Board. The application shall specify:

(1) the dates on which it intends to conduct the horse race meeting, which dates shall be provided under Section 21;

(2) the hours of each racing day between which it intends to hold or conduct horse racing at such meeting;

(3) the location where it proposes to conduct the meeting; and

(4) any other information the Board may reasonably require.

(b) A separate application for an organization license shall be filed for each horse race meeting which such person proposes to hold. Any such application, if made by an individual, or by any individual as trustee, shall be signed and verified under oath by such individual. If made by individuals or a partnership, it shall be signed and verified under oath by at least 2 of such individuals or members of such partnership as the case may be. If made by an association, corporation, corporate trustee or any other entity, it shall be signed by the president and attested by the secretary or assistant secretary under the seal of such association, trust or corporation if it has a seal, and shall also be verified under oath by one of the signing officers.

(c) The application shall specify the name of the persons, association, trust, or corporation making such application and the post office address of the applicant; if the applicant is a trustee, the names and addresses of the beneficiaries; if a corporation, the names and post office addresses of all officers, stockholders and directors; or if such stockholders hold stock as a nominee or fiduciary, the names and post office addresses of these persons, partnerships, corporations, or trusts who are the beneficial owners thereof or who are beneficially interested therein; and if a partnership, the names and post office addresses of all partners,

general or limited; if the applicant is a corporation, the name of the state of its incorporation shall be specified.

(d) The applicant shall execute and file with the Board a good faith affirmative action plan to recruit, train, and upgrade minorities in all classifications within the association.

(e) With such application there shall be delivered to the Board a certified check or bank draft payable to the order of the Board for an amount equal to $1,000. All applications for the issuance of an organization license shall be filed with the Board before August 1 of the year prior to the year for which application is made and shall be acted upon by the Board at a meeting to be held on such date as shall be fixed by the Board during the last 15 days of September of such prior year. At such meeting, the Board shall announce the award of the racing meets, live racing schedule, and designation of host track to the applicants and its approval or disapproval of each application. No announcement shall be considered binding until a formal order is executed by the Board, which shall be executed no later than October 15 of that prior year. Absent the agreement of the affected organization licensees, the Board shall not grant overlapping race meetings to 2 or more tracks that are within 100 miles of each other to conduct the thoroughbred racing.

(e-2) In awarding racing dates for calendar year 2004 and thereafter, the Board shall award the same total number of racing days as it awarded in calendar year 2003 plus an amount as provided in subsection (e-3). In awarding racing dates under this subsection (e-2), the Board shall have the discretion to allocate those racing dates among organization licensees.

(e-3) Upon request, the Board shall award at least 100 standardbred racing dates to the organization licensee that conducts racing at Fairmount Race Track. Any racing dates awarded under this subsection (e-3) to an organization licensee that conducts racing at Fairmount Race Track that are in excess of the number awarded to that organization licensee in 2003 shall be in addition to those racing dates awarded under subsection (e-2).

(e-5) In reviewing an application for the purpose of granting an organization license consistent with the best interests of the public and the sport of horse racing, the Board shall consider:

(1) the character, reputation, experience, and financial integrity of the applicant and of any other separate person that either:

(i) controls the applicant, directly or indirectly, or

(ii) is controlled, directly or indirectly, by that applicant or by a person who controls, directly or indirectly, that applicant;

(2) the applicant's facilities or proposed facilities for conducting horse racing;

(3) the total revenue without regard to Section 32.1 to be derived by the State and horsemen from the applicant's conducting a race meeting;

(4) the applicant's good faith affirmative action plan to recruit, train, and upgrade minorities in all employment classifications;

(5) the applicant's financial ability to purchase and maintain adequate liability and casualty insurance;

(6) the applicant's proposed and prior year's promotional and marketing activities and expenditures of the applicant associated with those activities;

(7) an agreement, if any, among organization licensees as provided in subsection (b) of Section 21 of this Act; and

(8) the extent to which the applicant exceeds or meets other standards for the issuance of an organization license that the Board shall adopt by rule.

In granting organization licenses and allocating dates for horse race meetings, the Board shall have discretion to determine an overall schedule, including required simulcasts of Illinois races by host tracks that will, in its judgment, be conducive to the best interests of the public and the sport of horse racing.

(e-10) The Illinois Administrative Procedure Act shall apply to administrative procedures of the Board under this Act for the granting of an organization license, except that (1) notwithstanding the provisions of subsection (b) of Section 10-40 of the Illinois Administrative Procedure Act regarding cross-examination, the Board may prescribe rules limiting the right of an applicant or participant in any proceeding to award an organization license to conduct cross-examination of witnesses at that proceeding where that cross-examination would unduly obstruct the timely award of an organization license under subsection (e) of Section 20 of this Act; (2) the provisions of Section 10-45 of the Illinois Administrative Procedure Act regarding proposals for decision are excluded under this Act; (3) notwithstanding the provisions of subsection (a) of Section 10-60 of the Illinois Administrative Procedure Act regarding ex parte communications, the Board may prescribe rules allowing ex parte communications with applicants or participants in a proceeding to award an organization license where conducting those communications

would be in the best interest of racing, provided all those communications are made part of the record of that proceeding pursuant to subsection (c) of Section 10-60 of the Illinois Administrative Procedure Act; (4) the provisions of Section 14a of this Act and the rules of the Board promulgated under that Section shall apply instead of the provisions of Article 10 of the Illinois Administrative Procedure Act regarding administrative law judges; and (5) the provisions of subsection (d) of Section 10-65 of the Illinois Administrative Procedure Act that prevent summary suspension of a license pending revocation or other action shall not apply.

(f) The Board may allot racing dates to an organization licensee for more than one calendar year but for no more than 3 successive calendar years in advance, provided that the Board shall review such allotment for more than one calendar year prior to each year for which such allotment has been made. The granting of an organization license to a person constitutes a privilege to conduct a horse race meeting under the provisions of this Act, and no person granted an organization license shall be deemed to have a vested interest, property right, or future expectation to receive an organization license in any subsequent year as a result of the granting of an organization license. Organization licenses shall be subject to revocation if the organization licensee has violated any provision of this Act or the rules and regulations promulgated under this Act or has been convicted of a crime or has failed to disclose or has stated falsely any information called for in the application for an organization license. Any organization license revocation proceeding shall be in accordance with Section 16 regarding suspension and revocation of occupation licenses.

(f-5) If, (i) an applicant does not file an acceptance of the racing dates awarded by the Board as required under part (1) of subsection (h) of this Section 20, or (ii) an organization licensee has its license suspended or revoked under this Act, the Board, upon conducting an emergency hearing as provided for in this Act, may reaward on an emergency basis pursuant to rules established by the Board, racing dates not accepted or the racing dates associated with any suspension or revocation period to one or more organization licensees, new applicants, or any combination thereof, upon terms and conditions that the Board determines are in the best interest of racing, provided, the organization licensees or new applicants receiving the awarded racing dates file an acceptance of those reawarded racing dates as required under paragraph (1) of subsection (h) of this Section 20 and comply with the other provisions of this Act. The Illinois Administrative Procedures Act shall not apply to the administrative procedures of the Board in conducting the emergency hearing and the reallocation of racing dates on an emergency basis.

(g) (Blank).

(h) The Board shall send the applicant a copy of its formally executed order by certified mail addressed to the applicant at the address stated in his application, which notice shall be mailed within 5 days of the date the formal order is executed.

Each applicant notified shall, within 10 days after receipt of the final executed order of the Board awarding racing dates:

(1) file with the Board an acceptance of such award in the form prescribed by the Board;

(2) pay to the Board an additional amount equal to $110 for each racing date awarded; and

(3) file with the Board the bonds required in Sections 21 and 25 at least 20 days prior to the first day of each race meeting.

Upon compliance with the provisions of paragraphs (1), (2), and (3) of this subsection (h), the applicant shall be issued an organization license.

If any applicant fails to comply with this Section or fails to pay the organization license fees herein provided, no organization license shall be issued to such applicant. (Source: P.A. 91-40, eff. 6-25-99.)

(230 ILCS 5/25) (from Ch. 8, par. 37-25)

Sec. 25. Admissions tax; records and books; bond; penalty. (a) There shall be paid to the Board at such time or times as it shall prescribe, the sum of fifteen cents (15& #x4A;) for each person entering the grounds or enclosure of each organization licensee and inter-track wagering licensee upon a ticket of admission except as provided in subsection (g) of Section 27 of this Act. If tickets are issued for more than one day then the sum of fifteen cents (15& #x4A;) shall be paid for each person using such ticket on each day that the same shall be used. Provided, however, that no charge shall be made on tickets of admission issued to and in the name of directors, officers, agents or employees of the organization licensee, or inter-track wagering licensee, or to owners, trainers, jockeys, drivers and their employees or to any person or persons entering the grounds or enclosure for the transaction of business in connection with such race meeting. The organization licensee or inter-track wagering licensee may, if it desires, collect such amount from each ticket holder in addition to the amount or amounts charged for such ticket of admission.

(b) Accurate records and books shall at all times be kept and maintained by the organization licensees and inter-track wagering licensees showing the admission tickets issued and used on each racing day and

the attendance thereat of each horse racing meeting. The Board or its duly authorized representative or representatives shall at all reasonable times have access to the admission records of any organization licensee and inter-track wagering licensee for the purpose of examining and checking the same and ascertaining whether or not the proper amount has been or is being paid the State of Illinois as herein provided. The Board shall also require, before issuing any license, that the licensee shall execute and deliver to it a bond, payable to the State of Illinois, in such sum as it shall determine, not, however, in excess of fifty thousand dollars ($50,000), with a surety or sureties to be approved by it, conditioned for the payment of all sums due and payable or collected by it under this Section upon admission fees received for any particular racing meetings. The Board may also from time to time require sworn statements of the number or numbers of such admissions and may prescribe blanks upon which such reports shall be made. Any organization licensee or inter-track wagering licensee failing or refusing to pay the amount found to be due as herein provided, shall be deemed guilty of a business offense and upon conviction shall be punished by a fine of not more than five thousand dollars ($5,000) in addition to the amount due from such organization licensee or inter-track wagering licensee as herein provided. All fines paid into court by an organization licensee or inter-track wagering licensee found guilty of violating this Section shall be transmitted and paid over by the clerk of the court to the Board.

(c) In addition to the admission tax imposed under subsection (a), a tax of $1 is hereby imposed for each person who enters the grounds or enclosure of each organization licensee. The tax is imposed upon the organization licensee.

(1) The admission tax shall be paid for each admission.

(2) An organization licensee may issue tax-free passes to actual and necessary officials and employees of the licensee and other persons associated with race meeting operations.

(3) The number and issuance of tax-free passes is subject to the rules of the Board, and a list of all persons to whom the tax-free passes are issued shall be filed with the Board.

(4) The organization licensee shall pay the entire admission tax to the Board. Such payments shall be made daily. Accompanying each payment shall be a return on forms provided by the Board which shall include other information regarding admission as the Board may require. Failure to submit either the payment or the return within the specified time may result in suspension or revocation of the organization licensee's license.

(5) The Board shall administer and collect the admission tax imposed by this subsection, to the extent practicable, in a manner consistent with the provisions of Sections 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 6, 6a, 6b, 6c, 8, 9, and 10 of the Retailers' Occupation Tax Act and Section 3-7 of the Uniform Penalty and Interest Act. All moneys collected by the Board shall be deposited into the State Gaming Fund.

(Source: P.A. 88-495; 89-16, eff. 5-30-95.)

(230 ILCS 5/26) (from Ch. 8, par. 37-26)

Sec. 26. Wagering. (a) Any licensee may conduct and supervise the pari-mutuel system of wagering, as defined in Section 3.12 of this Act, on horse races conducted by an Illinois organization licensee or conducted at a racetrack located in another state or country and televised in Illinois in accordance with subsection (g) of Section 26 of this Act. Subject to the prior consent of the Board, licensees may supplement any pari-mutuel pool in order to guarantee a minimum distribution. Such pari-mutuel method of wagering shall not, under any circumstances if conducted under the provisions of this Act, be held or construed to be unlawful, other statutes of this State to the contrary notwithstanding. Subject to rules for advance wagering promulgated by the Board, any licensee may accept wagers in advance of the day of the race wagered upon occurs.

(b) Except as otherwise provided in Section 56, no other method of betting, pool making, wagering or gambling shall be used or permitted by the licensee. Each licensee may retain, subject to the payment of all applicable taxes and purses, an amount not to exceed 17% of all money wagered under subsection (a) of this Section, except as may otherwise be permitted under this Act.

(b-5) An individual may place a wager under the pari-mutuel system from any licensed location authorized under this Act provided that wager is electronically recorded in the manner described in Section 3.12 of this Act. Any wager made electronically by an individual while physically on the premises of a licensee shall be deemed to have been made at the premises of that licensee.

(c) Until January 1, 2000, the sum held by any licensee for payment of outstanding pari-mutuel tickets, if unclaimed prior to December 31 of the next year, shall be retained by the licensee for payment of such tickets until that date. Within 10 days thereafter, the balance of such sum remaining unclaimed, less any uncashed supplements contributed by such licensee for the purpose of guaranteeing minimum distributions of any pari-mutuel pool, shall be paid to the Illinois Veterans' Rehabilitation Fund of the State treasury,

except as provided in subsection (g) of Section 27 of this Act.

(c-5) Beginning January 1, 2000, the sum held by any licensee for payment of outstanding pari-mutuel tickets, if unclaimed prior to December 31 of the next year, shall be retained by the licensee for payment of such tickets until that date. Within 10 days thereafter, the balance of such sum remaining unclaimed, less any uncashed supplements contributed by such licensee for the purpose of guaranteeing minimum distributions of any pari-mutuel pool, shall be evenly distributed to the purse account of the organization licensee and the organization licensee.

(d) A pari-mutuel ticket shall be honored until December 31 of the next calendar year, and the licensee shall pay the same and may charge the amount thereof against unpaid money similarly accumulated on account of pari-mutuel tickets not presented for payment.

(e) No licensee shall knowingly permit any minor, other than an employee of such licensee or an owner, trainer, jockey, driver, or employee thereof, to be admitted during a racing program unless accompanied by a parent or guardian, or any minor to be a patron of the pari-mutuel system of wagering conducted or supervised by it. The admission of any unaccompanied minor, other than an employee of the licensee or an owner, trainer, jockey, driver, or employee thereof at a race track is a Class C misdemeanor.

(f) Notwithstanding the other provisions of this Act, an organization licensee may contract with an entity in another state or country to permit any legal wagering entity in another state or country to accept wagers solely within such other state or country on races conducted by the organization licensee in this State. Beginning January 1, 2000, these wagers shall not be subject to State taxation. Until January 1, 2000, when the out-of-State entity conducts a pari-mutuel pool separate from the organization licensee, a privilege tax equal to 7 1/2% of all monies received by the organization licensee from entities in other states or countries pursuant to such contracts is imposed on the organization licensee, and such privilege tax shall be remitted to the Department of Revenue within 48 hours of receipt of the moneys from the simulcast. When the out-of-State entity conducts a combined pari-mutuel pool with the organization licensee, the tax shall be 10% of all monies received by the organization licensee with 25% of the receipts from this 10% tax to be distributed to the county in which the race was conducted.

An organization licensee may permit one or more of its races to be utilized for pari-mutuel wagering at one or more locations in other states and may transmit audio and visual signals of races the organization licensee conducts to one or more locations outside the State or country and may also permit pari-mutuel pools in other states or countries to be combined with its gross or net wagering pools or with wagering pools established by other states.

(g) A host track may accept interstate simulcast wagers on horse races conducted in other states or countries and shall control the number of signals and types of breeds of racing in its simulcast program, subject to the disapproval of the Board. The Board may prohibit a simulcast program only if it finds that the simulcast program is clearly adverse to the integrity of racing. The host track simulcast program shall include the signal of live racing of all organization licensees. All non-host licensees shall carry the host track simulcast program and accept wagers on all races included as part of the simulcast program upon which wagering is permitted. The costs and expenses of the host track and non-host licensees associated with interstate simulcast wagering, other than the interstate commission fee, shall be borne by the host track and all non-host licensees incurring these costs. The interstate commission fee shall not exceed 5% of Illinois handle on the interstate simulcast race or races without prior approval of the Board. The Board shall promulgate rules under which it may permit interstate commission fees in excess of 5%. The interstate commission fee and other fees charged by the sending racetrack, including, but not limited to, satellite decoder fees, shall be uniformly applied to the host track and all non-host licensees.

(1) Between the hours of 6:30 a.m. and 6:30 p.m. an intertrack wagering licensee other than the host track may supplement the host track simulcast program with additional simulcast races or race programs, provided that between January 1 and the third Friday in February of any year, inclusive, if no live thoroughbred racing is occurring in Illinois during this period, only thoroughbred races may be used for supplemental interstate simulcast purposes. The Board shall withhold approval for a supplemental interstate simulcast only if it finds that the simulcast is clearly adverse to the integrity of racing. A supplemental interstate simulcast may be transmitted from an intertrack wagering licensee to its affiliated non-host licensees. The interstate commission fee for a supplemental interstate simulcast shall be paid by the non-host licensee and its affiliated non-host licensees receiving the simulcast.

(2) Between the hours of 6:30 p.m. and 6:30 a.m. an intertrack wagering licensee other than the host track may receive supplemental interstate simulcasts only with the consent of the host track, except when the Board finds that the simulcast is clearly adverse to the integrity of racing. Consent granted under this paragraph (2) to any intertrack wagering licensee shall be deemed consent to all non-host

licensees. The interstate commission fee for the supplemental interstate simulcast shall be paid by all participating non-host licensees.

(3) Each licensee conducting interstate simulcast wagering may retain, subject to the payment of all applicable taxes and the purses, an amount not to exceed 17% of all money wagered. If any licensee conducts the pari-mutuel system wagering on races conducted at racetracks in another state or country, each such race or race program shall be considered a separate racing day for the purpose of determining the daily handle and computing the privilege tax of that daily handle as provided in subsection (a) of Section 27. Until January 1, 2000, from the sums permitted to be retained pursuant to this subsection, each intertrack wagering location licensee shall pay 1% of the pari-mutuel handle wagered on simulcast wagering to the Horse Racing Tax Allocation Fund, subject to the provisions of subparagraph (B) of paragraph (11) of subsection (h) of Section 26 of this Act.

(4) A licensee who receives an interstate simulcast may combine its gross or net pools with pools at the sending racetracks pursuant to rules established by the Board. All licensees combining their gross pools at a sending racetrack shall adopt the take-out percentages of the sending racetrack. A licensee may also establish a separate pool and takeout structure for wagering purposes on races conducted at race tracks outside of the State of Illinois. The licensee may permit pari-mutuel wagers placed in other states or countries to be combined with its gross or net wagering pools or other wagering pools.

(5) After the payment of the interstate commission fee (except for the interstate commission fee on a supplemental interstate simulcast, which shall be paid by the host track and by each non-host licensee through the host-track) and all applicable State and local taxes, except as provided in subsection (g) of Section 27 of this Act, the remainder of moneys retained from simulcast wagering pursuant to this subsection (g), and Section 26.2 shall be divided as follows:

(A) For interstate simulcast wagers made at a host track, 50% to the host track and 50% to purses at the host track.

(B) For wagers placed on interstate simulcast races, supplemental simulcasts as defined in subparagraphs (1) and (2), and separately pooled races conducted outside of the State of Illinois made at a non-host licensee, 25% to the host track, 25% to the non-host licensee, and 50% to the purses at the host track.

(6) Notwithstanding any provision in this Act to the contrary, non-host licensees who derive their licenses from a track located in a county with a population in excess of 230,000 and that borders the Mississippi River may receive supplemental interstate simulcast races at all times subject to Board approval, which shall be withheld only upon a finding that a supplemental interstate simulcast is clearly adverse to the integrity of racing.

(7) Notwithstanding any provision of this Act to the contrary, after payment of all applicable State and local taxes and interstate commission fees, non-host licensees who derive their licenses from a track located in a county with a population in excess of 230,000 and that borders the Mississippi River shall retain 50% of the retention from interstate simulcast wagers and shall pay 50% to purses at the track from which the non-host licensee derives its license as follows:

(A) Between January 1 and the third Friday in February, inclusive, if no live thoroughbred racing is occurring in Illinois during this period, when the interstate simulcast is a standardbred race, the purse share to its standardbred purse account;

(B) Between January 1 and the third Friday in February, inclusive, if no live thoroughbred racing is occurring in Illinois during this period, and the interstate simulcast is a thoroughbred race, the purse share to its interstate simulcast purse pool to be distributed under paragraph (10) of this subsection (g);

(C) Between January 1 and the third Friday in February, inclusive, if live thoroughbred racing is occurring in Illinois, between 6:30 a.m. and 6:30 p.m. the purse share from wagers made during this time period to its thoroughbred purse account and between 6:30 p.m. and 6:30 a.m. the purse share from wagers made during this time period to its standardbred purse accounts;

(D) Between the third Saturday in February and December 31, when the interstate simulcast occurs between the hours of 6:30 a.m. and 6:30 p.m., the purse share to its thoroughbred purse account;

(E) Between the third Saturday in February and December 31, when the interstate simulcast occurs between the hours of 6:30 p.m. and 6:30 a.m., the purse share to its standardbred purse account.

(7.1) Notwithstanding any other provision of this Act to the contrary, if no standardbred racing is conducted at a racetrack located in Madison County during any calendar year beginning on or after

January 1, 2002, all moneys derived by that racetrack from simulcast wagering and inter-track wagering that (1) are to be used for purses and (2) are generated between the hours of 6:30 p.m. and 6:30 a.m. during that calendar year shall be paid as follows:

(A) If the licensee that conducts horse racing at that racetrack requests from the Board at least as many racing dates as were conducted in calendar year 2000, 80% shall be paid to its thoroughbred purse account; and

(B) Twenty percent shall be deposited into the Illinois Colt Stakes Purse Distribution Fund and shall be paid to purses for standardbred races for Illinois conceived and foaled horses conducted at any county fairgrounds. The moneys deposited into the Fund pursuant to this subparagraph (B) shall be deposited within 2 weeks after the day they were generated, shall be in addition to and not in lieu of any other moneys paid to standardbred purses under this Act, and shall not be commingled with other moneys paid into that Fund. The moneys deposited pursuant to this subparagraph (B) shall be allocated as provided by the Department of Agriculture, with the advice and assistance of the Illinois Standardbred Breeders Fund Advisory Board.

(7.2) Notwithstanding any other provision of this Act to the contrary, if no thoroughbred racing is conducted at a racetrack located in Madison County during any calendar year beginning on or after January 1, 2002, all moneys derived by that racetrack from simulcast wagering and inter-track wagering that (1) are to be used for purses and (2) are generated between the hours of 6:30 a.m. and 6:30 p.m. during that calendar year shall be deposited as follows:

(A) If the licensee that conducts horse racing at that racetrack requests from the Board at least as many racing dates as were conducted in calendar year 2000, 80% shall be deposited into its standardbred purse account; and

(B) Twenty percent shall be deposited into the Illinois Colt Stakes Purse Distribution Fund. Moneys deposited into the Illinois Colt Stakes Purse Distribution Fund pursuant to this subparagraph (B) shall be paid to Illinois conceived and foaled thoroughbred breeders' programs and to thoroughbred purses for races conducted at any county fairgrounds for Illinois conceived and foaled horses at the discretion of the Department of Agriculture, with the advice and assistance of the Illinois Thoroughbred Breeders Fund Advisory Board. The moneys deposited into the Illinois Colt Stakes Purse Distribution Fund pursuant to this subparagraph (B) shall be deposited within 2 weeks after the day they were generated, shall be in addition to and not in lieu of any other moneys paid to thoroughbred purses under this Act, and shall not be commingled with other moneys deposited into that Fund.

(7.3) If no live standardbred racing is conducted at a racetrack located in Madison County in calendar year 2000 or 2001, an organization licensee who is licensed to conduct horse racing at that racetrack shall, before January 1, 2002, pay all moneys derived from simulcast wagering and inter-track wagering in calendar years 2000 and 2001 and paid into the licensee's standardbred purse account as follows:

(A) Eighty percent to that licensee's thoroughbred purse account to be used for thoroughbred purses; and

(B) Twenty percent to the Illinois Colt Stakes Purse Distribution Fund.

Failure to make the payment to the Illinois Colt Stakes Purse Distribution Fund before January 1, 2002 shall result in the immediate revocation of the licensee's organization license, inter-track wagering license, and inter-track wagering location license.

Moneys paid into the Illinois Colt Stakes Purse Distribution Fund pursuant to this paragraph (7.3) shall be paid to purses for standardbred races for Illinois conceived and foaled horses conducted at any county fairgrounds. Moneys paid into the Illinois Colt Stakes Purse Distribution Fund pursuant to this paragraph (7.3) shall be used as determined by the Department of Agriculture, with the advice and assistance of the Illinois Standardbred Breeders Fund Advisory Board, shall be in addition to and not in lieu of any other moneys paid to standardbred purses under this Act, and shall not be commingled with any other moneys paid into that Fund.

(7.4) If live standardbred racing is conducted at a racetrack located in Madison County at any time in calendar year 2001 before the payment required under paragraph (7.3) has been made, the organization licensee who is licensed to conduct racing at that racetrack shall pay all moneys derived by that racetrack from simulcast wagering and inter-track wagering during calendar years 2000 and 2001 that (1) are to be used for purses and (2) are generated between the hours of 6:30 p.m. and 6:30 a.m. during 2000 or 2001 to the standardbred purse account at that racetrack to be used for standardbred purses.

(8) Notwithstanding any provision in this Act to the contrary, an organization licensee from a track

located in a county with a population in excess of 230,000 and that borders the Mississippi River and its affiliated non-host licensees shall not be entitled to share in any retention generated on racing, inter-track wagering, or simulcast wagering at any other Illinois wagering facility.

(8.1) Notwithstanding any provisions in this Act to the contrary, if 2 organization licensees are conducting standardbred race meetings concurrently between the hours of 6:30 p.m. and 6:30 a.m., after payment of all applicable State and local taxes and interstate commission fees, the remainder of the amount retained from simulcast wagering otherwise attributable to the host track and to host track purses shall be split daily between the 2 organization licensees and the purses at the tracks of the 2 organization licensees, respectively, based on each organization licensee's share of the total live handle for that day, provided that this provision shall not apply to any non-host licensee that derives its license from a track located in a county with a population in excess of 230,000 and that borders the Mississippi River.

(9) (Blank).

(10) (Blank).

(11) (Blank).

(12) The Board shall have authority to compel all host tracks to receive the simulcast of any or all races conducted at the Springfield or DuQuoin State fairgrounds and include all such races as part of their simulcast programs.

(13) (Blank). ~~Notwithstanding any other provision of this Act, in the event that the total Illinois pari-mutuel handle on Illinois horse races at all wagering facilities in any calendar year is less than 75% of the total Illinois pari mutuel handle on Illinois horse races at all such wagering facilities for calendar year 1994, then each wagering facility that has an annual total Illinois pari mutuel handle on Illinois horse races that is less than 75% of the total Illinois pari mutuel handle on Illinois horse races at such wagering facility for calendar year 1994, shall be permitted to receive, from any amount otherwise payable to the purse account at the race track with which the wagering facility is affiliated in the succeeding calendar year, an amount equal to 2% of the differential in total Illinois pari mutuel handle on Illinois horse races at the wagering facility between that calendar year in question and 1994 provided, however, that a wagering facility shall not be entitled to any such payment until the Board certifies in writing to the wagering facility the amount to which the wagering facility is entitled and a schedule for payment of the amount to the wagering facility, based on: (i) the racing dates awarded to the race track affiliated with the wagering facility during the succeeding year; (ii) the sums available or anticipated to be available in the purse account of the race track affiliated with the wagering facility for purses during the succeeding year; and (iii) the need to ensure reasonable purse levels during the payment period. The Board's certification shall be provided no later than January 31 of the succeeding year. In the event a wagering facility entitled to a payment under this paragraph (13) is affiliated with a race track that maintains purse accounts for both standardbred and thoroughbred racing, the amount to be paid to the wagering facility shall be divided between each purse account pro rata, based on the amount of Illinois handle on Illinois standardbred and thoroughbred racing respectively at the wagering facility during the previous calendar year. Annually, the General Assembly shall appropriate sufficient funds from the General Revenue Fund to the Department of Agriculture for payment into the thoroughbred and standardbred horse racing purse accounts at Illinois pari mutuel tracks. The amount paid to each purse account shall be the amount certified by the Illinois Racing Board in January to be transferred from each account to each eligible racing facility in accordance with the provisions of this Section.~~

(h) The Board may approve and license the conduct of inter-track wagering and simulcast wagering by inter-track wagering licensees and inter-track wagering location licensees subject to the following terms and conditions:

(1) Any person licensed to conduct a race meeting (i) at a track where 60 or more days of racing were conducted during the immediately preceding calendar year or where over the 5 immediately preceding calendar years an average of 30 or more days of racing were conducted annually may be issued an inter-track wagering license; (ii) at a track located in a county that is bounded by the Mississippi River, which has a population of less than 150,000 according to the 1990 decennial census, and an average of at least 60 days of racing per year between 1985 and 1993 may be issued an inter-track wagering license; or (iii) at a track located in Madison County that conducted at least 100 days of live racing during the immediately preceding calendar year may be issued an inter-track wagering license, unless a lesser schedule of live racing is the result of (A) weather, unsafe track conditions, or other acts of God; (B) an agreement between the organization licensee and the associations representing the largest number of owners, trainers, jockeys, or standardbred drivers who race horses at that

organization licensee's racing meeting; or (C) a finding by the Board of extraordinary circumstances and that it was in the best interest of the public and the sport to conduct fewer than 100 days of live racing. Any such person having operating control of the racing facility may also receive up to 6 inter-track wagering location licenses. In no event shall more than 6 inter-track wagering locations be established for each eligible race track, except that an eligible race track located in a county that has a population of more than 230,000 and that is bounded by the Mississippi River may establish up to 7 inter-track wagering locations. An application for said license shall be filed with the Board prior to such dates as may be fixed by the Board. With an application for an inter-track wagering location license there shall be delivered to the Board a certified check or bank draft payable to the order of the Board for an amount equal to $500. The application shall be on forms prescribed and furnished by the Board. The application shall comply with all other rules, regulations and conditions imposed by the Board in connection therewith.

(2) The Board shall examine the applications with respect to their conformity with this Act and the rules and regulations imposed by the Board. If found to be in compliance with the Act and rules and regulations of the Board, the Board may then issue a license to conduct inter-track wagering and simulcast wagering to such applicant. All such applications shall be acted upon by the Board at a meeting to be held on such date as may be fixed by the Board.

(3) In granting licenses to conduct inter-track wagering and simulcast wagering, the Board shall give due consideration to the best interests of the public, of horse racing, and of maximizing revenue to the State.

(4) Prior to the issuance of a license to conduct inter-track wagering and simulcast wagering, the applicant shall file with the Board a bond payable to the State of Illinois in the sum of $50,000, executed by the applicant and a surety company or companies authorized to do business in this State, and conditioned upon (i) the payment by the licensee of all taxes due under Section 27 or 27.1 and any other monies due and payable under this Act, and (ii) distribution by the licensee, upon presentation of the winning ticket or tickets, of all sums payable to the patrons of pari-mutuel pools.

(5) Each license to conduct inter-track wagering and simulcast wagering shall specify the person to whom it is issued, the dates on which such wagering is permitted, and the track or location where the wagering is to be conducted.

(6) All wagering under such license is subject to this Act and to the rules and regulations from time to time prescribed by the Board, and every such license issued by the Board shall contain a recital to that effect.

(7) An inter-track wagering licensee or inter-track wagering location licensee may accept wagers at the track or location where it is licensed, or as otherwise provided under this Act.

(8) Inter-track wagering or simulcast wagering shall not be conducted at any track less than 5 miles from a track at which a racing meeting is in progress.

(8.1) Inter-track wagering location licensees who derive their licenses from a particular organization licensee shall conduct inter-track wagering and simulcast wagering only at locations which are either within 90 miles of that race track where the particular organization licensee is licensed to conduct racing, or within 135 miles of that race track where the particular organization licensee is licensed to conduct racing in the case of race tracks in counties of less than 400,000 that were operating on or before June 1, 1986. However, inter-track wagering and simulcast wagering shall not be conducted by those licensees at any location within 5 miles of any race track at which a horse race meeting has been licensed in the current year, unless the person having operating control of such race track has given its written consent to such inter-track wagering location licensees, which consent must be filed with the Board at or prior to the time application is made.

(8.2) Inter-track wagering or simulcast wagering shall not be conducted by an inter-track wagering location licensee at any location within 500 feet of an existing church or existing school, nor within 500 feet of the residences of more than 50 registered voters without receiving written permission from a majority of the registered voters at such residences. Such written permission statements shall be filed with the Board. The distance of 500 feet shall be measured to the nearest part of any building used for worship services, education programs, residential purposes, or conducting inter-track wagering by an inter-track wagering location licensee, and not to property boundaries. However, inter-track wagering or simulcast wagering may be conducted at a site within 500 feet of a church, school or residences of 50 or more registered voters if such church, school or residences have been erected or established, or such voters have been registered, after the Board issues the original inter-track wagering location license at the site in question. Inter-track wagering location licensees may conduct inter-track wagering and

simulcast wagering only in areas that are zoned for commercial or manufacturing purposes or in areas for which a special use has been approved by the local zoning authority. However, no license to conduct inter-track wagering and simulcast wagering shall be granted by the Board with respect to any inter-track wagering location within the jurisdiction of any local zoning authority which has, by ordinance or by resolution, prohibited the establishment of an inter-track wagering location within its jurisdiction. However, inter-track wagering and simulcast wagering may be conducted at a site if such ordinance or resolution is enacted after the Board licenses the original inter-track wagering location licensee for the site in question.

(9) (Blank).

(10) An inter-track wagering licensee or an inter-track wagering location licensee may retain, subject to the payment of the privilege taxes and the purses, an amount not to exceed 17% of all money wagered. Each program of racing conducted by each inter-track wagering licensee or inter-track wagering location licensee shall be considered a separate racing day for the purpose of determining the daily handle and computing the privilege tax or pari-mutuel tax on such daily handle as provided in Section 27.

(10.1) Except as provided in subsection (g) of Section 27 of this Act, inter-track wagering location licensees shall pay 1% of the pari-mutuel handle at each location to the municipality in which such location is situated and 1% of the pari-mutuel handle at each location to the county in which such location is situated. In the event that an inter-track wagering location licensee is situated in an unincorporated area of a county, such licensee shall pay 2% of the pari-mutuel handle from such location to such county.

(10.2) Notwithstanding any other provision of this Act, with respect to intertrack wagering at a race track located in a county that has a population of more than 230,000 and that is bounded by the Mississippi River ("the first race track"), or at a facility operated by an inter-track wagering licensee or inter-track wagering location licensee that derives its license from the organization licensee that operates the first race track, on races conducted at the first race track or on races conducted at another Illinois race track and simultaneously televised to the first race track or to a facility operated by an inter-track wagering licensee or inter-track wagering location licensee that derives its license from the organization licensee that operates the first race track, those moneys shall be allocated as follows:

(A) That portion of all moneys wagered on standardbred racing that is required under this Act to be paid to purses shall be paid to purses for standardbred races.

(B) That portion of all moneys wagered on thoroughbred racing that is required under this Act to be paid to purses shall be paid to purses for thoroughbred races.

(11) (A) After payment of the privilege or pari-mutuel tax, any other applicable taxes, and the costs and expenses in connection with the gathering, transmission, and dissemination of all data necessary to the conduct of inter-track wagering, the remainder of the monies retained under either Section 26 or Section 26.2 of this Act by the inter-track wagering licensee on inter-track wagering shall be allocated with 50% to be split between the 2 participating licensees and 50% to purses, except that an intertrack wagering licensee that derives its license from a track located in a county with a population in excess of 230,000 and that borders the Mississippi River shall not divide any remaining retention with the Illinois organization licensee that provides the race or races, and an intertrack wagering licensee that accepts wagers on races conducted by an organization licensee that conducts a race meet in a county with a population in excess of 230,000 and that borders the Mississippi River shall not divide any remaining retention with that organization licensee.

(B) From the sums permitted to be retained pursuant to this Act each inter-track wagering location licensee shall pay (i) the privilege or pari-mutuel tax to the State; (ii) 4.75% of the pari-mutuel handle on intertrack wagering at such location on races as purses, except that an intertrack wagering location licensee that derives its license from a track located in a county with a population in excess of 230,000 and that borders the Mississippi River shall retain all purse moneys for its own purse account consistent with distribution set forth in this subsection (h), and intertrack wagering location licensees that accept wagers on races conducted by an organization licensee located in a county with a population in excess of 230,000 and that borders the Mississippi River shall distribute all purse moneys to purses at the operating host track; (iii) until January 1, 2000, except as provided in subsection (g) of Section 27 of this Act, 1% of the pari-mutuel handle wagered on inter-track wagering and simulcast wagering at each inter-track wagering location licensee facility to the Horse Racing Tax Allocation Fund, provided that, to the extent the total amount collected and distributed to the Horse Racing Tax Allocation Fund under this subsection (h) during any calendar year exceeds the amount collected and distributed to the Horse

Racing Tax Allocation Fund during calendar year 1994, that excess amount shall be redistributed (I) to all inter-track wagering location licensees, based on each licensee's pro-rata share of the total handle from inter-track wagering and simulcast wagering for all inter-track wagering location licensees during the calendar year in which this provision is applicable; then (II) the amounts redistributed to each inter-track wagering location licensee as described in subpart (I) shall be further redistributed as provided in subparagraph (B) of paragraph (5) of subsection (g) of this Section 26 provided first, that the shares of those amounts, which are to be redistributed to the host track or to purses at the host track under subparagraph (B) of paragraph (5) of subsection (g) of this Section 26 shall be redistributed based on each host track's pro rata share of the total inter-track wagering and simulcast wagering handle at all host tracks during the calendar year in question, and second, that any amounts redistributed as described in part (I) to an inter-track wagering location licensee that accepts wagers on races conducted by an organization licensee that conducts a race meet in a county with a population in excess of 230,000 and that borders the Mississippi River shall be further redistributed as provided in subparagraphs (D) and (E) of paragraph (7) of subsection (g) of this Section 26, with the portion of that further redistribution allocated to purses at that organization licensee to be divided between standardbred purses and thoroughbred purses based on the amounts otherwise allocated to purses at that organization licensee during the calendar year in question; and (iv) 8% of the pari-mutuel handle on inter-track wagering wagered at such location to satisfy all costs and expenses of conducting its wagering. The remainder of the monies retained by the inter-track wagering location licensee shall be allocated 40% to the location licensee and 60% to the organization licensee which provides the Illinois races to the location, except that an intertrack wagering location licensee that derives its license from a track located in a county with a population in excess of 230,000 and that borders the Mississippi River shall not divide any remaining retention with the organization licensee that provides the race or races and an intertrack wagering location licensee that accepts wagers on races conducted by an organization licensee that conducts a race meet in a county with a population in excess of 230,000 and that borders the Mississippi River shall not divide any remaining retention with the organization licensee. Notwithstanding the provisions of clauses (ii) and (iv) of this paragraph, in the case of the additional inter-track wagering location licenses authorized under paragraph (1) of this subsection (h) by this amendatory Act of 1991, those licensees shall pay the following amounts as purses: during the first 12 months the licensee is in operation, 5.25% of the pari-mutuel handle wagered at the location on races; during the second 12 months, 5.25%; during the third 12 months, 5.75%; during the fourth 12 months, 6.25%; and during the fifth 12 months and thereafter, 6.75%. The following amounts shall be retained by the licensee to satisfy all costs and expenses of conducting its wagering: during the first 12 months the licensee is in operation, 8.25% of the pari-mutuel handle wagered at the location; during the second 12 months, 8.25%; during the third 12 months, 7.75%; during the fourth 12 months, 7.25%; and during the fifth 12 months and thereafter, 6.75%. For additional intertrack wagering location licensees authorized under this amendatory Act of 1995, purses for the first 12 months the licensee is in operation shall be 5.75% of the pari-mutuel wagered at the location, purses for the second 12 months the licensee is in operation shall be 6.25%, and purses thereafter shall be 6.75%. For additional intertrack location licensees authorized under this amendatory Act of 1995, the licensee shall be allowed to retain to satisfy all costs and expenses: 7.75% of the pari-mutuel handle wagered at the location during its first 12 months of operation, 7.25% during its second 12 months of operation, and 6.75% thereafter.

(C) There is hereby created the Horse Racing Tax Allocation Fund which shall remain in existence until December 31, 1999. Moneys remaining in the Fund after December 31, 1999 shall be paid into the General Revenue Fund. Until January 1, 2000, all monies paid into the Horse Racing Tax Allocation Fund pursuant to this paragraph (11) by inter-track wagering location licensees located in park districts of 500,000 population or less, or in a municipality that is not included within any park district but is included within a conservation district and is the county seat of a county that (i) is contiguous to the state of Indiana and (ii) has a 1990 population of 88,257 according to the United States Bureau of the Census, and operating on May 1, 1994 shall be allocated by appropriation as follows:

Two-sevenths to the Department of Agriculture. Fifty percent of this two-sevenths shall be used to promote the Illinois horse racing and breeding industry, and shall be distributed by the Department of Agriculture upon the advice of a 9-member committee appointed by the Governor consisting of the following members: the Director of Agriculture, who shall serve as chairman; 2 representatives of organization licensees conducting thoroughbred race meetings in this State, recommended by those licensees; 2 representatives of organization licensees conducting standardbred race meetings in this State, recommended by those licensees; a representative of the Illinois Thoroughbred Breeders and

Owners Foundation, recommended by that Foundation; a representative of the Illinois Standardbred Owners and Breeders Association, recommended by that Association; a representative of the Horsemen's Benevolent and Protective Association or any successor organization thereto established in Illinois comprised of the largest number of owners and trainers, recommended by that Association or that successor organization; and a representative of the Illinois Harness Horsemen's Association, recommended by that Association. Committee members shall serve for terms of 2 years, commencing January 1 of each even-numbered year. If a representative of any of the above-named entities has not been recommended by January 1 of any even-numbered year, the Governor shall appoint a committee member to fill that position. Committee members shall receive no compensation for their services as members but shall be reimbursed for all actual and necessary expenses and disbursements incurred in the performance of their official duties. The remaining 50% of this two-sevenths shall be distributed to county fairs for premiums and rehabilitation as set forth in the Agricultural Fair Act;

Four-sevenths to park districts or municipalities that do not have a park district of 500,000 population or less for museum purposes (if an inter-track wagering location licensee is located in such a park district) or to conservation districts for museum purposes (if an inter-track wagering location licensee is located in a municipality that is not included within any park district but is included within a conservation district and is the county seat of a county that (i) is contiguous to the state of Indiana and (ii) has a 1990 population of 88,257 according to the United States Bureau of the Census, except that if the conservation district does not maintain a museum, the monies shall be allocated equally between the county and the municipality in which the inter-track wagering location licensee is located for general purposes) or to a municipal recreation board for park purposes (if an inter-track wagering location licensee is located in a municipality that is not included within any park district and park maintenance is the function of the municipal recreation board and the municipality has a 1990 population of 9,302 according to the United States Bureau of the Census); provided that the monies are distributed to each park district or conservation district or municipality that does not have a park district in an amount equal to four-sevenths of the amount collected by each inter-track wagering location licensee within the park district or conservation district or municipality for the Fund. Monies that were paid into the Horse Racing Tax Allocation Fund before the effective date of this amendatory Act of 1991 by an inter-track wagering location licensee located in a municipality that is not included within any park district but is included within a conservation district as provided in this paragraph shall, as soon as practicable after the effective date of this amendatory Act of 1991, be allocated and paid to that conservation district as provided in this paragraph. Any park district or municipality not maintaining a museum may deposit the monies in the corporate fund of the park district or municipality where the inter-track wagering location is located, to be used for general purposes; and

One-seventh to the Agricultural Premium Fund to be used for distribution to agricultural home economics extension councils in accordance with "An Act in relation to additional support and finances for the Agricultural and Home Economic Extension Councils in the several counties of this State and making an appropriation therefor", approved July 24, 1967.

Until January 1, 2000, all other monies paid into the Horse Racing Tax Allocation Fund pursuant to this paragraph (11) shall be allocated by appropriation as follows:

Two-sevenths to the Department of Agriculture. Fifty percent of this two-sevenths shall be used to promote the Illinois horse racing and breeding industry, and shall be distributed by the Department of Agriculture upon the advice of a 9-member committee appointed by the Governor consisting of the following members: the Director of Agriculture, who shall serve as chairman; 2 representatives of organization licensees conducting thoroughbred race meetings in this State, recommended by those licensees; 2 representatives of organization licensees conducting standardbred race meetings in this State, recommended by those licensees; a representative of the Illinois Thoroughbred Breeders and Owners Foundation, recommended by that Foundation; a representative of the Illinois Standardbred Owners and Breeders Association, recommended by that Association; a representative of the Horsemen's Benevolent and Protective Association or any successor organization thereto established in Illinois comprised of the largest number of owners and trainers, recommended by that Association or that successor organization; and a representative of the Illinois Harness Horsemen's Association, recommended by that Association. Committee members shall serve for terms of 2 years, commencing January 1 of each even-numbered year. If a representative of any of the above-named entities has not been recommended by January 1 of any even-numbered year, the Governor shall

appoint a committee member to fill that position. Committee members shall receive no compensation for their services as members but shall be reimbursed for all actual and necessary expenses and disbursements incurred in the performance of their official duties. The remaining 50% of this two-sevenths shall be distributed to county fairs for premiums and rehabilitation as set forth in the Agricultural Fair Act;

Four-sevenths to museums and aquariums located in park districts of over 500,000 population; provided that the monies are distributed in accordance with the previous year's distribution of the maintenance tax for such museums and aquariums as provided in Section 2 of the Park District Aquarium and Museum Act; and

One-seventh to the Agricultural Premium Fund to be used for distribution to agricultural home economics extension councils in accordance with "An Act in relation to additional support and finances for the Agricultural and Home Economic Extension Councils in the several counties of this State and making an appropriation therefor", approved July 24, 1967. This subparagraph (C) shall be inoperative and of no force and effect on and after January 1, 2000.

(D) Except as provided in paragraph (11) of this subsection (h), with respect to purse allocation from intertrack wagering, the monies so retained shall be divided as follows:

(i) If the inter-track wagering licensee, except an intertrack wagering licensee that derives its license from an organization licensee located in a county with a population in excess of 230,000 and bounded by the Mississippi River, is not conducting its own race meeting during the same dates, then the entire purse allocation shall be to purses at the track where the races wagered on are being conducted.

(ii) If the inter-track wagering licensee, except an intertrack wagering licensee that derives its license from an organization licensee located in a county with a population in excess of 230,000 and bounded by the Mississippi River, is also conducting its own race meeting during the same dates, then the purse allocation shall be as follows: 50% to purses at the track where the races wagered on are being conducted; 50% to purses at the track where the inter-track wagering licensee is accepting such wagers.

(iii) If the inter-track wagering is being conducted by an inter-track wagering location licensee, except an intertrack wagering location licensee that derives its license from an organization licensee located in a county with a population in excess of 230,000 and bounded by the Mississippi River, the entire purse allocation for Illinois races shall be to purses at the track where the race meeting being wagered on is being held.

(12) The Board shall have all powers necessary and proper to fully supervise and control the conduct of inter-track wagering and simulcast wagering by inter-track wagering licensees and inter-track wagering location licensees, including, but not limited to the following:

(A) The Board is vested with power to promulgate reasonable rules and regulations for the purpose of administering the conduct of this wagering and to prescribe reasonable rules, regulations and conditions under which such wagering shall be held and conducted. Such rules and regulations are to provide for the prevention of practices detrimental to the public interest and for the best interests of said wagering and to impose penalties for violations thereof.

(B) The Board, and any person or persons to whom it delegates this power, is vested with the power to enter the facilities of any licensee to determine whether there has been compliance with the provisions of this Act and the rules and regulations relating to the conduct of such wagering.

(C) The Board, and any person or persons to whom it delegates this power, may eject or exclude from any licensee's facilities, any person whose conduct or reputation is such that his presence on such premises may, in the opinion of the Board, call into the question the honesty and integrity of, or interfere with the orderly conduct of such wagering; provided, however, that no person shall be excluded or ejected from such premises solely on the grounds of race, color, creed, national origin, ancestry, or sex.

(D) (Blank).

(E) The Board is vested with the power to appoint delegates to execute any of the powers granted to it under this Section for the purpose of administering this wagering and any rules and regulations promulgated in accordance with this Act.

(F) The Board shall name and appoint a State director of this wagering who shall be a representative of the Board and whose duty it shall be to supervise the conduct of inter-track wagering as may be provided for by the rules and regulations of the Board; such rules and regulation shall specify the method of appointment and the Director's powers, authority and duties.

(G) The Board is vested with the power to impose civil penalties of up to $5,000 against individuals and up to $10,000 against licensees for each violation of any provision of this Act relating to the conduct of this wagering, any rules adopted by the Board, any order of the Board or any other action which in the Board's discretion, is a detriment or impediment to such wagering.

(13) The Department of Agriculture may enter into agreements with licensees authorizing such licensees to conduct inter-track wagering on races to be held at the licensed race meetings conducted by the Department of Agriculture. Such agreement shall specify the races of the Department of Agriculture's licensed race meeting upon which the licensees will conduct wagering. In the event that a licensee conducts inter-track pari-mutuel wagering on races from the Illinois State Fair or DuQuoin State Fair which are in addition to the licensee's previously approved racing program, those races shall be considered a separate racing day for the purpose of determining the daily handle and computing the privilege or pari-mutuel tax on that daily handle as provided in Sections 27 and 27.1. Such agreements shall be approved by the Board before such wagering may be conducted. In determining whether to grant approval, the Board shall give due consideration to the best interests of the public and of horse racing. The provisions of paragraphs (1), (8), (8.1), and (8.2) of subsection (h) of this Section which are not specified in this paragraph (13) shall not apply to licensed race meetings conducted by the Department of Agriculture at the Illinois State Fair in Sangamon County or the DuQuoin State Fair in Perry County, or to any wagering conducted on those race meetings.

(i) Notwithstanding the other provisions of this Act, the conduct of wagering at wagering facilities is authorized on all days, except as limited by subsection (b) of Section 19 of this Act. (Source: P.A. 91-40, eff. 6-25-99; 92-211, eff. 8-2-01.)

(230 ILCS 5/26.1) (from Ch. 8, par. 37-26.1)

Sec. 26.1. For all pari-mutuel wagering conducted pursuant to this Act, breakage shall be at all times computed on the basis of not to exceed 10& #x4A; on the dollar. If there is a minus pool, the breakage shall be computed on the basis of not to exceed 5& #x4A; on the dollar. Breakage shall be calculated only after the amounts retained by licensees pursuant to Sections 26 and 26.2 of this Act, and all applicable surcharges, are taken out of winning wagers and winnings from wagers. From ~~Beginning~~ January 1, 2000 until July 1, 2004, all breakage shall be retained by licensees, with 50% of breakage to be used by licensees for racetrack improvements at the racetrack from which the wagering facility derives its license. The remaining 50% is to be allocated 50% to the purse account for the licensee from which the wagering facility derives its license and 50% to the licensee. Beginning July 1, 2004, all breakage shall be retained by licensees, with 50% of breakage to be used by licensees for racetrack improvements at the racetrack from which the wagering facility derives its license. The remaining 50% is to be allocated to the purse account for the licensee from which the wagering facility derives its license. (Source: P.A. 91-40, eff. 6-25-99.)

(230 ILCS 5/27) (from Ch. 8, par. 37-27)

Sec. 27. (a) In addition to the organization license fee provided by this Act, until January 1, 2000, a graduated privilege tax is hereby imposed for conducting the pari-mutuel system of wagering permitted under this Act. Until January 1, 2000, except as provided in subsection (g) of Section 27 of this Act, all of the breakage of each racing day held by any licensee in the State shall be paid to the State. Until January 1, 2000, such daily graduated privilege tax shall be paid by the licensee from the amount permitted to be retained under this Act. Until January 1, 2000, each day's graduated privilege tax, breakage, and Horse Racing Tax Allocation funds shall be remitted to the Department of Revenue within 48 hours after the close of the racing day upon which it is assessed or within such other time as the Board prescribes. The privilege tax hereby imposed, until January 1, 2000, shall be a flat tax at the rate of 2% of the daily pari-mutuel handle except as provided in Section 27.1.

In addition, every organization licensee, except as provided in Section 27.1 of this Act, which conducts multiple wagering shall pay, until January 1, 2000, as a privilege tax on multiple wagers an amount equal to 1.25% of all moneys wagered each day on such multiple wagers, plus an additional amount equal to 3.5% of the amount wagered each day on any other multiple wager which involves a single betting interest on 3 or more horses. The licensee shall remit the amount of such taxes to the Department of Revenue within 48 hours after the close of the racing day on which it is assessed or within such other time as the Board prescribes.

This subsection (a) shall be inoperative and of no force and effect on and after January 1, 2000.

(a-5) Beginning on January 1, 2000, a flat pari-mutuel tax at the rate of 1.5% of the daily pari-mutuel handle is imposed at all pari-mutuel wagering facilities, which shall be remitted to the Department of Revenue within 48 hours after the close of the racing day upon which it is assessed or within such other time as the Board prescribes.

(b) On or before December 31, 1999, in the event that any organization licensee conducts 2 separate programs of races on any day, each such program shall be considered a separate racing day for purposes of determining the daily handle and computing the privilege tax on such daily handle as provided in subsection (a) of this Section.

(c) Licensees shall at all times keep accurate books and records of all monies wagered on each day of a race meeting and of the taxes paid to the Department of Revenue under the provisions of this Section. The Board or its duly authorized representative or representatives shall at all reasonable times have access to such records for the purpose of examining and checking the same and ascertaining whether the proper amount of taxes is being paid as provided. The Board shall require verified reports and a statement of the total of all monies wagered daily at each wagering facility upon which the taxes are assessed and may prescribe forms upon which such reports and statement shall be made.

(d) Any licensee failing or refusing to pay the amount of any tax due under this Section shall be guilty of a business offense and upon conviction shall be fined not more than $5,000 in addition to the amount found due as tax under this Section. Each day's violation shall constitute a separate offense. All fines paid into Court by a licensee hereunder shall be transmitted and paid over by the Clerk of the Court to the Board.

(e) No other license fee, privilege tax, excise tax, or racing fee, except as provided in this Act, shall be assessed or collected from any such licensee by the State.

(f) No other license fee, privilege tax, excise tax or racing fee shall be assessed or collected from any such licensee by units of local government except as provided in paragraph 10.1 of subsection (h) and subsection (f) of Section 26 of this Act. However, any municipality that has a Board licensed horse race meeting at a race track wholly within its corporate boundaries or a township that has a Board licensed horse race meeting at a race track wholly within the unincorporated area of the township may charge a local amusement tax not to exceed 10& #x4A; per admission to such horse race meeting by the enactment of an ordinance. However, any municipality or county that has a Board licensed inter-track wagering location facility wholly within its corporate boundaries may each impose an admission fee not to exceed $1.00 per admission to such inter-track wagering location facility, so that a total of not more than $2.00 per admission may be imposed. Except as provided in subparagraph (g) of Section 27 of this Act, the inter-track wagering location licensee shall collect any and all such fees and within 48 hours remit the fees to the Board, which shall, pursuant to rule, cause the fees to be distributed to the county or municipality.

(g) Notwithstanding any provision in this Act to the contrary, if in any calendar year the total taxes and fees from wagering on live racing and from inter-track wagering required to be collected from licensees and distributed under this Act to all State and local governmental authorities exceeds the amount of such taxes and fees distributed to each State and local governmental authority to which each State and local governmental authority was entitled under this Act for calendar year 1994, then the first $11 million of that excess amount shall be allocated at the earliest possible date for distribution as purse money for the succeeding calendar year. Upon reaching the 1994 level, and until the excess amount of taxes and fees exceeds $11 million, the Board shall direct all licensees to cease paying the subject taxes and fees and the Board shall direct all licensees to allocate any such excess amount for purses as follows:

(i) the excess amount shall be initially divided between thoroughbred and standardbred purses based on the thoroughbred's and standardbred's respective percentages of total Illinois live wagering in calendar year 1994;

(ii) each thoroughbred and standardbred organization licensee issued an organization licensee in that succeeding allocation year shall be allocated an amount equal to the product of its percentage of total Illinois live thoroughbred or standardbred wagering in calendar year 1994 (the total to be determined based on the sum of 1994 on-track wagering for all organization licensees issued organization licenses in both the allocation year and the preceding year) multiplied by the total amount allocated for standardbred or thoroughbred purses, provided that the first $1,500,000 of the amount allocated to standardbred purses under item (i) shall be allocated to the Department of Agriculture to be expended with the assistance and advice of the Illinois Standardbred Breeders Funds Advisory Board for the purposes listed in subsection (g) of Section 31 of this Act, before the amount allocated to standardbred purses under item (i) is allocated to standardbred organization licensees in the succeeding allocation year.

To the extent the excess amount of taxes and fees to be collected and distributed to State and local governmental authorities exceeds $11 million, that excess amount shall be collected and distributed to State and local authorities as provided for under this Act. (Source: P.A. 91-40, eff. 6-25-99.)

(230 ILCS 5/28.1)

Sec. 28.1. Payments. (a) Beginning on January 1, 2000, moneys collected by the Department of Revenue and the Racing Board pursuant to Section 26 or Section 27 of this Act shall be deposited into the Horse Racing Fund, which is hereby created as a special fund in the State Treasury.

(b) Appropriations, as approved by the General Assembly, may be made from the Horse Racing Fund to the Board to pay the salaries of the Board members, secretary, stewards, directors of mutuels, veterinarians, representatives, accountants, clerks, stenographers, inspectors and other employees of the Board, and all expenses of the Board incident to the administration of this Act, including, but not limited to, all expenses and salaries incident to the taking of saliva and urine samples in accordance with the rules and regulations of the Board.

(c) Appropriations, as approved by the General Assembly, shall be made from the Horse Racing Fund to the Department of Agriculture for the purposes identified in paragraphs (2), (2.5), (4), (4.1), (6), (7), (8), and (9) of subsection (g) of Section 30, subsection (e) of Section 30.5, paragraphs (1), (2), (3), (5), and (8) of subsection (g) of Section 31, and for standardbred bonus programs for owners of horses that win multiple stakes races that are limited to Illinois conceived and foaled horses. From ~~Beginning on~~ January 1, 2000 until the effective date of this amendatory Act of the 93rd General Assembly, the Board shall transfer the remainder of the funds generated pursuant to Sections 26 and 27 from the Horse Racing Fund into the General Revenue Fund.

(d) Beginning January 1, 2000, payments to all programs in existence on the effective date of this amendatory Act of 1999 that are identified in Sections 26(c), 26(f), 26(h)(11)(C), and 28, subsections (a), (b), (c), (d), (e), (f), (g), and (h) of Section 30, and subsections (a), (b), (c), (d), (e), (f), (g), and (h) of Section 31 shall be made from the General Revenue Fund at the funding levels determined by amounts paid under this Act in calendar year 1998.

(e) Notwithstanding any other provision of this Act to the contrary, appropriations, as approved by the General Assembly, may be made from the Fair and Exposition Fund to the Department of Agriculture for distribution to Illinois county fairs to supplement premiums offered in junior classes. (Source: P.A. 91-40, eff. 6-25-99.)

(230 ILCS 5/30) (from Ch. 8, par. 37-30)

Sec. 30. (a) The General Assembly declares that it is the policy of this State to encourage the breeding of thoroughbred horses in this State and the ownership of such horses by residents of this State in order to provide for: sufficient numbers of high quality thoroughbred horses to participate in thoroughbred racing meetings in this State, and to establish and preserve the agricultural and commercial benefits of such breeding and racing industries to the State of Illinois. It is the intent of the General Assembly to further this policy by the provisions of this Act.

(b) Each organization licensee conducting a thoroughbred racing meeting pursuant to this Act shall provide at least two races each day limited to Illinois conceived and foaled horses or Illinois foaled horses or both. A minimum of 6 races shall be conducted each week limited to Illinois conceived and foaled or Illinois foaled horses or both. Subject to the daily availability of horses, one of the 6 races scheduled per week that are limited to Illinois conceived and foaled or Illinois foaled horses or both shall be limited to Illinois conceived and foaled or Illinois foaled maidens. No horses shall be permitted to start in such races unless duly registered under the rules of the Department of Agriculture.

(c) Conditions of races under subsection (b) shall be commensurate with past performance, quality, and class of Illinois conceived and foaled and Illinois foaled horses available. If, however, sufficient competition cannot be had among horses of that class on any day, the races may, with consent of the Board, be eliminated for that day and substitute races provided.

(d) There is hereby created a special fund of the State Treasury to be known as the Illinois Thoroughbred Breeders Fund.

Except as provided in subsection (g) of Section 27 of this Act, 8.5% of all the monies received by the State as privilege taxes on Thoroughbred racing meetings shall be paid into the Illinois Thoroughbred Breeders Fund.

(e) The Illinois Thoroughbred Breeders Fund shall be administered by the Department of Agriculture with the advice and assistance of the Advisory Board created in subsection (f) of this Section.

(f) The Illinois Thoroughbred Breeders Fund Advisory Board shall consist of the Director of the Department of Agriculture, who shall serve as Chairman; a member of the Illinois Racing Board, designated by it; 2 representatives of the organization licensees conducting thoroughbred racing meetings, recommended by them; 2 representatives of the Illinois Thoroughbred Breeders and Owners Foundation, recommended by it; and 2 representatives of the Horsemen's Benevolent Protective Association or any successor organization established in Illinois comprised of the largest number of owners and trainers,

recommended by it, with one representative of the Horsemen's Benevolent and Protective Association to come from its Illinois Division, and one from its Chicago Division. Advisory Board members shall serve for 2 years commencing January 1 of each odd numbered year. If representatives of the organization licensees conducting thoroughbred racing meetings, the Illinois Thoroughbred Breeders and Owners Foundation, and the Horsemen's Benevolent Protection Association have not been recommended by January 1, of each odd numbered year, the Director of the Department of Agriculture shall make an appointment for the organization failing to so recommend a member of the Advisory Board. Advisory Board members shall receive no compensation for their services as members but shall be reimbursed for all actual and necessary expenses and disbursements incurred in the execution of their official duties.

(g) Moneys ~~No monies~~ shall be expended from the Illinois Thoroughbred Breeders Fund ~~except~~ as appropriated by the General Assembly pursuant to this Act, the Riverboat Gambling Act, or both. Monies appropriated from the Illinois Thoroughbred Breeders Fund shall be expended by the Department of Agriculture, with the advice and assistance of the Illinois Thoroughbred Breeders Fund Advisory Board, for the following purposes only:

(1) To provide purse supplements to owners of horses participating in races limited to Illinois conceived and foaled and Illinois foaled horses. Any such purse supplements shall not be included in and shall be paid in addition to any purses, stakes, or breeders' awards offered by each organization licensee as determined by agreement between such organization licensee and an organization representing the horsemen. No monies from the Illinois Thoroughbred Breeders Fund shall be used to provide purse supplements for claiming races in which the minimum claiming price is less than $7,500.

(2) To provide stakes and awards to be paid to the owners of the winning horses in certain races limited to Illinois conceived and foaled and Illinois foaled horses designated as stakes races.

(2.5) To provide an award to the owner or owners of an Illinois conceived and foaled or Illinois foaled horse that wins a maiden special weight, an allowance, overnight handicap race, or claiming race with claiming price of $10,000 or more providing the race is not restricted to Illinois conceived and foaled or Illinois foaled horses. Awards shall also be provided to the owner or owners of Illinois conceived and foaled and Illinois foaled horses that place second or third in those races. To the extent that additional moneys are required to pay the minimum additional awards of 40% of the purse the horse earns for placing first, second or third in those races for Illinois foaled horses and of 60% of the purse the horse earns for placing first, second or third in those races for Illinois conceived and foaled horses, those moneys shall be provided from the purse account at the track where earned.

(3) To provide stallion awards to the owner or owners of any stallion that is duly registered with the Illinois Thoroughbred Breeders Fund Program ~~prior to the effective date of this amendatory Act of 1995~~ whose duly registered Illinois conceived and foaled offspring wins a race conducted at an Illinois thoroughbred racing meeting other than a claiming race. Such award shall not be paid to the owner or owners of an Illinois stallion that served outside this State at any time during the calendar year in which such race was conducted.

(4) To provide $75,000 annually for purses to be distributed to county fairs that provide for the running of races during each county fair exclusively for the thoroughbreds conceived and foaled in Illinois. The conditions of the races shall be developed by the county fair association and reviewed by the Department with the advice and assistance of the Illinois Thoroughbred Breeders Fund Advisory Board. There shall be no wagering of any kind on the running of Illinois conceived and foaled races at county fairs.

(4.1) (Blank). ~~To provide purse money for an Illinois stallion stakes program.~~

(5) No less than 80% of all monies appropriated to ~~from~~ the Illinois Thoroughbred Breeders Fund shall be expended for the purposes in (1), (2), (2.5), (3), (4), (4.1), and (5) as shown above.

(6) To provide for educational programs regarding the thoroughbred breeding industry.

(7) To provide for research programs concerning the health, development and care of the thoroughbred horse.

(8) To provide for a scholarship and training program for students of equine veterinary medicine.

(9) To provide for dissemination of public information designed to promote the breeding of thoroughbred horses in Illinois.

(10) To provide for all expenses incurred in the administration of the Illinois Thoroughbred Breeders Fund.

(h) (Blank). ~~Whenever the Governor finds that the amount in the Illinois Thoroughbred Breeders Fund is more than the total of the outstanding appropriations from such fund, the Governor shall notify the State Comptroller and the State Treasurer of such fact. The Comptroller and the State Treasurer, upon receipt of~~

~~such notification, shall transfer such excess amount from the Illinois Thoroughbred Breeders Fund to the General Revenue Fund.~~

(i) A sum equal to 12 1/2% of the first prize money of every purse won by an Illinois foaled or an Illinois conceived and foaled horse in races not limited to Illinois foaled horses or Illinois conceived and foaled horses, or both, shall be paid by the organization licensee conducting the horse race meeting. Such sum shall be paid from the organization licensee's share of the money wagered as follows: 11 1/2% to the breeder of the winning horse and 1% to the organization representing thoroughbred breeders and owners whose representative serves on the Illinois Thoroughbred Breeders Fund Advisory Board for verifying the amounts of breeders' awards earned, assuring their distribution in accordance with this Act, and servicing and promoting the Illinois thoroughbred horse racing industry. The organization representing thoroughbred breeders and owners shall cause all expenditures of monies received under this subsection (i) to be audited at least annually by a registered public accountant. The organization shall file copies of each annual audit with the Racing Board, the Clerk of the House of Representatives and the Secretary of the Senate, and shall make copies of each annual audit available to the public upon request and upon payment of the reasonable cost of photocopying the requested number of copies. Such payments shall not reduce any award to the owner of the horse or reduce the taxes payable under this Act. Upon completion of its racing meet, each organization licensee shall deliver to the organization representing thoroughbred breeders and owners whose representative serves on the Illinois Thoroughbred Breeders Fund Advisory Board a listing of all the Illinois foaled and the Illinois conceived and foaled horses which won breeders' awards and the amount of such breeders' awards under this subsection to verify accuracy of payments and assure proper distribution of breeders' awards in accordance with the provisions of this Act. Such payments shall be delivered by the organization licensee within 30 days of the end of each race meeting.

(j) A sum equal to 12 1/2% of the first prize money won in each race limited to Illinois foaled horses or Illinois conceived and foaled horses, or both, shall be paid in the following manner by the organization licensee conducting the horse race meeting, from the organization licensee's share of the money wagered: 11 1/2% to the breeders of the horses in each such race which are the official first, second, third and fourth finishers and 1% to the organization representing thoroughbred breeders and owners whose representative serves on the Illinois Thoroughbred Breeders Fund Advisory Board for verifying the amounts of breeders' awards earned, assuring their proper distribution in accordance with this Act, and servicing and promoting the Illinois thoroughbred horse racing industry. The organization representing thoroughbred breeders and owners shall cause all expenditures of monies received under this subsection (j) to be audited at least annually by a registered public accountant. The organization shall file copies of each annual audit with the Racing Board, the Clerk of the House of Representatives and the Secretary of the Senate, and shall make copies of each annual audit available to the public upon request and upon payment of the reasonable cost of photocopying the requested number of copies.

The 11 1/2% paid to the breeders in accordance with this subsection shall be distributed as follows:

(1) 60% of such sum shall be paid to the breeder of the horse which finishes in the official first position;

(2) 20% of such sum shall be paid to the breeder of the horse which finishes in the official second position;

(3) 15% of such sum shall be paid to the breeder of the horse which finishes in the official third position; and

(4) 5% of such sum shall be paid to the breeder of the horse which finishes in the official fourth position.

Such payments shall not reduce any award to the owners of a horse or reduce the taxes payable under this Act. Upon completion of its racing meet, each organization licensee shall deliver to the organization representing thoroughbred breeders and owners whose representative serves on the Illinois Thoroughbred Breeders Fund Advisory Board a listing of all the Illinois foaled and the Illinois conceived and foaled horses which won breeders' awards and the amount of such breeders' awards in accordance with the provisions of this Act. Such payments shall be delivered by the organization licensee within 30 days of the end of each race meeting.

(k) The term "breeder", as used herein, means the owner of the mare at the time the foal is dropped. An "Illinois foaled horse" is a foal dropped by a mare which enters this State on or before December 1, in the year in which the horse is bred, provided the mare remains continuously in this State until its foal is born. An "Illinois foaled horse" also means a foal born of a mare in the same year as the mare enters this State on or before March 1, and remains in this State at least 30 days after foaling, is bred back during the season of the foaling to an Illinois Registered Stallion (unless a veterinarian certifies that the mare should not be bred

for health reasons), and is not bred to a stallion standing in any other state during the season of foaling. An "Illinois foaled horse" also means a foal born in Illinois of a mare purchased at public auction subsequent to the mare entering this State prior to March 1 ~~February 1~~ of the foaling year providing the mare is owned solely by one or more Illinois residents or an Illinois entity that is entirely owned by one or more Illinois residents.

(l) The Department of Agriculture shall, by rule, with the advice and assistance of the Illinois Thoroughbred Breeders Fund Advisory Board:

(1) Qualify stallions for Illinois breeding; such stallions to stand for service within the State of Illinois at the time of a foal's conception. Such stallion must not stand for service at any place outside the State of Illinois during the calendar year in which the foal is conceived. The Department of Agriculture may assess and collect an application fee of $500 ~~fees~~ for the registration of each Illinois-eligible stallion ~~stallions~~. All fees collected are to be paid into the Illinois Thoroughbred Breeders Fund and used by the Illinois Thoroughbred Breeders Fund Advisory Board for stallion awards.

(2) Provide for the registration of Illinois conceived and foaled horses and Illinois foaled horses. No such horse shall compete in the races limited to Illinois conceived and foaled horses or Illinois foaled horses or both unless registered with the Department of Agriculture. The Department of Agriculture may prescribe such forms as are necessary to determine the eligibility of such horses. The Department of Agriculture may assess and collect application fees for the registration of Illinois-eligible foals. All fees collected are to be paid into the Illinois Thoroughbred Breeders Fund. No person shall knowingly prepare or cause preparation of an application for registration of such foals containing false information.

(m) The Department of Agriculture, with the advice and assistance of the Illinois Thoroughbred Breeders Fund Advisory Board, shall provide that certain races limited to Illinois conceived and foaled and Illinois foaled horses be stakes races and determine the total amount of stakes and awards to be paid to the owners of the winning horses in such races.

In determining the stakes races and the amount of awards for such races, the Department of Agriculture shall consider factors, including but not limited to, the amount of money appropriated for the Illinois Thoroughbred Breeders Fund program, organization licensees' contributions, availability of stakes caliber horses as demonstrated by past performances, whether the race can be coordinated into the proposed racing dates within organization licensees' racing dates, opportunity for colts and fillies and various age groups to race, public wagering on such races, and the previous racing schedule.

(n) The Board and the organizational licensee shall notify the Department of the conditions and minimum purses for races limited to Illinois conceived and foaled and Illinois foaled horses conducted for each organizational licensee conducting a thoroughbred racing meeting. The Department of Agriculture with the advice and assistance of the Illinois Thoroughbred Breeders Fund Advisory Board may allocate monies for purse supplements for such races. In determining whether to allocate money and the amount, the Department of Agriculture shall consider factors, including but not limited to, the amount of money appropriated for the Illinois Thoroughbred Breeders Fund program, the number of races that may occur, and the organizational licensee's purse structure.

(o) (Blank). ~~In order to improve the breeding quality of thoroughbred horses in the State, the General Assembly recognizes that existing provisions of this Section to encourage such quality breeding need to be revised and strengthened. As such, a Thoroughbred Breeder's Program Task Force is to be appointed by the Governor by September 1, 1999 to make recommendations to the General Assembly by no later than March 1, 2000. This task force is to be composed of 2 representatives from the Illinois Thoroughbred Breeders and Owners Foundation, 2 from the Illinois Thoroughbred Horsemen's Association, 3 from Illinois race tracks operating thoroughbred race meets for an average of at least 30 days in the past 3 years, the Director of Agriculture, the Executive Director of the Racing Board, who shall serve as Chairman.~~ (Source: P.A. 91-40, eff. 6-25-99.)

(230 ILCS 5/31) (from Ch. 8, par. 37-31)

Sec. 31. (a) The General Assembly declares that it is the policy of this State to encourage the breeding of standardbred horses in this State and the ownership of such horses by residents of this State in order to provide for: sufficient numbers of high quality standardbred horses to participate in harness racing meetings in this State, and to establish and preserve the agricultural and commercial benefits of such breeding and racing industries to the State of Illinois. It is the intent of the General Assembly to further this policy by the provisions of this Section of this Act.

(b) Each organization licensee conducting a harness racing meeting pursuant to this Act shall provide for at least two races each race program limited to Illinois conceived and foaled horses. A minimum of 6 races shall be conducted each week limited to Illinois conceived and foaled horses. No horses shall be

permitted to start in such races unless duly registered under the rules of the Department of Agriculture.

(b-5) Each organization licensee conducting a harness racing meeting pursuant to this Act shall provide stakes races and early closer races for Illinois conceived and foaled horses so the total purses distributed for such races shall be no less than 17% of the total purses distributed at the meeting.

(b-10) Each organization licensee conducting a harness racing meeting pursuant to this Act shall provide an owner award to be paid from the purse account equal to 25% of the amount earned by Illinois conceived and foaled horses in races that are not restricted to Illinois conceived and foaled horses.

(c) Conditions of races under subsection (b) shall be commensurate with past performance, quality and class of Illinois conceived and foaled horses available. If, however, sufficient competition cannot be had among horses of that class on any day, the races may, with consent of the Board, be eliminated for that day and substitute races provided.

(d) There is hereby created a special fund of the State Treasury to be known as the Illinois Standardbred Breeders Fund.

During the calendar year 1981, and each year thereafter, except as provided in subsection (g) of Section 27 of this Act, eight and one-half per cent of all the monies received by the State as privilege taxes on harness racing meetings shall be paid into the Illinois Standardbred Breeders Fund.

(e) The Illinois Standardbred Breeders Fund shall be administered by the Department of Agriculture with the assistance and advice of the Advisory Board created in subsection (f) of this Section.

(f) The Illinois Standardbred Breeders Fund Advisory Board is hereby created. The Advisory Board shall consist of the Director of the Department of Agriculture, who shall serve as Chairman; the Superintendent of the Illinois State Fair; a member of the Illinois Racing Board, designated by it; a representative of the Illinois Standardbred Owners and Breeders Association, recommended by it; a representative of the Illinois Association of Agricultural Fairs, recommended by it, such representative to be from a fair at which Illinois conceived and foaled racing is conducted; a representative of the organization licensees conducting harness racing meetings, recommended by them and a representative of the Illinois Harness Horsemen's Association, recommended by it. Advisory Board members shall serve for 2 years commencing January 1, of each odd numbered year. If representatives of the Illinois Standardbred Owners and Breeders Associations, the Illinois Association of Agricultural Fairs, the Illinois Harness Horsemen's Association, and the organization licensees conducting harness racing meetings have not been recommended by January 1, of each odd numbered year, the Director of the Department of Agriculture shall make an appointment for the organization failing to so recommend a member of the Advisory Board. Advisory Board members shall receive no compensation for their services as members but shall be reimbursed for all actual and necessary expenses and disbursements incurred in the execution of their official duties.

(g) No monies shall be expended from the Illinois Standardbred Breeders Fund except as appropriated by the General Assembly. Monies appropriated from the Illinois Standardbred Breeders Fund shall be expended by the Department of Agriculture, with the assistance and advice of the Illinois Standardbred Breeders Fund Advisory Board for the following purposes only:

1. To provide purses for races limited to Illinois conceived and foaled horses at the State Fair and the DuQuoin State Fair.

2. To provide purses for races limited to Illinois conceived and foaled horses at county fairs.

3. To provide purse supplements for races limited to Illinois conceived and foaled horses conducted by associations conducting harness racing meetings.

4. No less than 75% of all monies in the Illinois Standardbred Breeders Fund shall be expended for purses in 1, 2 and 3 as shown above.

5. In the discretion of the Department of Agriculture to provide awards to harness breeders of Illinois conceived and foaled horses which win races conducted by organization licensees conducting harness racing meetings. A breeder is the owner of a mare at the time of conception. No more than 10% of all monies appropriated from the Illinois Standardbred Breeders Fund shall be expended for such harness breeders awards. No more than 25% of the amount expended for harness breeders awards shall be expended for expenses incurred in the administration of such harness breeders awards.

6. To pay for the improvement of racing facilities located at the State Fair and County fairs.

7. To pay the expenses incurred in the administration of the Illinois Standardbred Breeders Fund.

8. To promote the sport of harness racing, including grants up to a maximum of $7,500 per fair per year for the cost of a totalizer system to be used for conducting pari-mutuel wagering during the advertised dates of a county fair.

(h) Whenever the Governor finds that the amount in the Illinois Standardbred Breeders Fund is more

than the total of the outstanding appropriations from such fund, the Governor shall notify the State Comptroller and the State Treasurer of such fact. The Comptroller and the State Treasurer, upon receipt of such notification, shall transfer such excess amount from the Illinois Standardbred Breeders Fund to the General Revenue Fund.

(i) A sum equal to 12 1/2% of the first prize money of every purse won by an Illinois conceived and foaled horse shall be paid by the organization licensee conducting the horse race meeting to the breeder of such winning horse from the organization licensee's account ~~share of the money wagered~~. Such payment shall not reduce any award to the owner of the horse or reduce the taxes payable under this Act. Such payment shall be delivered by the organization licensee at the end of each month ~~race meeting~~.

(j) The Department of Agriculture shall, by rule, with the assistance and advice of the Illinois Standardbred Breeders Fund Advisory Board:

1. Qualify stallions for Illinois Standardbred Breeders Fund breeding; such stallion shall be owned by a resident of the State of Illinois or by an Illinois corporation all of whose shareholders, directors, officers and incorporators are residents of the State of Illinois. Such stallion shall stand for service at and within the State of Illinois at the time of a foal's conception, and such stallion must not stand for service at any place, ~~nor may semen from such stallion be transported,~~ outside the State of Illinois during that calendar year in which the foal is conceived and that the owner of the stallion was for the 12 months prior, a resident of Illinois. The articles of agreement of any partnership, joint venture, limited partnership, syndicate, association or corporation and any bylaws and stock certificates must contain a restriction that provides that the ownership or transfer of interest by any one of the persons a party to the agreement can only be made to a person who qualifies as an Illinois resident. Foals conceived outside the State of Illinois from shipped semen from a stallion qualified for breeders' awards under this Section are not eligible to participate in the Illinois conceived and foaled program.

2. Provide for the registration of Illinois conceived and foaled horses and no such horse shall compete in the races limited to Illinois conceived and foaled horses unless registered with the Department of Agriculture. The Department of Agriculture may prescribe such forms as may be necessary to determine the eligibility of such horses. No person shall knowingly prepare or cause preparation of an application for registration of such foals containing false information. A mare (dam) must be in the state at least 30 days prior to foaling or remain in the State at least 30 days at the time of foaling. Beginning with the 1996 breeding season and for foals of 1997 and thereafter, a foal conceived in the State of Illinois by transported fresh semen may be eligible for Illinois conceived and foaled registration provided all breeding and foaling requirements are met. The stallion must be qualified for Illinois Standardbred Breeders Fund breeding at the time of conception and the mare must be inseminated within the State of Illinois. The foal must be dropped in Illinois and properly registered with the Department of Agriculture in accordance with this Act.

3. Provide that at least a 5 day racing program shall be conducted at the State Fair each year, which program shall include at least the following races limited to Illinois conceived and foaled horses: (a) a two year old Trot and Pace, and Filly Division of each; (b) a three year old Trot and Pace, and Filly Division of each; (c) an aged Trot and Pace, and Mare Division of each.

4. Provide for the payment of nominating, sustaining and starting fees for races promoting the sport of harness racing and for the races to be conducted at the State Fair as provided in subsection (j) 3 of this Section provided that the nominating, sustaining and starting payment required from an entrant shall not exceed 2% of the purse of such race. All nominating, sustaining and starting payments shall be held for the benefit of entrants and shall be paid out as part of the respective purses for such races. Nominating, sustaining and starting fees shall be held in trust accounts for the purposes as set forth in this Act and in accordance with Section 205-15 of the Department of Agriculture Law (20 ILCS 205/205-15).

5. Provide for the registration with the Department of Agriculture of Colt Associations or county fairs desiring to sponsor races at county fairs.

(k) The Department of Agriculture, with the advice and assistance of the Illinois Standardbred Breeders Fund Advisory Board, may allocate monies for purse supplements for such races. In determining whether to allocate money and the amount, the Department of Agriculture shall consider factors, including but not limited to, the amount of money appropriated for the Illinois Standardbred Breeders Fund program, the number of races that may occur, and an organizational licensee's purse structure. The organizational licensee shall notify the Department of Agriculture of the conditions and minimum purses for races limited to Illinois conceived and foaled horses to be conducted by each organizational licensee conducting a harness racing meeting for which purse supplements have been negotiated.

(l) All races held at county fairs and the State Fair which receive funds from the Illinois Standardbred Breeders Fund shall be conducted in accordance with the rules of the United States Trotting Association

unless otherwise modified by the Department of Agriculture.

(m) At all standardbred race meetings held or conducted under authority of a license granted by the Board, and at all standardbred races held at county fairs which are approved by the Department of Agriculture or at the Illinois or DuQuoin State Fairs, no one shall jog, train, warm up or drive a standardbred horse unless he or she is wearing a protective safety helmet, with the chin strap fastened and in place, which meets the standards and requirements as set forth in the 1984 Standard for Protective Headgear for Use in Harness Racing and Other Equestrian Sports published by the Snell Memorial Foundation, or any standards and requirements for headgear the Illinois Racing Board may approve. Any other standards and requirements so approved by the Board shall equal or exceed those published by the Snell Memorial Foundation. Any equestrian helmet bearing the Snell label shall be deemed to have met those standards and requirements. (Source: P.A. 91-239, eff. 1-1-00.)

(230 ILCS 5/34.2 new)

Sec. 34.2. Racetrack consolidation.

(a) Findings. The General Assembly finds that encouraging organization licensees to consolidate will be beneficial to the horse racing industry. The General Assembly declares it to be the public policy of this State to enhance the viability of the horse racing industry by encouraging organization licensees to consolidate and not be penalized or lose any rights, benefits, or powers by reason of such consolidation.

(b) Consolidation. Notwithstanding any provision of this Act to the contrary, if 2 or more existing organization licensees consolidate into a single organization licensee or otherwise form a joint venture, corporation, limited liability company, or similar consolidated enterprise (consolidated organization licensee) whereby the consolidated organization licensee makes application or joint application, as the case may be, as a single organization licensee, or such existing licensees, after consolidation, make separate applications in the names of such pre-existing licensees, the newly consolidated organization licensee or each such separate pre-existing licensee shall thereafter retain and be entitled to all of the rights, benefits, and powers under this Act that would have otherwise accrued to each such individual pre-consolidation organization licensee but for such consolidation, regardless of whether all or a portion of the facilities of a pre-consolidation licensee are sold, transferred, or otherwise cease to be utilized by the newly consolidated organization licensee or either of the pre-existing licensees. Such multiple rights, benefits, and powers shall include, but not be limited to:

(1) the authority to make application for and receive, within the discretion of the Board, racing dates, including host track days, in the same manner as the individual pre-consolidation organization licensees and the racetracks from which the organization licensees derive their licenses;

(2) the right to retain the existing inter-track wagering licenses and inter-track wagering location licenses of the individual pre-consolidation organization licensees and the racetracks from which the organization licensees derive their licenses, and the authority to make application for future inter-track wagering licenses and inter-track wagering location licenses in the same manner as each individual pre-consolidation organization licensee and the racetracks from which each pre-consolidation organization licensee derives its license, had or has in its own right; and

(3) all existing and future rights, benefits, and powers that the individual pre-consolidation organization licensees and the racetracks from which the organization licensees derive their licenses would have had or received but for the consolidation.

The newly consolidated organization licensee shall be subject to such taxation and fees as other similarly situated organization licensees.

(230 ILCS 5/36) (from Ch. 8, par. 37-36)

Sec. 36. (a) Whoever administers or conspires to administer to any horse a hypnotic, narcotic, stimulant, depressant or any chemical substance which may affect the speed of a horse at any time in any race where the purse or any part of the purse is made of money authorized by any Section of this Act, except those chemical substances permitted by ruling of the Board, internally, externally or by hypodermic method in a race or prior thereto, or whoever knowingly enters a horse in any race within a period of 24 hours after any hypnotic, narcotic, stimulant, depressant or any other chemical substance which may affect the speed of a horse at any time, except those chemical substances permitted by ruling of the Board, has been administered to such horse either internally or externally or by hypodermic method for the purpose of increasing or retarding the speed of such horse shall be guilty of a Class 4 felony. The Board shall suspend or revoke such violator's license.

(b) The term "hypnotic" as used in this Section includes all barbituric acid preparations and derivatives.

(c) The term "narcotic" as used in this Section includes opium and all its alkaloids, salts, preparations and derivatives, cocaine and all its salts, preparations and derivatives and substitutes.

(d) The provisions of this Section 36 and the treatment authorized herein apply to horses entered in and competing in race meetings as defined in Section 3.47 of this Act and to horses entered in and competing at any county fair. (Source: P.A. 79-1185.)

(230 ILCS 5/42) (from Ch. 8, par. 37-42)

Sec. 42. (a) Except as to the distribution of monies provided for by Sections 28, 29, 30, and 31 and the treating of horses as provided in Section 36, nothing whatsoever in this Act shall be held or taken to apply to county fairs and State Fairs or to agricultural and livestock exhibitions where the pari-mutuel system of wagering upon the result of horses is not permitted or conducted.

(b) Nothing herein shall be construed to permit the pari-mutuel method of wagering upon any race track unless such race track is licensed under this Act. It is hereby declared to be unlawful for any person to permit, conduct or supervise upon any race track ground the pari-mutuel method of wagering except in accordance with the provisions of this Act.

(c) Whoever violates subsection (b) of this Section is guilty of a Class 4 felony. (Source: P.A. 89-16, eff. 5-30-95.)

(230 ILCS 5/56 new)

Sec. 56. Electronic gaming.

(a) An organization licensee may apply to the Gaming Board for an electronic gaming license. An electronic gaming license shall authorize its holder to conduct gambling at slot machines on the grounds of the licensee's race track. Each license shall specify the number of slot machines that its holder may operate. An electronic gaming licensee may not permit persons under 21 years of age to be present in its electronic gaming facility, but the licensee may accept wagers on live racing and inter-track wagers at its electronic gaming facility.

(b) The adjusted gross receipts received by an electronic gaming licensee from electronic gaming remaining after the payment of taxes under Section 13 of the Riverboat Gambling Act shall be distributed as follows:

82.5% shall be retained by the licensee;

15% shall be paid to purse equity accounts;

1.75% shall be paid to the Illinois Thoroughbred Breeders Fund, and the Illinois Standardbred Breeders Fund, divided pro rata based on the proportion of live thoroughbred racing and live standardbred racing conducted at that licensee's race track;

0.25% shall be paid to the Illinois Quarter Horse Breeders Fund;

0.125% shall be paid to the University of Illinois for equine research;

0.125% shall be paid to the Racing Industry Charitable Foundation;

0.25% shall be paid to the licensee's live racing and horse ownership promotional account.

Of the moneys paid to purse equity accounts by an electronic gaming licensee, 58% shall be paid to the licensee's thoroughbred purse equity account and 42% shall be paid to the licensee's standardbred purse equity account.

Section 80. The Riverboat Gambling Act is amended by changing Sections 3, 4, 5, 7, 8, 9, 11, 11.1, 12, 13, 14, 18, 19, and 20 and adding Sections 7.4 and 13.2 as follows:

(230 ILCS 10/3) (from Ch. 120, par. 2403)

Sec. 3. ~~Riverboat~~ Gambling Authorized. (a) Riverboat gambling operations and electronic gaming operations ~~and the system of wagering incorporated therein~~, as defined in this Act, are hereby authorized to the extent that they are carried out in accordance with the provisions of this Act.

(b) This Act does not apply to the pari-mutuel system of wagering used or intended to be used in connection with the horse-race meetings as authorized under the Illinois Horse Racing Act of 1975, lottery games authorized under the Illinois Lottery Law, bingo authorized under the Bingo License and Tax Act, charitable games authorized under the Charitable Games Act or pull tabs and jar games conducted under the Illinois Pull Tabs and Jar Games Act. This Act does apply to electronic gaming authorized under the Illinois Horse Racing Act of 1975 to the extent provided in that Act and in this Act.

(c) Riverboat gambling conducted pursuant to this Act may be authorized upon any water within the State of Illinois or any water other than Lake Michigan which constitutes a boundary of the State of Illinois. A licensee may conduct riverboat gambling authorized under this Act regardless of whether it conducts excursion cruises. A licensee may permit the continuous ingress and egress of passengers for the purpose of gambling.

(d) Gambling that is conducted in accordance with this Act using slot machines shall be authorized at electronic gaming facilities as provided in this Act. (Source: P.A. 91-40, eff. 6-25-99.)

(230 ILCS 10/4) (from Ch. 120, par. 2404)

Sec. 4. Definitions. As used in this Act:

~~(a)~~ "Board" means the Illinois Gaming Board.

~~(b)~~ "Occupational license" means a license issued by the Board to a person or entity to perform an occupation which the Board has identified as requiring a license to engage in riverboat gambling in Illinois.

~~(c)~~ "Gambling game" includes, but is not limited to, baccarat, twenty-one, poker, craps, slot machine, video game of chance, roulette wheel, klondike table, punchboard, faro layout, keno layout, numbers ticket, push card, jar ticket, or pull tab which is authorized by the Board as a wagering device under this Act.

~~(d)~~ "Riverboat" means a self-propelled excursion boat, a permanently moored barge, or permanently moored barges that are permanently fixed together to operate as one vessel, on which lawful gambling is authorized and licensed as provided in this Act.

~~(e) (Blank).~~

~~(f)~~ "Dock" means the location where a riverboat moors for the purpose of embarking passengers for and disembarking passengers from the riverboat.

~~(g)~~ "Gross receipts" means the total amount of money exchanged for the purchase of chips, tokens or electronic cards by riverboat patrons or electronic gaming operation patrons.

~~(h)~~ "Adjusted gross receipts" means the gross receipts less winnings paid to wagerers.

~~(i)~~ "Cheat" means to alter the selection of criteria which determine the result of a gambling game or the amount or frequency of payment in a gambling game.

~~(j)~~ "Department" means the Department of Revenue.

~~(k)~~ "Gambling operation" means the conduct of ~~authorized~~ gambling games authorized under this Act on ~~upon~~ a riverboat or authorized under this Act and the Illinois Horse Racing Act of 1975 at an electronic gaming facility.

"Owners license" means a license to conduct riverboat gambling operations, but does not include an electronic gaming license.

"Licensed owner" means a person who holds an owners license.

"Electronic gaming license" means a license issued by the Board under Section 7.4 of this Act authorizing electronic gaming at an electronic gaming facility.

"Electronic gaming" means the conduct of gambling using slot machines at a race track licensed under the Illinois Horse Racing Act of 1975 pursuant to the Illinois Horse Racing Act of 1975 and this Act.

"Electronic gaming facility" means the area where the Board has authorized limited gaming at a race track of an organization licensee under the Illinois Horse Racing Act of 1975 that holds an electronic gaming license.

"Organization licensee" means an entity authorized by the Illinois Racing Board to conduct pari-mutuel wagering in accordance with the Illinois Horse Racing Act of 1975. (Source: P.A. 91-40, eff. 6-25-99; 92-600, eff. 6-28-02.)

(230 ILCS 10/5) (from Ch. 120, par. 2405)

Sec. 5. Gaming Board. (a) (1) There is hereby established within the Department of Revenue an Illinois Gaming Board which shall have the powers and duties specified in this Act, and all other powers necessary and proper to fully and effectively execute this Act for the purpose of administering, regulating, and enforcing the system of riverboat gambling established by this Act. Its jurisdiction shall extend under this Act to every person, association, corporation, partnership and trust involved in riverboat gambling operations in the State of Illinois.

(2) The Board shall consist of 5 members to be appointed by the Governor with the advice and consent of the Senate, one of whom shall be designated by the Governor to be chairman. Each member shall have a reasonable knowledge of the practice, procedure and principles of gambling operations. Each member shall either be a resident of Illinois or shall certify that he will become a resident of Illinois before taking office. At least one member shall be experienced in law enforcement and criminal investigation, at least one member shall be a certified public accountant experienced in accounting and auditing, and at least one member shall be a lawyer licensed to practice law in Illinois.

(3) The terms of office of the Board members shall be 3 years, except that the terms of office of the initial Board members appointed pursuant to this Act will commence from the effective date of this Act and run as follows: one for a term ending July 1, 1991, 2 for a term ending July 1, 1992, and 2 for a term ending July 1, 1993. Upon the expiration of the foregoing terms, the successors of such members shall serve a term for 3 years and until their successors are appointed and qualified for like terms. Vacancies in the Board shall be filled for the unexpired term in like manner as original appointments. Each member of the Board shall be eligible for reappointment at the discretion of the Governor with the advice and consent of the Senate.

(4) Each member of the Board shall receive $300 for each day the Board meets and for each day the member conducts any hearing pursuant to this Act. Each member of the Board shall also be reimbursed for all actual and necessary expenses and disbursements incurred in the execution of official duties.

(5) No person shall be appointed a member of the Board or continue to be a member of the Board who is, or whose spouse, child or parent is, a member of the board of directors of, or a person financially interested in, any gambling operation subject to the jurisdiction of this Board, or any race track, race meeting, racing association or the operations thereof subject to the jurisdiction of the Illinois Racing Board. No Board member shall hold any other public office for which he shall receive compensation other than necessary travel or other incidental expenses. No person shall be a member of the Board who is not of good moral character or who has been convicted of, or is under indictment for, a felony under the laws of Illinois or any other state, or the United States.

(6) Any member of the Board may be removed by the Governor for neglect of duty, misfeasance, malfeasance, or nonfeasance in office.

(7) Before entering upon the discharge of the duties of his office, each member of the Board shall take an oath that he will faithfully execute the duties of his office according to the laws of the State and the rules and regulations adopted therewith and shall give bond to the State of Illinois, approved by the Governor, in the sum of $25,000. Every such bond, when duly executed and approved, shall be recorded in the office of the Secretary of State. Whenever the Governor determines that the bond of any member of the Board has become or is likely to become invalid or insufficient, he shall require such member forthwith to renew his bond, which is to be approved by the Governor. Any member of the Board who fails to take oath and give bond within 30 days from the date of his appointment, or who fails to renew his bond within 30 days after it is demanded by the Governor, shall be guilty of neglect of duty and may be removed by the Governor. The cost of any bond given by any member of the Board under this Section shall be taken to be a part of the necessary expenses of the Board.

(8) Upon the request of the Board, the Department shall employ such personnel as may be necessary to carry out the functions of the Board. No person shall be employed to serve the Board who is, or whose spouse, parent or child is, an official of, or has a financial interest in or financial relation with, any operator engaged in gambling operations within this State or any organization engaged in conducting horse racing within this State. Any employee violating these prohibitions shall be subject to termination of employment.

(9) An Administrator shall perform any and all duties that the Board shall assign him. The salary of the Administrator shall be determined by the Board and approved by the Director of the Department and, in addition, he shall be reimbursed for all actual and necessary expenses incurred by him in discharge of his official duties. The Administrator shall keep records of all proceedings of the Board and shall preserve all records, books, documents and other papers belonging to the Board or entrusted to its care. The Administrator shall devote his full time to the duties of the office and shall not hold any other office or employment.

(b) The Board shall have general responsibility for the implementation of this Act. Its duties include, without limitation, the following:

(1) To decide promptly and in reasonable order all license applications. Any party aggrieved by an action of the Board denying, suspending, revoking, restricting or refusing to renew a license may request a hearing before the Board. A request for a hearing must be made to the Board in writing within 5 days after service of notice of the action of the Board. Notice of the action of the Board shall be served either by personal delivery or by certified mail, postage prepaid, to the aggrieved party. Notice served by certified mail shall be deemed complete on the business day following the date of such mailing. The Board shall conduct all requested hearings promptly and in reasonable order;

(2) To conduct all hearings pertaining to civil violations of this Act or rules and regulations promulgated hereunder;

(3) To promulgate such rules and regulations as in its judgment may be necessary to protect or enhance the credibility and integrity of gambling operations authorized by this Act and the regulatory process hereunder;

(4) To provide for the establishment and collection of all license and registration fees and taxes imposed by this Act and the rules and regulations issued pursuant hereto. All such fees and taxes shall be deposited into the State Gaming Fund;

(5) To provide for the levy and collection of penalties and fines for the violation of provisions of this Act and the rules and regulations promulgated hereunder. All such fines and penalties shall be deposited into the Education Assistance Fund, created by Public Act 86-0018, of the State of Illinois;

(6) To be present through its inspectors and agents any time gambling operations are conducted on

any riverboat or at any electronic gaming facility for the purpose of certifying the revenue thereof, receiving complaints from the public, and conducting such other investigations into the conduct of the gambling games and the maintenance of the equipment as from time to time the Board may deem necessary and proper;

(7) To review and rule upon any complaint by a licensee regarding any investigative procedures of the State which are unnecessarily disruptive of gambling operations. The need to inspect and investigate shall be presumed at all times. The disruption of a licensee's operations shall be proved by clear and convincing evidence, and establish that: (A) the procedures had no reasonable law enforcement purposes, and (B) the procedures were so disruptive as to unreasonably inhibit gambling operations;

(8) To hold at least one meeting each quarter of the fiscal year. In addition, special meetings may be called by the Chairman or any 2 Board members upon 72 hours written notice to each member. All Board meetings shall be subject to the Open Meetings Act. Three members of the Board shall constitute a quorum, and 3 votes shall be required for any final determination by the Board. The Board shall keep a complete and accurate record of all its meetings. A majority of the members of the Board shall constitute a quorum for the transaction of any business, for the performance of any duty, or for the exercise of any power which this Act requires the Board members to transact, perform or exercise en banc, except that, upon order of the Board, one of the Board members or an administrative law judge designated by the Board may conduct any hearing provided for under this Act or by Board rule and may recommend findings and decisions to the Board. The Board member or administrative law judge conducting such hearing shall have all powers and rights granted to the Board in this Act. The record made at the time of the hearing shall be reviewed by the Board, or a majority thereof, and the findings and decision of the majority of the Board shall constitute the order of the Board in such case;

(9) To maintain records which are separate and distinct from the records of any other State board or commission. Such records shall be available for public inspection and shall accurately reflect all Board proceedings;

(10) To file a written annual report with the Governor on or before March 1 each year and such additional reports as the Governor may request. The annual report shall include a statement of receipts and disbursements by the Board, actions taken by the Board, and any additional information and recommendations which the Board may deem valuable or which the Governor may request;

(11) (Blank); ~~and~~

(12) To assume responsibility for the administration and enforcement of the Bingo License and Tax Act, the Charitable Games Act, and the Pull Tabs and Jar Games Act if such responsibility is delegated to it by the Director of Revenue; and~~.~~

(13) To assume responsibility for the administration and enforcement of operations at electronic gaming facilities pursuant to this Act and the Illinois Horse Racing Act of 1975.

(c) The Board shall have jurisdiction over and shall supervise all gambling operations governed by this Act. The Board shall have all powers necessary and proper to fully and effectively execute the provisions of this Act, including, but not limited to, the following:

(1) To investigate applicants and determine the eligibility of applicants for licenses and to select among competing applicants the applicants which best serve the interests of the citizens of Illinois.

(2) To have jurisdiction and supervision over all ~~riverboat~~ gambling operations authorized under this Act ~~in this State~~ and all persons in places ~~on riverboats~~ where gambling operations are conducted.

(3) To promulgate rules and regulations for the purpose of administering the provisions of this Act and to prescribe rules, regulations and conditions under which all ~~riverboat~~ gambling operations subject to this Act ~~in the State~~ shall be conducted. Such rules and regulations are to provide for the prevention of practices detrimental to the public interest and for the best interests of ~~riverboat~~ gambling, including rules and regulations regarding the inspection of electronic gaming facilities and ~~such~~ riverboats and the review of any permits or licenses necessary to operate a riverboat under any laws or regulations applicable to riverboats, and to impose penalties for violations thereof.

(4) To enter the office, riverboats, electronic gaming facilities, and other facilities~~,~~ or other places of business of a licensee, where evidence of the compliance or noncompliance with the provisions of this Act is likely to be found.

(5) To investigate alleged violations of this Act or the rules of the Board and to take appropriate disciplinary action against a licensee or a holder of an occupational license for a violation, or institute appropriate legal action for enforcement, or both.

(6) To adopt standards for the licensing of all persons under this Act, as well as for electronic or mechanical gambling games, and to establish fees for such licenses.

(7) To adopt appropriate standards for all electronic gaming facilities, riverboats, and other facilities authorized under this Act.

(8) To require that the records, including financial or other statements of any licensee under this Act, shall be kept in such manner as prescribed by the Board and that any such licensee involved in the ownership or management of gambling operations submit to the Board an annual balance sheet and profit and loss statement, list of the stockholders or other persons having a 1% or greater beneficial interest in the gambling activities of each licensee, and any other information the Board deems necessary in order to effectively administer this Act and all rules, regulations, orders and final decisions promulgated under this Act.

(9) To conduct hearings, issue subpoenas for the attendance of witnesses and subpoenas duces tecum for the production of books, records and other pertinent documents in accordance with the Illinois Administrative Procedure Act, and to administer oaths and affirmations to the witnesses, when, in the judgment of the Board, it is necessary to administer or enforce this Act or the Board rules.

(10) To prescribe a form to be used by any licensee involved in the ownership or management of gambling operations as an application for employment for their employees.

(11) To revoke or suspend licenses, as the Board may see fit and in compliance with applicable laws of the State regarding administrative procedures, and to review applications for the renewal of licenses. The Board may suspend an owners license or electronic gaming license, without notice or hearing, upon a determination that the safety or health of patrons or employees is jeopardized by continuing a gambling operation conducted under that license ~~a riverboat's operation~~. The suspension may remain in effect until the Board determines that the cause for suspension has been abated. The Board may revoke the owners license or electronic gaming license upon a determination that the licensee ~~owner~~ has not made satisfactory progress toward abating the hazard.

(12) To eject or exclude or authorize the ejection or exclusion of, any person from ~~riverboat~~ gambling facilities where that ~~such~~ person is in violation of this Act, rules and regulations thereunder, or final orders of the Board, or where such person's conduct or reputation is such that his or her presence within the ~~riverboat~~ gambling facilities may, in the opinion of the Board, call into question the honesty and integrity of the gambling operations or interfere with the orderly conduct thereof; provided that the propriety of such ejection or exclusion is subject to subsequent hearing by the Board.

(13) To require all licensees of gambling operations to utilize a cashless wagering system whereby all players' money is converted to tokens, electronic cards, or chips which shall be used only for wagering in the gambling establishment.

(14) (Blank).

(15) To suspend, revoke or restrict licenses, to require the removal of a licensee or an employee of a licensee for a violation of this Act or a Board rule or for engaging in a fraudulent practice, and to impose civil penalties of up to $5,000 against individuals and up to $10,000 or an amount equal to the daily gross receipts, whichever is larger, against licensees for each violation of any provision of the Act, any rules adopted by the Board, any order of the Board or any other action which, in the Board's discretion, is a detriment or impediment to ~~riverboat~~ gambling operations.

(16) To hire employees to gather information, conduct investigations and carry out any other tasks contemplated under this Act.

(17) To establish minimum levels of insurance to be maintained by licensees.

(18) To authorize a licensee to sell or serve alcoholic liquors, wine or beer as defined in the Liquor Control Act of 1934 on board a riverboat and to have exclusive authority to establish the hours for sale and consumption of alcoholic liquor on board a riverboat, notwithstanding any provision of the Liquor Control Act of 1934 or any local ordinance, and regardless of whether the riverboat makes excursions. The establishment of the hours for sale and consumption of alcoholic liquor on board a riverboat is an exclusive power and function of the State. A home rule unit may not establish the hours for sale and consumption of alcoholic liquor on board a riverboat. This subdivision (18) ~~amendatory Act of 1991~~ is a denial and limitation of home rule powers and functions under subsection (h) of Section 6 of Article VII of the Illinois Constitution.

(19) After consultation with the U.S. Army Corps of Engineers, to establish binding emergency orders upon the concurrence of a majority of the members of the Board regarding the navigability of water, relative to excursions, in the event of extreme weather conditions, acts of God or other extreme circumstances.

(20) To delegate the execution of any of its powers under this Act for the purpose of administering and enforcing this Act and its rules and regulations hereunder.

(21) To make rules concerning the conduct of electronic gaming.

(22) ~~(21)~~ To take any other action as may be reasonable or appropriate to enforce this Act and rules and regulations hereunder.

(d) The Board may seek and shall receive the cooperation of the Department of State Police in conducting background investigations of applicants and in fulfilling its responsibilities under this Section. Costs incurred by the Department of State Police as a result of such cooperation shall be paid by the Board in conformance with the requirements of Section 2605-400 of the Department of State Police Law (20 ILCS 2605/2605-400).

(e) The Board must authorize to each investigator and to any other employee of the Board exercising the powers of a peace officer a distinct badge that, on its face, (i) clearly states that the badge is authorized by the Board and (ii) contains a unique identifying number. No other badge shall be authorized by the Board. (Source: P.A. 91-40, eff. 1-1-00; 91-239, eff. 1-1-00; 91-883, eff. 1-1-01.)

(230 ILCS 10/7) (from Ch. 120, par. 2407)

Sec. 7. Owners Licenses. (a) The Board shall issue owners licenses to persons, firms or corporations which apply for such licenses upon payment to the Board of the non-refundable license fee set by the Board, upon payment of a $25,000 license fee for the first year of operation and a $5,000 license fee for each succeeding year and upon a determination by the Board that the applicant is eligible for an owners license pursuant to this Act and the rules of the Board. A person, firm or corporation is ineligible to receive an owners license if:

(1) the person has been convicted of a felony under the laws of this State, any other state, or the United States;

(2) the person has been convicted of any violation of Article 28 of the Criminal Code of 1961, or substantially similar laws of any other jurisdiction;

(3) the person has submitted an application for a license under this Act which contains false information;

(4) the person is a member of the Board;

(5) a person defined in (1), (2), (3) or (4) is an officer, director or managerial employee of the firm or corporation;

(6) the firm or corporation employs a person defined in (1), (2), (3) or (4) who participates in the management or operation of gambling operations authorized under this Act;

(7) (blank); or

(8) a license of the person, firm or corporation issued under this Act, or a license to own or operate gambling facilities in any other jurisdiction, has been revoked.

(b) In determining whether to grant an owners license to an applicant, the Board shall consider:

(1) the character, reputation, experience and financial integrity of the applicants and of any other or separate person that either:

(A) controls, directly or indirectly, such applicant, or

(B) is controlled, directly or indirectly, by such applicant or by a person which controls, directly or indirectly, such applicant;

(2) the facilities or proposed facilities for the conduct of riverboat gambling;

(3) the highest prospective total revenue to be derived by the State from the conduct of riverboat gambling;

(4) the good faith affirmative action plan of each applicant to recruit, train and upgrade minorities in all employment classifications;

(5) the financial ability of the applicant to purchase and maintain adequate liability and casualty insurance;

(6) whether the applicant has adequate capitalization to provide and maintain, for the duration of a license, a riverboat; and

(7) the extent to which the applicant exceeds or meets other standards for the issuance of an owners license which the Board may adopt by rule.

(c) Each owners license shall specify the place where riverboats shall operate and dock.

(d) Each applicant shall submit with his application, on forms provided by the Board, 2 sets of his fingerprints.

(e) The Board may issue up to 10 licenses authorizing the holders of such licenses to own riverboats. In the application for an owners license, the applicant shall state the dock at which the riverboat is based and the water on which the riverboat will be located. The Board shall issue 5 licenses to become effective not earlier than January 1, 1991. Three of such licenses shall authorize riverboat gambling on the Mississippi

River, one of which shall authorize riverboat gambling from a home dock in the city of East St. Louis, and one of which shall authorize riverboat gambling on the Mississippi River or in a municipality that (1) borders on the Mississippi River or is within 5 miles of the city limits of a municipality that borders on the Mississippi River and (2) on the effective date of this amendatory Act of the 92nd General Assembly has a riverboat conducting riverboat gambling operations pursuant to a license issued under this Act. One other license shall authorize riverboat gambling on the Illinois River south of Marshall County. The Board shall issue one additional license to become effective not earlier than March 1, 1992, which shall authorize riverboat gambling on the Des Plaines River in Will County. The Board may issue 4 additional licenses to become effective not earlier than March 1, 1992. In determining the water upon which riverboats will operate, the Board shall consider the economic benefit which riverboat gambling confers on the State, and shall seek to assure that all regions of the State share in the economic benefits of riverboat gambling.

In granting all licenses, the Board may give favorable consideration to economically depressed areas of the State, to applicants presenting plans which provide for significant economic development over a large geographic area, and to applicants who currently operate non-gambling riverboats in Illinois. The Board shall review all applications for owners licenses, and shall inform each applicant of the Board's decision.

The Board may revoke the owners license of a licensee which fails to begin conducting gambling within 15 months of receipt of the Board's approval of the application if the Board determines that license revocation is in the best interests of the State.

(f) The first 10 owners licenses issued under this Act shall permit the holder to own up to 2 riverboats and equipment thereon for a period of 3 years after the effective date of the license. Holders of the first 10 owners licenses must pay the annual license fee for each of the 3 years during which they are authorized to own riverboats.

(g) Upon the termination, expiration, or revocation of each of the first 10 licenses, which shall be issued for a 3 year period, all licenses are renewable annually upon payment of the fee and a determination by the Board that the licensee continues to meet all of the requirements of this Act and the Board's rules. However, for licenses renewed on or after May 1, 1998, renewal shall be for a period of 4 years, unless the Board sets a shorter period.

(h) An owners license shall entitle the licensee to own up to 2 riverboats and operate up to 2,000 gaming positions. In addition to the 2,000 gaming positions authorized by a licensee's owners license, a licensee may operate gaming positions that it acquires pursuant to the competitive bidding process established under this subsection (h). A licensee may operate both of its riverboats concurrently, provided that the total number of gaming positions on both riverboats does not exceed 2,000 plus the number of gaming positions it receives under the competitive bidding process. For each 4-year license period, a licensee shall certify to the Board the total number of gaming positions it will use during the license period. If a licensee certifies that it will use a given number of gaming positions during its license period and, in the Board's determination, fails to use some or all of those gaming positions, then the unused gaming positions shall become the property of the Board. If a licensee certifies that it will use fewer than 2,000 gaming positions, then the authorized but unused gaming positions shall become the property of the Board. The Board shall establish, by rule, a method for licensees to competitively bid for the right to use gaming positions that become the property of the Board under this subsection (h). A licensee may not bid for additional gaming positions under this subsection (h) unless it uses all 2,000 gaming positions authorized by its license.

An owners licensee that is authorized to admit in excess of 1,200 participants under this subsection (h) may conduct riverboat gambling operations from a temporary facility pending the construction of a permanent facility or the remodeling of an existing facility to accommodate those additional participants for up to 12 months after receiving the authority to admit additional participants. The number of participants who may be present at such a temporary facility at one time may not exceed the number of participants the licensee is authorized to admit in excess of 1,200. The Board shall make rules concerning the conduct of gambling from temporary facilities. ~~A licensee shall limit the number of gambling participants to 1,200 for any such owners license. A licensee may operate both of its riverboats concurrently, provided that the total number of gambling participants on both riverboats does not exceed 1,200. Riverboats licensed to operate on the Mississippi River and the Illinois River south of Marshall County shall have an authorized capacity of at least 500 persons. Any other riverboat licensed under this Act shall have an authorized capacity of at least 400 persons.~~

(i) A licensed owner is authorized to apply to the Board for and, if approved therefor, to receive all licenses from the Board necessary for the operation of a riverboat, including a liquor license, a license to prepare and serve food for human consumption, and other necessary licenses. All use, occupation and

excise taxes which apply to the sale of food and beverages in this State and all taxes imposed on the sale or use of tangible personal property apply to such sales aboard the riverboat.

(j) The Board may issue a license authorizing a riverboat to dock in a municipality or approve a relocation under Section 11.2 only if, prior to the issuance of the license or approval, the governing body of the municipality in which the riverboat will dock has by a majority vote approved the docking of riverboats in the municipality. The Board may issue a license authorizing a riverboat to dock in areas of a county outside any municipality or approve a relocation under Section 11.2 only if, prior to the issuance of the license or approval, the governing body of the county has by a majority vote approved of the docking of riverboats within such areas. (Source: P.A. 91-40, eff. 6-25-99; 92-600, eff. 6-28-02.)

(230 ILCS 10/7.4 new)

Sec. 7.4. Electronic gaming.

(a) The General Assembly finds that the horse racing and riverboat gambling industries share many similarities and collectively comprise the bulk of the State's gaming industry. One feature in common to both industries is that each is highly regulated by the State of Illinois.

The General Assembly further finds, however, that despite their shared features each industry is distinct from the other in that horse racing is and continues to be intimately tied to Illinois' agricultural economy and is, at its core, a spectator sport. This distinction requires the General Assembly to utilize different methods to regulate and promote the horse racing industry throughout the State.

The General Assembly finds that in order to promote live horse racing as a spectator sport in Illinois and the agricultural economy of this State, it is necessary to allow electronic gaming at Illinois race tracks given the success of other states in increasing live racing purse accounts and improving the quality of horses participating in horse race meetings.

The General Assembly finds, however, that even though the authority to conduct electronic gaming is a uniform means to improve live horse racing in this State, electronic gaming must be regulated and implemented differently in southern Illinois versus the Chicago area. The General Assembly finds that Fairmount Park is the only race track operating on a year round basis in southern Illinois that offers live racing and for that matter only conducts live thoroughbred racing. The General Assembly finds that the current state of affairs deprives spectators and standardbred horsemen residing in southern Illinois of the opportunity to participate in live standardbred racing in a manner similar to spectators, thoroughbred horsemen, and standardbred horsemen residing in the Chicago area. The General Assembly declares that southern Illinois spectators and standardbred horsemen are entitled to have a similar opportunity to participate in live standardbred racing as spectators in the Chicago area. The General Assembly declares that in order to remove this disparity between southern Illinois and the Chicago area, it is necessary for the State to regulate Fairmount Park differently from horse race tracks found in the Chicago area and tie Fairmount Park's authorization to conduct electronic gaming to a commitment to conduct at least 100 days of standardbred racing as set forth in subsection (d) of this Section.

(b) The Illinois Gaming Board shall award one electronic gaming license to become effective on or after July 1, 2003 to each organization licensee under the Illinois Horse Racing Act of 1975, subject to application and eligibility requirements of this Section. An electronic gaming license shall authorize its holder to conduct electronic gaming at its race track at the following times:

(1) on days when it conducts live racing at the track where its electronic gaming facility is located from the time the first race of the day at that track begins until the end of the final race of the day at that race track; and

(2) on days when it conducts simulcast wagering on races run in the United States from the time it first receives the simulcast signal until one hour after it stops receiving the simulcast signal. A license to conduct limited gaming and any renewal of a limited owners license shall authorize limited gaming for a period of 4 years.

(c) To be eligible to conduct electronic gaming, an organization licensee must (i) obtain an electronic gaming license, (ii) hold an organization license under the Illinois Horse Racing Act of 1975, (iii) hold an inter-track wagering license, (iv) pay a fee of $25,000 ($12,500 in the case of Fairmount Race Track and Balmoral Race Track) for each person it is authorized to admit before beginning to conduct electronic gaming and an additional fee of $25,000 ($12,500 in the case of Fairmount Race Track and Balmoral Race Track) for each person it is authorized to admit no later than 12 months after the date it first conducts electronic gaming, (v) apply for at least the same number of days of thoroughbred racing or standardbred racing or both, as the case may be, as it was awarded in calendar year 2003, and (vi) meet all other requirements of this Act that apply to owners licensees.

With respect to the live racing requirement described in this subsection, an organization licensee must

conduct the same number of days of thoroughbred or standardbred racing or both, as the case may be, as it was awarded by the Board, unless a lesser schedule of live racing is the result of (A) weather or unsafe track conditions due to acts of God or (B) a strike between the organization licensee and the associations representing the largest number of owners, trainers, jockeys, or standardbred drivers who race horse at that organization licensee's racing meeting.

(d) In addition to the other eligibility requirements of subsection (c), an organization licensee that holds an electronic gaming license authorizing it to conduct electronic gaming at Fairmount Park must apply for and conduct at least 100 days of standardbred racing in calendar year 2004 and thereafter, unless a lesser schedule of live racing is the result of (A) weather or unsafe track conditions due to acts of God or (B) a strike between the organization licensee and the associations representing the largest number of owners, trainers, jockeys, or standardbred drivers who race horses at that organization licensee's racing meeting.

(e) The Board may approve electronic gaming licenses authorizing the conduct of electronic gaming by eligible organization licensees.

(f) In calendar year 2003, the Board may approve up to 3,200 aggregate gambling participants statewide as provided in this Section. The authority to admit participants under this Section in calendar year 2003 shall be allocated as follows:

(1) The organization licensee operating at Arlington Park Race Course may admit up to 1,000 gaming participants at a time;

(2) The organization licensees operating at Hawthorne Race Course, including the organization licensee formerly operating at Sportsman's Park, may collectively admit up to 900 gaming participants at a time;

(3) The organization licensee operating at Balmoral Park may admit up to 300 gaming participants at a time;

(4) The organization licensee operating at Maywood Park may admit up to 700 gaming participants at a time; and

(5) The organization licensee operating at Fairmount Park may admit up to 300 gaming participants at a time.

(g) For each calendar year after 2003 in which an electronic gaming licensee requests a number of racing days under its organization license that is less than 90% of the number of days of live racing it was awarded in 2003, the electronic gaming licensee may not conduct electronic gaming.

(h) Upon renewal of an electronic gaming license, if an electronic gaming licensee had a higher average daily live handle in the term of its previous electronic gaming license than in 2003, then the number of participants that the electronic gaming licensee may admit after its license is renewed shall be increased by a percentage equal to the percentage increase in average daily live handle during that previous license term over calendar year 2003, but in no event by more than 10%. If an electronic gaming license is authorized to admit additional participants under this subsection (b), it must pay the fee imposed under item (iv) of subsection (c) for each additional participant.

(i) An electronic gaming licensee may conduct electronic gaming at a temporary facility pending the construction of a permanent facility or the remodeling of an existing facility to accommodate electronic gaming participants for up to 12 months after receiving an electronic gaming license. The Board shall make rules concerning the conduct of electronic gaming from temporary facilities.

(230 ILCS 10/8) (from Ch. 120, par. 2408)

Sec. 8. Suppliers licenses. (a) The Board may issue a suppliers license to such persons, firms or corporations which apply therefor upon the payment of a non-refundable application fee set by the Board, upon a determination by the Board that the applicant is eligible for a suppliers license and upon payment of a $5,000 annual license fee.

(b) The holder of a suppliers license is authorized to sell or lease, and to contract to sell or lease, gambling equipment and supplies to any licensee involved in the ownership or management of gambling operations.

(c) Gambling supplies and equipment may not be distributed unless supplies and equipment conform to standards adopted by rules of the Board.

(d) A person, firm or corporation is ineligible to receive a suppliers license if:

(1) the person has been convicted of a felony under the laws of this State, any other state, or the United States;

(2) the person has been convicted of any violation of Article 28 of the Criminal Code of 1961, or substantially similar laws of any other jurisdiction;

(3) the person has submitted an application for a license under this Act which contains false

information;

(4) the person is a member of the Board;

(5) the firm or corporation is one in which a person defined in (1), (2), (3) or (4), is an officer, director or managerial employee;

(6) the firm or corporation employs a person who participates in the management or operation of riverboat gambling authorized under this Act;

(7) the license of the person, firm or corporation issued under this Act, or a license to own or operate gambling facilities in any other jurisdiction, has been revoked.

(e) Any person that supplies any equipment, devices, or supplies to a licensed riverboat gambling operation or electronic gaming operation must first obtain a suppliers license. A supplier shall furnish to the Board a list of all equipment, devices and supplies offered for sale or lease in connection with gambling games authorized under this Act. A supplier shall keep books and records for the furnishing of equipment, devices and supplies to gambling operations separate and distinct from any other business that the supplier might operate. A supplier shall file a quarterly return with the Board listing all sales and leases. A supplier shall permanently affix its name to all its equipment, devices, and supplies for gambling operations. Any supplier's equipment, devices or supplies which are used by any person in an unauthorized gambling operation shall be forfeited to the State. A holder of an owners license or an electronic gaming license ~~licensed owner~~ may own its own equipment, devices and supplies. Each holder of an owners license or an electronic gaming license under the Act shall file an annual report listing its inventories of gambling equipment, devices and supplies.

(f) Any person who knowingly makes a false statement on an application is guilty of a Class A misdemeanor.

(g) Any gambling equipment, devices and supplies provided by any licensed supplier may either be repaired on the riverboat or electronic gaming facility or removed from the riverboat or electronic gaming facility to a ~~an on shore~~ facility owned by the holder of an owners license or electronic gaming license for repair. (Source: P.A. 86-1029; 87-826.)

(230 ILCS 10/9) (from Ch. 120, par. 2409)

Sec. 9. Occupational licenses. (a) The Board may issue an occupational license to an applicant upon the payment of a non-refundable fee set by the Board, upon a determination by the Board that the applicant is eligible for an occupational license and upon payment of an annual license fee in an amount to be established. To be eligible for an occupational license, an applicant must:

(1) be at least 21 years of age if the applicant will perform any function involved in gaming by patrons. Any applicant seeking an occupational license for a non-gaming function shall be at least 18 years of age;

(2) not have been convicted of a felony offense, a violation of Article 28 of the Criminal Code of 1961, or a similar statute of any other jurisdiction, or a crime involving dishonesty or moral turpitude;

(3) have demonstrated a level of skill or knowledge which the Board determines to be necessary in order to operate gambling aboard a riverboat or at an electronic gaming facility; and

(4) have met standards for the holding of an occupational license as adopted by rules of the Board. Such rules shall provide that any person or entity seeking an occupational license to manage gambling operations hereunder shall be subject to background inquiries and further requirements similar to those required of applicants for an owners license. Furthermore, such rules shall provide that each such entity shall be permitted to manage gambling operations for only one licensed owner.

(b) Each application for an occupational license shall be on forms prescribed by the Board and shall contain all information required by the Board. The applicant shall set forth in the application: whether he has been issued prior gambling related licenses; whether he has been licensed in any other state under any other name, and, if so, such name and his age; and whether or not a permit or license issued to him in any other state has been suspended, restricted or revoked, and, if so, for what period of time.

(c) Each applicant shall submit with his application, on forms provided by the Board, 2 sets of his fingerprints. The Board shall charge each applicant a fee set by the Department of State Police to defray the costs associated with the search and classification of fingerprints obtained by the Board with respect to the applicant's application. These fees shall be paid into the State Police Services Fund.

(d) The Board may in its discretion refuse an occupational license to any person: (1) who is unqualified to perform the duties required of such applicant; (2) who fails to disclose or states falsely any information called for in the application; (3) who has been found guilty of a violation of this Act or whose prior gambling related license or application therefor has been suspended, restricted, revoked or denied for just cause in any other state; or (4) for any other just cause.

(e) The Board may suspend, revoke or restrict any occupational licensee: (1) for violation of any provision of this Act; (2) for violation of any of the rules and regulations of the Board; (3) for any cause which, if known to the Board, would have disqualified the applicant from receiving such license; or (4) for default in the payment of any obligation or debt due to the State of Illinois; or (5) for any other just cause.

(f) A person who knowingly makes a false statement on an application is guilty of a Class A misdemeanor.

(g) Any license issued pursuant to this Section shall be valid for a period of one year from the date of issuance.

(h) Nothing in this Act shall be interpreted to prohibit a licensed owner or electronic gaming licensee from entering into an agreement with a school approved under the Private Business and Vocational Schools Act for the training of any occupational licensee. Any training offered by such a school shall be in accordance with a written agreement between the licensed owner or electronic gaming licensee and the school.

(i) Any training provided for occupational licensees may be conducted either at the site of the gambling facility ~~on the riverboat~~ or at a school with which a licensed owner or electronic gaming licensee has entered into an agreement pursuant to subsection (h). (Source: P.A. 86-1029; 87-826.)

(230 ILCS 10/11) (from Ch. 120, par. 2411)

Sec. 11. Conduct of gambling. Gambling may be conducted by licensed owners aboard riverboats. If authorized by the Board by rule, an owners licensee may move up to 15% of its slot machines from its riverboats to its home dock facility and use those slot machines to conduct gambling, provided that the slot machines are located in an area that is accessible only to persons who are at least 21 years of age and provided that the admission tax imposed under Section 12 has been paid for all persons who use those slot machines. Gambling may be conducted by electronic gaming licensees at limited gaming facilities. Gambling authorized under this Section shall be~~,~~ subject to the following standards:

(1) A licensee may conduct riverboat gambling authorized under this Act regardless of whether it conducts excursion cruises. A licensee may permit the continuous ingress and egress of passengers for the purpose of gambling.

(2) (Blank).

(3) Minimum and maximum wagers on games shall be set by the licensee.

(4) Agents of the Board and the Department of State Police may board and inspect any riverboat or enter and inspect any portion of an electronic gaming facility where electronic gaming is conducted at any time for the purpose of determining whether this Act is being complied with. Every riverboat, if under way and being hailed by a law enforcement officer or agent of the Board, must stop immediately and lay to.

(5) Employees of the Board shall have the right to be present on the riverboat or on adjacent facilities under the control of the licensee and at the electronic gaming facility under the control of the electronic gaming licensee.

(6) Gambling equipment and supplies customarily used in conducting riverboat gambling or electronic gaming must be purchased or leased only from suppliers licensed for such purpose under this Act.

(7) Persons licensed under this Act shall permit no form of wagering on gambling games except as permitted by this Act.

(8) Wagers may be received only from a person present on a licensed riverboat or at an electronic gaming facility. No person present on a licensed riverboat or at an electronic gaming facility shall place or attempt to place a wager on behalf of another person who is not present on the riverboat or at the electronic gaming facility.

(9) Wagering, including electronic gaming, shall not be conducted with money or other negotiable currency.

(10) A person under age 21 shall not be permitted on an area of a riverboat where gambling is being conducted or at an electronic gaming facility where gambling is being conducted, except for a person at least 18 years of age who is an employee of the riverboat gambling operation or electronic gaming operation. No employee under age 21 shall perform any function involved in gambling by the patrons. No person under age 21 shall be permitted to make a wager under this Act.

(11) Gambling excursion cruises are permitted only when the waterway for which the riverboat is licensed is navigable, as determined by the Board in consultation with the U.S. Army Corps of Engineers. This paragraph (11) does not limit the ability of a licensee to conduct gambling authorized under this Act when gambling excursion cruises are not permitted.

(12) All tokens, chips or electronic cards used to make wagers must be purchased (i) from a licensed owner, in the case of a riverboat, either aboard the ~~a~~ riverboat or at an onshore facility which has been approved by the Board and which is located where the riverboat docks or (ii) from an electronic gaming licensee at the electronic gaming facility. The tokens, chips or electronic cards may be purchased by means of an agreement under which the owner extends credit to the patron. Such tokens, chips or electronic cards may be used while aboard the riverboat or at the electronic gaming facility only for the purpose of making wagers on gambling games.

(13) Notwithstanding any other Section of this Act, in addition to the other licenses authorized under this Act, the Board may issue special event licenses allowing persons who are not otherwise licensed to conduct riverboat gambling to conduct such gambling on a specified date or series of dates. Riverboat gambling under such a license may take place on a riverboat not normally used for riverboat gambling. The Board shall establish standards, fees and fines for, and limitations upon, such licenses, which may differ from the standards, fees, fines and limitations otherwise applicable under this Act. All such fees shall be deposited into the State Gaming Fund. All such fines shall be deposited into the Education Assistance Fund, created by Public Act 86-0018, of the State of Illinois.

(14) In addition to the above, gambling must be conducted in accordance with all rules adopted by the Board.

(Source: P.A. 91-40, eff. 6-25-99.)

(230 ILCS 10/11.1) (from Ch. 120, par. 2411.1)

Sec. 11.1. Collection of amounts owing under credit agreements. Notwithstanding any applicable statutory provision to the contrary, a licensed owner or electronic gaming licensee who extends credit to a ~~riverboat~~ gambling patron pursuant to Section 11 (a) (12) of this Act is expressly authorized to institute a cause of action to collect any amounts due and owing under the extension of credit, as well as the owner's costs, expenses and reasonable attorney's fees incurred in collection. (Source: P.A. 86-1029; 86-1389; 87-826.)

(230 ILCS 10/12) (from Ch. 120, par. 2412)

Sec. 12. Admission tax; fees. (a) A tax is hereby imposed upon admissions to riverboat gambling facilities authorized pursuant to this Act. Until July 1, 2002, the rate is $2 per person admitted. From ~~Beginning~~ July 1, 2002 until the effective date of this amendatory Act of the 93rd General Assembly, the rate is $3 per person admitted. Beginning on the effective date of this amendatory Act, the rate is $2 per person for the first 1,500,000 persons admitted by a licensee per year and $3 per person for all persons admitted by that licensee in excess of 1,500,000 per year. This admission tax is imposed upon the licensed owner conducting gambling.

(1) The admission tax shall be paid for each admission, except that a person who exits a riverboat gambling facility and reenters that riverboat gambling facility within a reasonable time, as determined by the Board by rule, shall be subject only to the initial admission tax.

(2) (Blank).

(3) The riverboat licensee may issue tax-free passes to actual and necessary officials and employees of the licensee or other persons actually working on the riverboat.

(4) The number and issuance of tax-free passes is subject to the rules of the Board, and a list of all persons to whom the tax-free passes are issued shall be filed with the Board.

(b) From the tax imposed under subsection (a), a municipality shall receive from the State $1 for each person embarking on a riverboat docked within the municipality, and a county shall receive $1 for each person embarking on a riverboat docked within the county but outside the boundaries of any municipality. The municipality's or county's share shall be collected by the Board on behalf of the State and remitted quarterly by the State, subject to appropriation, to the treasurer of the unit of local government for deposit in the general fund.

(c) The licensed owner shall pay the entire admission tax to the Board. Such payments shall be made daily. Accompanying each payment shall be a return on forms provided by the Board which shall include other information regarding admissions as the Board may require. Failure to submit either the payment or the return within the specified time may result in suspension or revocation of the owners license.

(d) The Board shall administer and collect the admission tax imposed by this Section, to the extent practicable, in a manner consistent with the provisions of Sections 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9 and 10 of the Retailers' Occupation Tax Act and Section 3-7 of the Uniform Penalty and Interest Act. (Source: P.A. 91-40, eff. 6-25-99; 92-595, eff. 6-28-02.)

(230 ILCS 10/13) (from Ch. 120, par. 2413)

Sec. 13. Wagering tax; rate; distribution. (a) Until January 1, 1998, a tax is imposed on the

adjusted gross receipts received from gambling games authorized under this Act at the rate of 20%.

From January 1, 1998 until July 1, 2002, a privilege tax is imposed on persons engaged in the business of conducting riverboat gambling operations, based on the adjusted gross receipts received by a licensed owner from gambling games authorized under this Act at the following rates:

15% of annual adjusted gross receipts up to and including $25,000,000;

20% of annual adjusted gross receipts in excess of $25,000,000 but not exceeding $50,000,000;

25% of annual adjusted gross receipts in excess of $50,000,000 but not exceeding $75,000,000;

30% of annual adjusted gross receipts in excess of $75,000,000 but not exceeding $100,000,000;

35% of annual adjusted gross receipts in excess of $100,000,000.

From ~~Beginning~~ July 1, 2002 until the effective date of this amendatory Act of the 93rd General Assembly, a privilege tax is imposed on persons engaged in the business of conducting riverboat gambling operations, based on the adjusted gross receipts received by a licensed owner from gambling games authorized under this Act at the following rates:

15% of annual adjusted gross receipts up to and including $25,000,000;

22.5% of annual adjusted gross receipts in excess of $25,000,000 but not exceeding $50,000,000;

27.5% of annual adjusted gross receipts in excess of $50,000,000 but not exceeding $75,000,000;

32.5% of annual adjusted gross receipts in excess of $75,000,000 but not exceeding $100,000,000;

37.5% of annual adjusted gross receipts in excess of $100,000,000 but not exceeding $150,000,000;

45% of annual adjusted gross receipts in excess of $150,000,000 but not exceeding $200,000,000;

50% of annual adjusted gross receipts in excess of $200,000,000.

Beginning on the effective date of this amendatory Act of the 93rd General Assembly, a privilege tax is imposed on persons engaged in the business of conducting riverboat gambling operations, based on the adjusted gross receipts received by a licensed owner from gambling games authorized under this Act, and on persons conducting electronic gaming, based on the adjusted gross receipts received by an electronic gaming licensee from electronic gambling, at the following rates:

15% of annual adjusted gross receipts up to and including $25,000,000;

20% of annual adjusted gross receipts in excess of $25,000,000 but not exceeding $50,000,000;

25% of annual adjusted gross receipts in excess of $50,000,000 but not exceeding $75,000,000;

30% of annual adjusted gross receipts in excess of $75,000,000 but not exceeding $100,000,000;

35% of annual adjusted gross receipts in excess of $100,000,000 but not exceeding $400,000,000;

40% of annual adjusted gross receipts in excess of $400,000,000 but not exceeding $450,000,000;

45% of annual adjusted gross receipts in excess of $450,000,000 but not exceeding $500,000,000;

50% of annual adjusted gross receipts in excess of $500,000,000.

The taxes imposed by this Section shall be paid by the licensed owner or electronic gaming licensee to the Board not later than 3:00 o'clock p.m. of the day after the day when the wagers were made.

(b) Until January 1, 1998, 25% of the tax revenue deposited in the State Gaming Fund under this Section shall be paid, subject to appropriation by the General Assembly, to the unit of local government which is designated as the home dock of the riverboat. Except as otherwise provided in this subsection (b), beginning January 1, 1998, from the tax revenue from riverboat gambling deposited in the State Gaming Fund under this Section, an amount equal to 5% of adjusted gross receipts generated by a riverboat shall be paid monthly, subject to appropriation by the General Assembly, to the unit of local government that is designated as the home dock of the riverboat.

For calendar year 2003 and each year thereafter, a licensee shall not pay more money to the unit of local government that is designated as the home dock of its riverboat than it paid in calendar year 2002. In the case of an owners licensee that first begins conducting riverboat gambling operations on or after the effective date of this amendatory Act of the 93rd General Assembly, the term "calendar year 2002" as used in this subsection (b) means the owners licensee's first full year of conducting riverboat gambling operations.

(b-5) Beginning on the effective date of this amendatory Act of the 93rd General Assembly, from the tax revenue from electronic gaming deposited into the State Gaming Fund under this Section, an amount equal to 1% of the adjusted gross receipts generated by an electronic gaming licensee shall be paid monthly, subject to appropriation, to the municipality in which the electronic gaming facility is located. If an electronic gaming facility is not located within a municipality, then an amount equal to 1% of the adjusted gross receipts generated by the electronic gaming licensee shall be paid monthly, subject to appropriation, to the county in which the electronic gaming facility is located.

(b-10) Beginning on the effective date of this amendatory Act of the 93rd General Assembly, from the tax revenue from electronic gaming deposited into the State Gaming Fund under this Section, an amount

equal to 1% of the adjusted gross receipts generated by an electronic gaming licensee, but in no event more than $25,000,000 in any year, shall be paid monthly, subject to appropriation, into the Intercity Development Fund.

(b-15) Beginning on the effective date of this amendatory Act of the 93rd General Assembly, after the payments required under subsections (b), (b-5), and (b-10) have been made, the first $5,000,000 of tax revenue derived from electronic gaming shall be paid to the Department of Human Services to be used for compulsive gambling programs.

(c) Appropriations, as approved by the General Assembly, may be made from the State Gaming Fund to the Department of Revenue and the Department of State Police for the administration and enforcement of this Act.

(c-5) (Blank). ~~After the payments required under subsections (b) and (c) have been made, an amount equal to 15% of the adjusted gross receipts of a riverboat (1) that relocates pursuant to Section 11.2, or (2) for which an owners license is initially issued after the effective date of this amendatory Act of 1999, whichever comes first, shall be paid from the State Gaming Fund into the Horse Racing Equity Fund.~~

(c-10) (Blank). ~~Each year the General Assembly shall appropriate from the General Revenue Fund to the Education Assistance Fund an amount equal to the amount paid into the Horse Racing Equity Fund pursuant to subsection (c-5) in the prior calendar year.~~

(c-15) After the payments required under subsections (b) and~~,~~ (c)~~, and (c-5)~~ have been made, an amount equal to 2% of the adjusted gross receipts of a riverboat (1) that relocates pursuant to Section 11.2, or (2) for which an owners license is initially issued after the effective date of this amendatory Act of 1999, whichever comes first, shall be paid, subject to appropriation from the General Assembly, from the State Gaming Fund to each home rule county with a population of over 3,000,000 inhabitants for the purpose of enhancing the county's criminal justice system.

(c-20) Each year the General Assembly shall appropriate from the General Revenue Fund to the Education Assistance Fund an amount equal to the amount paid to each home rule county with a population of over 3,000,000 inhabitants pursuant to subsection (c-15) in the prior calendar year.

(c-25) After the payments required under subsections (b), (c), ~~(c-5)~~ and (c-15) have been made, an amount equal to 2% of the adjusted gross receipts of a riverboat (1) that relocates pursuant to Section 11.2, or (2) for which an owners license is initially issued after the effective date of this amendatory Act of 1999, whichever comes first, shall be paid from the State Gaming Fund into the State Universities Athletic Capital Improvement Fund.

(d) From time to time, the Board shall transfer the remainder of the funds generated by this Act into the Education Assistance Fund, created by Public Act 86-0018, of the State of Illinois.

(e) Nothing in this Act shall prohibit the unit of local government designated as the home dock of the riverboat from entering into agreements with other units of local government in this State or in other states to share its portion of the tax revenue.

(f) To the extent practicable, the Board shall administer and collect the wagering taxes imposed by this Section in a manner consistent with the provisions of Sections 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9, and 10 of the Retailers' Occupation Tax Act and Section 3-7 of the Uniform Penalty and Interest Act. (Source: P.A. 91-40, eff. 6-25-99; 92-595, eff. 6-28-02.)

(230 ILCS 10/13.2 new)

Sec. 13.2. Licensee assessment. All owners licensees licensed to conduct riverboat gambling operations on the effective date of this amendatory Act of the 93rd General Assembly shall be required to pay an aggregate amount of $130,000,000 to the Gaming Board by July 1, 2003. The Board shall deposit all moneys received under this Section into the State Gaming Fund. Each owners licensee shall pay a pro rata share based on its adjusted gross receipts from calendar year 2002 as determined by the Board.

(230 ILCS 10/14) (from Ch. 120, par. 2414)

Sec. 14. Licensees - Records - Reports - Supervision. (a) ~~A~~ Licensed owners and electronic gaming licensees ~~owner~~ shall keep their ~~his~~ books and records so as to clearly show the following:

(1) The amount received daily from admission fees.

(2) The total amount of gross receipts.

(3) The total amount of the adjusted gross receipts.

(b) ~~The~~ Licensed owners and electronic gaming licensees ~~owner~~ shall furnish to the Board reports and information as the Board may require with respect to its activities on forms designed and supplied for such purpose by the Board.

(c) The books and records kept by a licensed owner or electronic gaming licensee as provided by this Section are public records and the examination, publication, and dissemination of the books and records are

governed by the provisions of The Freedom of Information Act. (Source: P.A. 86-1029.)

(230 ILCS 10/18) (from Ch. 120, par. 2418)

Sec. 18. Prohibited Activities - Penalty. (a) A person is guilty of a Class A misdemeanor for doing any of the following:

(1) Conducting gambling where wagering is used or to be used without a license issued by the Board.

(2) Conducting gambling where wagering is permitted other than in the manner specified by Section 11.

(b) A person is guilty of a Class B misdemeanor for doing any of the following:

(1) permitting a person under 21 years to make a wager; or

(2) violating paragraph (12) of subsection (a) of Section 11 of this Act.

(c) A person wagering or accepting a wager at any location outside the riverboat or electronic gaming facility in violation of paragraph ~~is subject to the penalties in paragraphs~~ (1) or (2) of subsection (a) of Section 28-1 of the Criminal Code of 1961 is subject to the penalties provided in that Section.

(d) A person commits a Class 4 felony and, in addition, shall be barred for life from gambling operations ~~riverboats~~ under the jurisdiction of the Board, if the person does any of the following:

(1) Offers, promises, or gives anything of value or benefit to a person who is connected with a riverboat owner or electronic gaming licensee including, but not limited to, an officer or employee of a licensed owner or electronic gaming licensee or holder of an occupational license pursuant to an agreement or arrangement or with the intent that the promise or thing of value or benefit will influence the actions of the person to whom the offer, promise, or gift was made in order to affect or attempt to affect the outcome of a gambling game, or to influence official action of a member of the Board.

(2) Solicits or knowingly accepts or receives a promise of anything of value or benefit while the person is connected with a riverboat or electronic gaming facility, including, but not limited to, an officer or employee of a licensed owner or electronic gaming licensee, or the holder of an occupational license, pursuant to an understanding or arrangement or with the intent that the promise or thing of value or benefit will influence the actions of the person to affect or attempt to affect the outcome of a gambling game, or to influence official action of a member of the Board.

(3) Uses or possesses with the intent to use a device to assist:

(i) In projecting the outcome of the game.

(ii) In keeping track of the cards played.

(iii) In analyzing the probability of the occurrence of an event relating to the gambling game.

(iv) In analyzing the strategy for playing or betting to be used in the game except as permitted by the Board.

(4) Cheats at a gambling game.

(5) Manufactures, sells, or distributes any cards, chips, dice, game or device which is intended to be used to violate any provision of this Act.

(6) Alters or misrepresents the outcome of a gambling game on which wagers have been made after the outcome is made sure but before it is revealed to the players.

(7) Places a bet after acquiring knowledge, not available to all players, of the outcome of the gambling game which is subject of the bet or to aid a person in acquiring the knowledge for the purpose of placing a bet contingent on that outcome.

(8) Claims, collects, or takes, or attempts to claim, collect, or take, money or anything of value in or from the gambling games, with intent to defraud, without having made a wager contingent on winning a gambling game, or claims, collects, or takes an amount of money or thing of value of greater value than the amount won.

(9) Uses counterfeit chips or tokens in a gambling game.

(10) Possesses any key or device designed for the purpose of opening, entering, or affecting the operation of a gambling game, drop box, or an electronic or mechanical device connected with the gambling game or for removing coins, tokens, chips or other contents of a gambling game. This paragraph (10) does not apply to a gambling licensee or employee of a gambling licensee acting in furtherance of the employee's employment.

(e) The possession of more than one of the devices described in subsection (d), paragraphs (3), (5) or (10) permits a rebuttable presumption that the possessor intended to use the devices for cheating.

An action to prosecute any crime occurring on a riverboat shall be tried in the county of the dock at which the riverboat is based. (Source: P.A. 91-40, eff. 6-25-99.)

(230 ILCS 10/19) (from Ch. 120, par. 2419)

Sec. 19. Forfeiture of property. (a) Except as provided in subsection (b), any riverboat or electronic gaming facility used for the conduct of gambling games in violation of this Act shall be considered a gambling place in violation of Section 28-3 of the Criminal Code of 1961, as now or hereafter amended. Every gambling device found on a riverboat or at an electronic gaming facility operating gambling games in violation of this Act and every slot machine found at an electronic gaming facility operating gambling games in violation of this Act shall be subject to seizure, confiscation and destruction as provided in Section 28-5 of the Criminal Code of 1961, as now or hereafter amended.

(b) It is not a violation of this Act for a riverboat or other watercraft which is licensed for gaming by a contiguous state to dock on the shores of this State if the municipality having jurisdiction of the shores, or the county in the case of unincorporated areas, has granted permission for docking and no gaming is conducted on the riverboat or other watercraft while it is docked on the shores of this State. No gambling device shall be subject to seizure, confiscation or destruction if the gambling device is located on a riverboat or other watercraft which is licensed for gaming by a contiguous state and which is docked on the shores of this State if the municipality having jurisdiction of the shores, or the county in the case of unincorporated areas, has granted permission for docking and no gaming is conducted on the riverboat or other watercraft while it is docked on the shores of this State. (Source: P.A. 86-1029.)

(230 ILCS 10/20) (from Ch. 120, par. 2420)

Sec. 20. Prohibited activities - civil penalties. Any person who conducts a gambling operation without first obtaining a license to do so, or who continues to conduct such games after revocation of his license, or any licensee who conducts or allows to be conducted any unauthorized gambling games on a riverboat or at an electronic gaming facility where it is authorized to conduct its ~~riverboat~~ gambling operation, in addition to other penalties provided, shall be subject to a civil penalty equal to the amount of gross receipts derived from wagering on the gambling games, whether unauthorized or authorized, conducted on that day as well as confiscation and forfeiture of all gambling game equipment used in the conduct of unauthorized gambling games. (Source: P.A. 86-1029.)

Section 85. The Illinois Pull Tabs and Jar Games Act is amended by changing Sections 1.1, 4, and 5 as follows:

(230 ILCS 20/1.1) (from Ch. 120, par. 1051.1)

Sec. 1.1. Definitions. As used in this Act:

"Pull tabs" and "jar games" means a game using single-folded or banded tickets or a card, the face of which is initially covered or otherwise hidden from view in order to conceal a number, symbol or set of symbols, some of which are winners. Players with winning tickets receive a prize stated on a promotional display or "flare". Pull tabs also means a game in which prizes are won by pulling a tab from a board thereby revealing a number which corresponds to the number for a given prize.

Except in the case of bingo event games, each winning pull tab or slip shall be predetermined. The right to participate in such games shall not cost more than $2. Except for prizes awarded as part of a progressive game, no single prize shall exceed $500. There shall be no more than 6,000 tickets in a game.

"Pull tabs and jar games", as used in this Act, does not include the following: numbers, policy, bolita or similar games, dice, slot machines, bookmaking and wagering pools with respect to a sporting event, or that game commonly known as punch boards, or any other game or activity not expressly defined in this Section.

"Organization" means a corporation, agency, partnership, association, firm or other entity consisting of 2 or more persons joined by a common interest or purpose.

"Non-profit organization" means an organization or institution organized and conducted on a not-for-profit basis with no personal profit inuring to anyone as a result of the operation.

"Charitable organization" means an organization or institution organized and operated to benefit an indefinite number of the public.

"Educational organization" means an organization or institution organized and operated to provide systematic instruction in useful branches of learning by methods common to schools and institutions of learning which compare favorably in their scope and intensity with the course of study presented in tax-supported schools.

"Religious organization" means any church, congregation, society, or organization founded for the purpose of religious worship.

"Fraternal organization" means an organization of persons, including but not limited to ethnic organizations, having a common interest, organized and operated exclusively to promote the welfare of its members and to benefit the general public on a continuing and consistent basis.

"Veterans' organization" means an organization comprised of members of which substantially all are

individuals who are veterans or spouses, widows, or widowers of veterans, the primary purpose of which is to promote the welfare of its members and to provide assistance to the general public in such a way as to confer a public benefit.

"Labor organization" means an organization composed of labor unions or workers organized with the objective of betterment of the conditions of those engaged in such pursuit and the development of a higher degree of efficiency in their respective occupations.

"Youth athletic organization" means an organization having as its exclusive purpose the promotion and provision of athletic activities for youth aged 18 and under.

"Senior citizens organization" means an organization or association comprised of members of which substantially all are individuals who are senior citizens, as defined in the Illinois Act on the Aging, the primary purpose of which is to promote the welfare of its members.

"Progressive game" means a pull tab game that has a portion of its predetermined prize payout designated to a progressive jackpot that, if not won, is carried forward and added to the jackpot of subsequent games until won.

"Bingo event game" means a pull tab game played with pull tab tickets where the winner has not been designated in advance by the manufacturer, but is determined by chance. (Source: P.A. 90-536, eff. 1-1-98.)

(230 ILCS 20/4) (from Ch. 120, par. 1054)

Sec. 4. The conducting of pull tabs and jar games is subject to the following restrictions:

(1) The entire net proceeds of any pull tabs or jar games, except as otherwise approved in this Act, must be exclusively devoted to the lawful purposes of the organization permitted to conduct such drawings.

(2) No person except a bona fide member or employee of the sponsoring organization may participate in the management or operation of such pull tabs or jar games; however, nothing herein shall conflict with pull tabs and jar games conducted under the provisions of the Charitable Games Act.

(3) No person may receive any remuneration or profit for participating in the management or operation of such pull tabs or jar games; however, nothing herein shall conflict with pull tabs and jar games conducted under the provisions of the Charitable Games Act.

(4) The price paid for a single chance or right to participate in a game licensed under this Act shall not exceed $2. ~~The aggregate value of all prizes or merchandise awarded in any single day of pull tabs and jar games shall not exceed $5,000, except that in adjoining counties having 200,000 to 275,000 inhabitants each, and in counties which are adjacent to either of such adjoining counties and are adjacent to total of not more than 2 counties in this State, the value of all prizes or merchandise awarded may not exceed $5,000 in a single day.~~

(5) No person under the age of 18 years shall play or participate in games under this Act. A person under the age of 18 years may be within the area where pull tabs and jar games are being conducted only when accompanied by his parent or guardian.

(6) Pull tabs and jar games shall be conducted only on premises owned or occupied by licensed organizations and used by its members for general activities, or on premises owned or rented for conducting the game of bingo, or as permitted in subsection (4) of Section 3. (Source: P.A. 90-536, eff. 1-1-98; 90-808, eff. 12-1-98.)

(230 ILCS 20/5) (from Ch. 120, par. 1055)

Sec. 5. There shall be paid to the Department of Revenue 5% of the gross proceeds of any pull tabs and jar games conducted under this Act. Such payments shall be made 4 times per year, between the first and the 20th day of April, July, October and January. Payment must be made by money order or certified check. Accompanying each payment shall be a report, on forms provided by the Department of Revenue, listing the number of drawings conducted, the gross income derived therefrom and such other information as the Department of Revenue may require. Failure to submit either the payment or the report within the specified time shall result in automatic revocation of the license. All payments made to the Department of Revenue under this Act shall be deposited as follows:

(a) 50% shall be deposited in the Common School Fund; and

(b) 50% shall be deposited in the Illinois Gaming Law Enforcement Fund. Of the monies deposited in the Illinois Gaming Law Enforcement Fund under this Section, the General Assembly shall appropriate two-thirds to the Department of Revenue, Department of State Police and the Office of the Attorney General for State law enforcement purposes, and one-third shall be appropriated to the Department of Revenue for the purpose of distribution in the form of grants to counties or municipalities for law enforcement purposes. The amounts of grants to counties or municipalities shall bear the same ratio as the number of licenses issued in counties or municipalities bears to the total number of licenses issued in the

State. In computing the number of licenses issued in a county, licenses issued for locations within a municipality's boundaries shall be excluded.

The Department of Revenue shall license suppliers and manufacturers of pull tabs and jar games at an annual fee of $5,000. Suppliers and manufacturers shall meet the requirements and qualifications established by rule by the Department. Licensed manufacturers shall sell pull tabs and jar games only to licensed suppliers. Licensed suppliers shall buy pull tabs and jar games only from licensed manufacturers and shall sell pull tabs and jar games only to licensed organizations. Licensed organizations shall buy pull tabs and jar games only from licensed suppliers.

The Department of Revenue shall adopt by rule minimum quality production standards for pull tabs and jar games. In determining such standards, the Department shall consider the standards adopted by the National Association of Gambling Regulatory Agencies and the National Association of Fundraising Ticket Manufacturers. ~~Such standards shall include the name of the supplier which shall appear in plain view to the casual observer on the face side of each pull tab ticket and on each jar game ticket.~~ The pull tab ticket shall contain the name of the game, the selling price of the ticket, the amount of the prize and the serial number of the ticket. The back side of a pull tab ticket shall contain a series of perforated tabs ~~marked "open here"~~. The logo of the manufacturer shall be clearly visible on each jar game ticket.

The Department of Revenue shall adopt rules necessary to provide for the proper accounting and control of activities under this Act, to ensure that the proper taxes are paid, that the proceeds from the activities under this Act are used lawfully, and to prevent illegal activity associated with the use of pull tabs and jar games.

The provisions of Section 2a of the Retailers' Occupation Tax Act pertaining to the furnishing of a bond or other security are incorporated by reference into this Act and are applicable to licensees under this Act as a precondition of obtaining a license under this Act. The provisions of Sections 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 6, 6a, 6b, 6c, 8, 9, 10, 11 and 12 of the Retailers' Occupation Tax Act, and Section 3-7 of the Uniform Penalty and Interest Act, which are not inconsistent with this Act shall apply, as far as practicable, to the subject matter of this Act to the same extent as if such provisions were included in this Act. For the purposes of this Act, references in such incorporated Sections of the Retailers' Occupation Tax Act to retailers, sellers or persons engaged in the business of selling tangible personal property means persons engaged in conducting pull tabs and jar games and references in such incorporated Sections of the Retailers' Occupation Tax Act to sales of tangible personal property mean the conducting of pull tabs and jar games and the making of charges for participating in such drawings. (Source: P.A. 87-205; 87-895.)

Section 90. The Criminal Code of 1961 is amended by changing Sections 28-1, 28-5 and 28-7 as follows:

(720 ILCS 5/28-1) (from Ch. 38, par. 28-1)

Sec. 28-1. Gambling. (a) A person commits gambling when he:

(1) Plays a game of chance or skill for money or other thing of value, unless excepted in subsection (b) of this Section; or

(2) Makes a wager upon the result of any game, contest, or any political nomination, appointment or election; or

(3) Operates, keeps, owns, uses, purchases, exhibits, rents, sells, bargains for the sale or lease of, manufactures or distributes any gambling device; or

(4) Contracts to have or give himself or another the option to buy or sell, or contracts to buy or sell, at a future time, any grain or other commodity whatsoever, or any stock or security of any company, where it is at the time of making such contract intended by both parties thereto that the contract to buy or sell, or the option, whenever exercised, or the contract resulting therefrom, shall be settled, not by the receipt or delivery of such property, but by the payment only of differences in prices thereof; however, the issuance, purchase, sale, exercise, endorsement or guarantee, by or through a person registered with the Secretary of State pursuant to Section 8 of the Illinois Securities Law of 1953, or by or through a person exempt from such registration under said Section 8, of a put, call, or other option to buy or sell securities which have been registered with the Secretary of State or which are exempt from such registration under Section 3 of the Illinois Securities Law of 1953 is not gambling within the meaning of this paragraph (4); or

(5) Knowingly owns or possesses any book, instrument or apparatus by means of which bets or wagers have been, or are, recorded or registered, or knowingly possesses any money which he has received in the course of a bet or wager; or

(6) Sells pools upon the result of any game or contest of skill or chance, political nomination, appointment or election; or

(7) Sets up or promotes any lottery or sells, offers to sell or transfers any ticket or share for any lottery; or

(8) Sets up or promotes any policy game or sells, offers to sell or knowingly possesses or transfers any policy ticket, slip, record, document or other similar device; or

(9) Knowingly drafts, prints or publishes any lottery ticket or share, or any policy ticket, slip, record, document or similar device, except for such activity related to lotteries, bingo games and raffles authorized by and conducted in accordance with the laws of Illinois or any other state or foreign government; or

(10) Knowingly advertises any lottery or policy game, except for such activity related to lotteries, bingo games and raffles authorized by and conducted in accordance with the laws of Illinois or any other state; or

(11) Knowingly transmits information as to wagers, betting odds, or changes in betting odds by telephone, telegraph, radio, semaphore or similar means; or knowingly installs or maintains equipment for the transmission or receipt of such information; except that nothing in this subdivision (11) prohibits transmission or receipt of such information for use in news reporting of sporting events or contests; or

(12) Knowingly establishes, maintains, or operates an Internet site that permits a person to play a game of chance or skill for money or other thing of value by means of the Internet or to make a wager upon the result of any game, contest, political nomination, appointment, or election by means of the Internet.

(b) Participants in any of the following activities shall not be convicted of gambling therefor:

(1) Agreements to compensate for loss caused by the happening of chance including without limitation contracts of indemnity or guaranty and life or health or accident insurance;

(2) Offers of prizes, award or compensation to the actual contestants in any bona fide contest for the determination of skill, speed, strength or endurance or to the owners of animals or vehicles entered in such contest;

(3) Pari-mutuel betting as authorized by the law of this State;

(4) Manufacture of gambling devices, including the acquisition of essential parts therefor and the assembly thereof, for transportation in interstate or foreign commerce to any place outside this State when such transportation is not prohibited by any applicable Federal law;

(5) The game commonly known as "bingo", when conducted in accordance with the Bingo License and Tax Act;

(6) Lotteries when conducted by the State of Illinois in accordance with the Illinois Lottery Law;

(7) Possession of an antique slot machine that is neither used nor intended to be used in the operation or promotion of any unlawful gambling activity or enterprise. For the purpose of this subparagraph (b)(7), an antique slot machine is one manufactured 25 years ago or earlier;

(8) Raffles when conducted in accordance with the Raffles Act;

(9) Charitable games when conducted in accordance with the Charitable Games Act;

(10) Pull tabs and jar games when conducted under the Illinois Pull Tabs and Jar Games Act; or

(11) Gambling games ~~conducted on riverboats~~ when authorized by the Riverboat Gambling Act.

(c) Sentence.

Gambling under subsection (a)(1) or (a)(2) of this Section is a Class A misdemeanor. Gambling under any of subsections (a)(3) through (a)(11) of this Section is a Class A misdemeanor. A second or subsequent conviction under any of subsections (a)(3) through (a)(11), is a Class 4 felony. Gambling under subsection (a)(12) of this Section is a Class A misdemeanor. A second or subsequent conviction under subsection (a)(12) is a Class 4 felony.

(d) Circumstantial evidence.

In prosecutions under subsection (a)(1) through (a)(12) of this Section circumstantial evidence shall have the same validity and weight as in any criminal prosecution. (Source: P.A. 91-257, eff. 1-1-00.)

(720 ILCS 5/28-5) (from Ch. 38, par. 28-5)

Sec. 28-5. Seizure of gambling devices and gambling funds. (a) Every device designed for gambling which is incapable of lawful use or every device used unlawfully for gambling shall be considered a "gambling device", and shall be subject to seizure, confiscation and destruction by the Department of State Police or by any municipal, or other local authority, within whose jurisdiction the same may be found. As used in this Section, a "gambling device" includes any slot machine, and includes any machine or device constructed for the reception of money or other thing of value and so constructed as to return, or to cause someone to return, on chance to the player thereof money, property or a right to receive money or property. With the exception of any device designed for gambling which is incapable of

lawful use, no gambling device shall be forfeited or destroyed unless an individual with a property interest in said device knows of the unlawful use of the device.

(b) Every gambling device shall be seized and forfeited to the county wherein such seizure occurs. Any money or other thing of value integrally related to acts of gambling shall be seized and forfeited to the county wherein such seizure occurs.

(c) If, within 60 days after any seizure pursuant to subparagraph (b) of this Section, a person having any property interest in the seized property is charged with an offense, the court which renders judgment upon such charge shall, within 30 days after such judgment, conduct a forfeiture hearing to determine whether such property was a gambling device at the time of seizure. Such hearing shall be commenced by a written petition by the State, including material allegations of fact, the name and address of every person determined by the State to have any property interest in the seized property, a representation that written notice of the date, time and place of such hearing has been mailed to every such person by certified mail at least 10 days before such date, and a request for forfeiture. Every such person may appear as a party and present evidence at such hearing. The quantum of proof required shall be a preponderance of the evidence, and the burden of proof shall be on the State. If the court determines that the seized property was a gambling device at the time of seizure, an order of forfeiture and disposition of the seized property shall be entered: a gambling device shall be received by the State's Attorney, who shall effect its destruction, except that valuable parts thereof may be liquidated and the resultant money shall be deposited in the general fund of the county wherein such seizure occurred; money and other things of value shall be received by the State's Attorney and, upon liquidation, shall be deposited in the general fund of the county wherein such seizure occurred. However, in the event that a defendant raises the defense that the seized slot machine is an antique slot machine described in subparagraph (b) (7) of Section 28-1 of this Code and therefore he is exempt from the charge of a gambling activity participant, the seized antique slot machine shall not be destroyed or otherwise altered until a final determination is made by the Court as to whether it is such an antique slot machine. Upon a final determination by the Court of this question in favor of the defendant, such slot machine shall be immediately returned to the defendant. Such order of forfeiture and disposition shall, for the purposes of appeal, be a final order and judgment in a civil proceeding.

(d) If a seizure pursuant to subparagraph (b) of this Section is not followed by a charge pursuant to subparagraph (c) of this Section, or if the prosecution of such charge is permanently terminated or indefinitely discontinued without any judgment of conviction or acquittal (1) the State's Attorney shall commence an in rem proceeding for the forfeiture and destruction of a gambling device, or for the forfeiture and deposit in the general fund of the county of any seized money or other things of value, or both, in the circuit court and (2) any person having any property interest in such seized gambling device, money or other thing of value may commence separate civil proceedings in the manner provided by law.

(e) Any gambling device displayed for sale to a riverboat gambling operation or used to train occupational licensees of a riverboat gambling operation as authorized under the Riverboat Gambling Act is exempt from seizure under this Section.

(f) Any gambling equipment, devices and supplies provided by a licensed supplier in accordance with the Riverboat Gambling Act which are removed from a ~~the~~ riverboat or electronic gaming facility for repair are exempt from seizure under this Section. (Source: P.A. 87-826.)

(720 ILCS 5/28-7) (from Ch. 38, par. 28-7)

Sec. 28-7. Gambling contracts void. (a) All promises, notes, bills, bonds, covenants, contracts, agreements, judgments, mortgages, or other securities or conveyances made, given, granted, drawn, or entered into, or executed by any person whatsoever, where the whole or any part of the consideration thereof is for any money or thing of value, won or obtained in violation of any Section of this Article are null and void.

(b) Any obligation void under this Section may be set aside and vacated by any court of competent jurisdiction, upon a complaint filed for that purpose, by the person so granting, giving, entering into, or executing the same, or by his executors or administrators, or by any creditor, heir, legatee, purchaser or other person interested therein; or if a judgment, the same may be set aside on motion of any person stated above, on due notice thereof given.

(c) No assignment of any obligation void under this Section may in any manner affect the defense of the person giving, granting, drawing, entering into or executing such obligation, or the remedies of any person interested therein.

(d) This Section shall not prevent a licensed owner of a riverboat gambling operation or an electronic gaming licensee under the Riverboat Gambling Act and the Illinois Horse Racing Act of 1975 from instituting a cause of action to collect any amount due and owing under an extension of credit to a ~~riverboat~~

gambling patron as authorized under Section 11.1 of the Riverboat Gambling Act. (Source: P.A. 87-826.)

(230 ILCS 5/32.1 rep.)

(230 ILCS 5/54 rep.)

Section 95. The Illinois Horse Racing Act is amended by repealing Sections 32.1 and 54.

Section 100. "An Act in relation to gambling, amending named Acts", approved June 25, 1999, Public Act 91-40, is amended by changing Section 30 as follows:

(P.A. 91-40, Sec. 30)

Sec. 30. Severability. If any provision of this Act (Public Act 91-40) or the application thereof to any person or circumstance is held invalid, that invalidity does not affect the other provisions or applications of the Act which can be given effect without the invalid application or provision, and to this end the provisions of this Act are severable. This severability applies without regard to whether the action challenging the validity was brought before the effective date of this amendatory Act of the 93rd General Assembly.

~~Inseverability. The provisions of this Act are mutually dependent and inseverable. If any provision is held invalid other than as applied to a particular person or circumstance, then this entire Act is invalid.~~ (Source: P.A. 91-40, eff. 6-25-99.)

Section 105. The State Finance Act is amended by adding Section 5.595 as follows:

(30 ILCS 105/5.595 new)

Sec. 5.595. The Intercity Development Fund. Section 999. Effective date. This Act takes effect upon becoming law.".

Floor Amendment No. 2 remained in the Committee on Rules.

There being no further amendments, the foregoing Amendment No. 1 was ordered engrossed; and the bill, as amended, was held on the order of Second Reading.

HOUSE BILL 144. Having been printed, was taken up and read by title a second time.

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

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend House Bill 144 by replacing everything after the enacting clause with the following:

"Section 5. The Riverboat Gambling Act is amended by changing Sections 7 and 13 as follows:

(230 ILCS 10/7) (from Ch. 120, par. 2407)

Sec. 7. Owners Licenses. (a) The Board shall issue owners licenses to persons, firms or corporations which apply for such licenses upon payment to the Board of the non-refundable license fee set by the Board, upon payment of a $25,000 license fee for the first year of operation and a $5,000 license fee for each succeeding year and upon a determination by the Board that the applicant is eligible for an owners license pursuant to this Act and the rules of the Board. A person, firm or corporation is ineligible to receive an owners license if:

(1) the person has been convicted of a felony under the laws of this State, any other state, or the United States;

(2) the person has been convicted of any violation of Article 28 of the Criminal Code of 1961, or substantially similar laws of any other jurisdiction;

(3) the person has submitted an application for a license under this Act which contains false information;

(4) the person is a member of the Board;

(5) a person defined in (1), (2), (3) or (4) is an officer, director or managerial employee of the firm or corporation;

(6) the firm or corporation employs a person defined in (1), (2), (3) or (4) who participates in the management or operation of gambling operations authorized under this Act;

(7) (blank); or

(8) a license of the person, firm or corporation issued under this Act, or a license to own or operate gambling facilities in any other jurisdiction, has been revoked.

(b) In determining whether to grant an owners license to an applicant, the Board shall consider:

(1) the character, reputation, experience and financial integrity of the applicants and of any other or

separate person that either:

(A) controls, directly or indirectly, such applicant, or

(B) is controlled, directly or indirectly, by such applicant or by a person which controls, directly or indirectly, such applicant;

(2) the facilities or proposed facilities for the conduct of riverboat gambling;

(3) the highest prospective total revenue to be derived by the State from the conduct of riverboat gambling;

(4) the good faith affirmative action plan of each applicant to recruit, train and upgrade minorities in all employment classifications;

(5) the financial ability of the applicant to purchase and maintain adequate liability and casualty insurance;

(6) whether the applicant has adequate capitalization to provide and maintain, for the duration of a license, a riverboat; and

(7) the extent to which the applicant exceeds or meets other standards for the issuance of an owners license which the Board may adopt by rule.

(c) Each owners license shall specify the place where riverboats shall operate and dock.

(d) Each applicant shall submit with his application, on forms provided by the Board, 2 sets of his fingerprints.

(e) In addition to any licenses authorized under subsections (e-5) and (e-10), the Board may issue up to 10 licenses authorizing the holders of such licenses to own riverboats. In the application for an owners license, the applicant shall state the dock at which the riverboat is based and the water on which the riverboat will be located. The Board shall issue 5 licenses to become effective not earlier than January 1, 1991. Three of such licenses shall authorize riverboat gambling on the Mississippi River, one of which shall authorize riverboat gambling from a home dock in the city of East St. Louis, and one of which shall authorize riverboat gambling on the Mississippi River or in a municipality that (1) borders on the Mississippi River or is within 5 miles of the city limits of a municipality that borders on the Mississippi River and (2) on the effective date of this amendatory Act of the 92nd General Assembly has a riverboat conducting riverboat gambling operations pursuant to a license issued under this Act. One other license shall authorize riverboat gambling on the Illinois River south of Marshall County. The Board shall issue one additional license to become effective not earlier than March 1, 1992, which shall authorize riverboat gambling on the Des Plaines River in Will County. The Board may issue 4 additional licenses to become effective not earlier than March 1, 1992. In determining the water upon which riverboats will operate, the Board shall consider the economic benefit which riverboat gambling confers on the State, and shall seek to assure that all regions of the State share in the economic benefits of riverboat gambling.

In granting all licenses, the Board may give favorable consideration to economically depressed areas of the State, to applicants presenting plans which provide for significant economic development over a large geographic area, and to applicants who currently operate non-gambling riverboats in Illinois. The Board shall review all applications for owners licenses, and shall inform each applicant of the Board's decision.

(e-5) In addition to licenses authorized under subsections (e) and (e-10), the Board may issue one owners license authorizing the conduct of riverboat gambling operations from a home dock in a municipality with a population of more than 500,000 inhabitants. An owners license issued under this subsection (e-5) shall be issued only to the governing board of the municipality in which its home dock is located. No such license may be awarded to any other person or entity. If a license is issued to the governing board of a municipality pursuant to this subsection (e-5), that governing board shall conduct an auction and grant the opportunity to manage the riverboat gambling operations authorized by that license to the highest qualified bidder.

(e-10) In addition to licenses authorized under subsections (e) and (e-5), the Board may issue one owners license authorizing the conduct of riverboat gambling operations from a home dock located outside of the City of Chicago, but in Cook County and in one of the following townships: Bloom, Thornton, Rich, Orland, Calumet, Worth, Palos, Bremen, or Lemont Township.

(e-15) The Board may revoke the owners license of a licensee which fails to begin conducting gambling within 15 months of receipt of the Board's approval of the application if the Board determines that license revocation is in the best interests of the State.

(f) ~~The first 10~~ Owners licenses issued under this Act shall permit the holder to own up to 2 riverboats and equipment thereon for a period of 3 years after the effective date of the license. Holders of ~~the first 10~~ owners licenses must pay the annual license fee for each of the 3 years during which they are authorized to own riverboats.

(g) Upon the termination, expiration, or revocation of each owners license ~~of the first 10 licenses~~, which shall be issued for a 3 year period, all licenses are renewable annually upon payment of the fee and a determination by the Board that the licensee continues to meet all of the requirements of this Act and the Board's rules. However, for licenses renewed on or after May 1, 1998, renewal shall be for a period of 4 years, unless the Board sets a shorter period.

(h) An owners license shall entitle the licensee to own up to 2 riverboats. A licensee, other than a licensee that receives its owners license under subsection (e-5) or (e-10), shall limit the number of gambling participants to 1,200 for any such owners license. A licensee that receives its owners license under subsection (e-5) or (e-10) shall limit the number of gambling participants to the number set by the Board, which may not exceed 4,000 participants at one time. In setting the number of participants that a licensee that receives its license under subsection (e-5) or (e-10) may admit, the Board shall consider the best interests of the riverboat gambling industry. A licensee may operate both of its riverboats concurrently, provided that the total number of gambling participants on both riverboats does not exceed 1,200. Riverboats licensed to operate on the Mississippi River and the Illinois River south of Marshall County shall have an authorized capacity of at least 500 persons. Any other riverboat licensed under this Act shall have an authorized capacity of at least 400 persons.

(i) A licensed owner is authorized to apply to the Board for and, if approved therefor, to receive all licenses from the Board necessary for the operation of a riverboat, including a liquor license, a license to prepare and serve food for human consumption, and other necessary licenses. All use, occupation and excise taxes which apply to the sale of food and beverages in this State and all taxes imposed on the sale or use of tangible personal property apply to such sales aboard the riverboat.

(j) The Board may issue a license authorizing a riverboat to dock in a municipality or approve a relocation under Section 11.2 only if, prior to the issuance of the license or approval, the governing body of the municipality in which the riverboat will dock has by a majority vote approved the docking of riverboats in the municipality. The Board may issue a license authorizing a riverboat to dock in areas of a county outside any municipality or approve a relocation under Section 11.2 only if, prior to the issuance of the license or approval, the governing body of the county has by a majority vote approved of the docking of riverboats within such areas. (Source: P.A. 91-40, eff. 6-25-99; 92-600, eff. 6-28-02.)

(230 ILCS 10/13) (from Ch. 120, par. 2413)

Sec. 13. Wagering tax; rate; distribution. (a) Until January 1, 1998, a tax is imposed on the adjusted gross receipts received from gambling games authorized under this Act at the rate of 20%.

From January 1, 1998 until July 1, 2002, a privilege tax is imposed on persons engaged in the business of conducting riverboat gambling operations, based on the adjusted gross receipts received by a licensed owner from gambling games authorized under this Act at the following rates:

15% of annual adjusted gross receipts up to and including $25,000,000;
20% of annual adjusted gross receipts in excess of $25,000,000 but not exceeding $50,000,000;
25% of annual adjusted gross receipts in excess of $50,000,000 but not exceeding $75,000,000;
30% of annual adjusted gross receipts in excess of $75,000,000 but not exceeding $100,000,000;
35% of annual adjusted gross receipts in excess of $100,000,000.

Beginning July 1, 2002, a privilege tax is imposed on persons engaged in the business of conducting riverboat gambling operations, based on the adjusted gross receipts received by a licensed owner from gambling games authorized under this Act at the following rates:

15% of annual adjusted gross receipts up to and including $25,000,000;
22.5% of annual adjusted gross receipts in excess of $25,000,000 but not exceeding $50,000,000;
27.5% of annual adjusted gross receipts in excess of $50,000,000 but not exceeding $75,000,000;
32.5% of annual adjusted gross receipts in excess of $75,000,000 but not exceeding $100,000,000;
37.5% of annual adjusted gross receipts in excess of $100,000,000 but not exceeding $150,000,000;
45% of annual adjusted gross receipts in excess of $150,000,000 but not exceeding $200,000,000;
50% of annual adjusted gross receipts in excess of $200,000,000.

The taxes imposed by this Section shall be paid by the licensed owner to the Board not later than 3:00 o'clock p.m. of the day after the day when the wagers were made.

(b) Until January 1, 1998, 25% of the tax revenue deposited in the State Gaming Fund under this Section shall be paid, subject to appropriation by the General Assembly, to the unit of local government which is designated as the home dock of the riverboat. Beginning January 1, 1998, from the tax revenue deposited in the State Gaming Fund under this Section, an amount equal to 5% of adjusted gross receipts generated by a riverboat, other than a riverboat authorized under subsection (e-10) of Section 7, shall be paid monthly, subject to appropriation by the General Assembly, to the unit of local government that is

designated as the home dock of the riverboat.

(b-5) From the tax revenue deposited into the State Gaming Fund under this Section, payments shall be made, subject to appropriation by the General Assembly, as provided in this subsection (b-5).

An amount equal to 3% of the adjusted gross receipts generated by a riverboat authorized under subsection (e-10) of Section 7 shall be paid to the municipality in which the riverboat docks and to any other municipalities or townships that enter into an intergovernmental agreement with the municipality in which the riverboat docks to share that revenue and shall be divided according to the terms of that intergovernmental agreement.

An amount equal to 0.5% of the adjusted gross receipts generated by a riverboat authorized under subsection (e-10) of Section 7 shall be divided equally and paid to the townships enumerated in subsection (e-10) of Section 7.

An amount equal to 1% of the adjusted gross receipts generated by a riverboat authorized under subsection (e-10) of Section 7 shall be divided among the school districts in the townships enumerated in subsection (e-10) of Section 7 in inverse proportion to the per-student expenditures of each of those school districts.

An amount equal to 0.5% of the adjusted gross receipts generated by a riverboat authorized under subsection (e-10) of Section 7 shall be paid into the South Suburban Assistance Fund, which is hereby created in the State Treasury. The South Suburban Assistance Fund shall be administered by the Department of Commerce and Community affairs, or its successor agency, and moneys in the Fund shall be used to aid economically distressed communities in the townships enumerated in subsection (e-10) of Section 7.

(c) Appropriations, as approved by the General Assembly, may be made from the State Gaming Fund to the Department of Revenue and the Department of State Police for the administration and enforcement of this Act.

(c-5) After the payments required under subsections (b) and (c) have been made, an amount equal to 15% of the adjusted gross receipts of a licensee, other than a licensee that receives an owners license under subsection (e-5) or (e-10) of Section 7, ~~riverboat~~ (1) that relocates pursuant to Section 11.2, or (2) for which an owners license is initially issued after the effective date of this amendatory Act of 1999, whichever comes first, shall be paid from the State Gaming Fund into the Horse Racing Equity Fund.

(c-10) Each year the General Assembly shall appropriate from the General Revenue Fund to the Education Assistance Fund an amount equal to the amount paid into the Horse Racing Equity Fund pursuant to subsection (c-5) in the prior calendar year.

(c-15) After the payments required under subsections (b), (c), and (c-5) have been made, an amount equal to 2% of the adjusted gross receipts of a licensee, other than a licensee that receives an owners license under subsection (e-5) or (e-10) of Section 7, ~~riverboat~~ (1) that relocates pursuant to Section 11.2, or (2) for which an owners license is initially issued after the effective date of this amendatory Act of 1999, whichever comes first, shall be paid, subject to appropriation from the General Assembly, from the State Gaming Fund to each home rule county with a population of over 3,000,000 inhabitants for the purpose of enhancing the county's criminal justice system.

(c-20) Each year the General Assembly shall appropriate from the General Revenue Fund to the Education Assistance Fund an amount equal to the amount paid to each home rule county with a population of over 3,000,000 inhabitants pursuant to subsection (c-15) in the prior calendar year.

(c-25) After the payments required under subsections (b), (c), (c-5) and (c-15) have been made, an amount equal to 2% of the adjusted gross receipts of a licensee, other than a licensee that receives an owners license under subsection (e-5) or (e-10) of Section 7, ~~riverboat~~ (1) that relocates pursuant to Section 11.2, or (2) for which an owners license is initially issued after the effective date of this amendatory Act of 1999, whichever comes first, shall be paid from the State Gaming Fund into the State Universities Athletic Capital Improvement Fund.

(d) From time to time, the Board shall transfer the remainder of the funds generated by this Act into the Education Assistance Fund, created by Public Act 86-0018, of the State of Illinois.

(e) Nothing in this Act shall prohibit the unit of local government designated as the home dock of the riverboat from entering into agreements with other units of local government in this State or in other states to share its portion of the tax revenue.

(f) To the extent practicable, the Board shall administer and collect the wagering taxes imposed by this Section in a manner consistent with the provisions of Sections 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9, and 10 of the Retailers' Occupation Tax Act and Section 3-7 of the Uniform Penalty and Interest Act. (Source: P.A. 91-40, eff. 6-25-99; 92-595, eff. 6-28-02.)

Section 95. The State Finance Act is amended by adding Section 5.595 as follows:

(30 ILCS 105/5.595 new)

Sec. 5.595. The South Suburban Assistance Fund. Section 99. Effective date. This Act takes effect upon becoming law.".

Floor Amendment No. 2 remained in the Committee on Gaming.

Floor Amendments numbered 3 and 4 remained in the Committee on Rules.

There being no further amendments, the foregoing Amendment No. 1 was ordered engrossed; and the bill, as amended, was held on the order of Second Reading.

HOUSE BILL 145. Having been printed, was taken up and read by title a second time.

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

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend House Bill 145 by replacing everything after the enacting clause with the following:

"Section 3. The Department of Revenue Law of the Civil Administrative Code of Illinois is amended by changing Section 2505-305 as follows:

(20 ILCS 2505/2505-305) (was 20 ILCS 2505/39b15.1)

Sec. 2505-305. Investigators. (a) The Department has the power to appoint investigators to conduct all investigations, searches, seizures, arrests, and other duties imposed under the provisions of any law administered by the Department or the Illinois Gaming Board. Except as provided in subsection (c), these investigators have and may exercise all the powers of peace officers solely for the purpose of enforcing taxing measures administered by the Department or the Illinois Gaming Board.

(b) The Director must authorize to each investigator employed under this Section and to any other employee of the Department exercising the powers of a peace officer a distinct badge that, on its face, (i) clearly states that the badge is authorized by the Department and (ii) contains a unique identifying number. No other badge shall be authorized by the Department.

(c) Investigators appointed under this Section who are assigned to the Illinois Gaming Board have and may exercise all the rights and powers of peace officers. ~~, provided that these powers shall be limited to offenses or violations occurring or committed on a riverboat or dock, as defined in subsections (d) and (f) of Section 4 of the Riverboat Gambling Act.~~ (Source: P.A. 91-239, eff. 1-1-00; 91-883, eff. 1-1-01; 92-493, eff. 1-1-02.)

Section 5. The Riverboat Gambling Act is amended by changing Sections 5, 6, 8, 9, 11, 12, 13, 13.1, and 18 as follows:

(230 ILCS 10/5) (from Ch. 120, par. 2405)

Sec. 5. Gaming Board. (a) (1) There is hereby established within the Department of Revenue an Illinois Gaming Board which shall have the powers and duties specified in this Act, and all other powers necessary and proper to fully and effectively execute this Act for the purpose of administering, regulating, and enforcing the system of riverboat gambling established by this Act. Its jurisdiction shall extend under this Act to every person, association, corporation, partnership and trust involved in riverboat gambling operations in the State of Illinois.

(2) The Board shall consist of 5 members to be appointed by the Governor with the advice and consent of the Senate, one of whom shall be designated by the Governor to be chairman. Each member shall have a reasonable knowledge of the practice, procedure and principles of gambling operations. Each member shall either be a resident of Illinois or shall certify that he will become a resident of Illinois before taking office. At least one member shall be experienced in law enforcement and criminal investigation, at least one member shall be a certified public accountant experienced in accounting and auditing, and at least one member shall be a lawyer licensed to practice law in Illinois.

(3) The terms of office of the Board members shall be 3 years, except that the terms of office of the initial Board members appointed pursuant to this Act will commence from the effective date of this Act and run as follows: one for a term ending July 1, 1991, 2 for a term ending July 1, 1992, and 2 for a term ending July 1, 1993. Upon the expiration of the foregoing terms, the successors of such members shall serve a term for 3 years and until their successors are appointed and qualified for like terms. Vacancies in

the Board shall be filled for the unexpired term in like manner as original appointments. Each member of the Board shall be eligible for reappointment at the discretion of the Governor with the advice and consent of the Senate.

(4) Each member of the Board shall receive $300 for each day the Board meets and for each day the member conducts any hearing pursuant to this Act. Each member of the Board shall also be reimbursed for all actual and necessary expenses and disbursements incurred in the execution of official duties.

(5) No person shall be appointed a member of the Board or continue to be a member of the Board who is, or whose spouse, child or parent is, a member of the board of directors of, or a person financially interested in, any gambling operation subject to the jurisdiction of this Board, or any race track, race meeting, racing association or the operations thereof subject to the jurisdiction of the Illinois Racing Board. No Board member shall hold any other public office for which he shall receive compensation other than necessary travel or other incidental expenses. No person shall be a member of the Board who is not of good moral character or who has been convicted of, or is under indictment for, a felony under the laws of Illinois or any other state, or the United States.

(6) Any member of the Board may be removed by the Governor for neglect of duty, misfeasance, malfeasance, or nonfeasance in office.

(7) Before entering upon the discharge of the duties of his office, each member of the Board shall take an oath that he will faithfully execute the duties of his office according to the laws of the State and the rules and regulations adopted therewith and shall give bond to the State of Illinois, approved by the Governor, in the sum of $25,000. Every such bond, when duly executed and approved, shall be recorded in the office of the Secretary of State. Whenever the Governor determines that the bond of any member of the Board has become or is likely to become invalid or insufficient, he shall require such member forthwith to renew his bond, which is to be approved by the Governor. Any member of the Board who fails to take oath and give bond within 30 days from the date of his appointment, or who fails to renew his bond within 30 days after it is demanded by the Governor, shall be guilty of neglect of duty and may be removed by the Governor. The cost of any bond given by any member of the Board under this Section shall be taken to be a part of the necessary expenses of the Board.

(8) Upon the request of the Board, the Department shall employ such personnel as may be necessary to carry out the functions of the Board. No person shall be employed to serve the Board who is, or whose spouse, parent or child is, an official of, or has a financial interest in or financial relation with, any operator engaged in gambling operations within this State or any organization engaged in conducting horse racing within this State. Any employee violating these prohibitions shall be subject to termination of employment.

(9) An Administrator shall perform any and all duties that the Board shall assign him. The salary of the Administrator shall be determined by the Board and approved by the Director of the Department and, in addition, he shall be reimbursed for all actual and necessary expenses incurred by him in discharge of his official duties. The Administrator shall keep records of all proceedings of the Board and shall preserve all records, books, documents and other papers belonging to the Board or entrusted to its care. The Administrator shall devote his full time to the duties of the office and shall not hold any other office or employment.

(b) The Board shall have general responsibility for the implementation of this Act. Its duties include, without limitation, the following:

(1) To decide promptly and in reasonable order all license applications. Any party aggrieved by an action of the Board denying, suspending, revoking, restricting or refusing to renew a license may request a hearing before the Board. A request for a hearing must be made to the Board in writing within 5 days after service of notice of the action of the Board. Notice of the action of the Board shall be served either by personal delivery or by certified mail, postage prepaid, to the aggrieved party. Notice served by certified mail shall be deemed complete on the business day following the date of such mailing. The Board shall conduct all requested hearings promptly and in reasonable order;

(2) To conduct all hearings pertaining to civil violations of this Act or rules and regulations promulgated hereunder;

(3) To promulgate such rules and regulations as in its judgment may be necessary to protect or enhance the credibility and integrity of gambling operations authorized by this Act and the regulatory process hereunder;

(4) To provide for the establishment and collection of all license and registration fees and taxes imposed by this Act and the rules and regulations issued pursuant hereto. All such fees and taxes shall be deposited into the State Gaming Fund;

(5) To provide for the levy and collection of penalties and fines for the violation of provisions of this

Act and the rules and regulations promulgated hereunder. All such fines and penalties shall be deposited into the Education Assistance Fund, created by Public Act 86-0018, of the State of Illinois;

(6) To be present through its inspectors and agents any time gambling operations are conducted on any riverboat for the purpose of certifying the revenue thereof, receiving complaints from the public, and conducting such other investigations into the conduct of the gambling games and the maintenance of the equipment as from time to time the Board may deem necessary and proper;

(7) To review and rule upon any complaint by a licensee regarding any investigative procedures of the State which are unnecessarily disruptive of gambling operations. The need to inspect and investigate shall be presumed at all times. The disruption of a licensee's operations shall be proved by clear and convincing evidence, and establish that: (A) the procedures had no reasonable law enforcement purposes, and (B) the procedures were so disruptive as to unreasonably inhibit gambling operations;

(8) To hold at least one meeting each quarter of the fiscal year. In addition, special meetings may be called by the Chairman or any 2 Board members upon 72 hours written notice to each member. All Board meetings shall be subject to the Open Meetings Act. Three members of the Board shall constitute a quorum, and 3 votes shall be required for any final determination by the Board. The Board shall keep a complete and accurate record of all its meetings. A majority of the members of the Board shall constitute a quorum for the transaction of any business, for the performance of any duty, or for the exercise of any power which this Act requires the Board members to transact, perform or exercise en banc, except that, upon order of the Board, one of the Board members or an administrative law judge designated by the Board may conduct any hearing provided for under this Act or by Board rule and may recommend findings and decisions to the Board. The Board member or administrative law judge conducting such hearing shall have all powers and rights granted to the Board in this Act. The record made at the time of the hearing shall be reviewed by the Board, or a majority thereof, and the findings and decision of the majority of the Board shall constitute the order of the Board in such case;

(9) To maintain records which are separate and distinct from the records of any other State board or commission. Such records shall be available for public inspection and shall accurately reflect all Board proceedings;

(10) To file a written annual report with the Governor on or before March 1 each year and such additional reports as the Governor may request. The annual report shall include a statement of receipts and disbursements by the Board, actions taken by the Board, and any additional information and recommendations which the Board may deem valuable or which the Governor may request;

(11) (Blank); and

(12) To assume responsibility for the administration and enforcement of the Bingo License and Tax Act, the Charitable Games Act, and the Pull Tabs and Jar Games Act if such responsibility is delegated to it by the Director of Revenue.

(c) The Board shall have jurisdiction over and shall supervise all gambling operations governed by this Act. The Board shall have all powers necessary and proper to fully and effectively execute the provisions of this Act, including, but not limited to, the following:

(1) To investigate applicants and determine the eligibility of applicants for licenses and to select among competing applicants the applicants which best serve the interests of the citizens of Illinois.

(2) To have jurisdiction and supervision over all riverboat gambling operations in this State and all persons on riverboats where gambling operations are conducted.

(3) To promulgate rules and regulations for the purpose of administering the provisions of this Act and to prescribe rules, regulations and conditions under which all riverboat gambling in the State shall be conducted. Such rules and regulations are to provide for the prevention of practices detrimental to the public interest and for the best interests of riverboat gambling, including rules and regulations regarding the inspection of such riverboats and the review of any permits or licenses necessary to operate a riverboat under any laws or regulations applicable to riverboats, and to impose penalties for violations thereof.

(4) To enter the office, riverboats, facilities, or other places of business of a licensee, where evidence of the compliance or noncompliance with the provisions of this Act is likely to be found.

(5) To investigate alleged violations of this Act or the rules of the Board and to take appropriate disciplinary action against a licensee or a holder of an occupational license for a violation, or institute appropriate legal action for enforcement, or both.

(6) To adopt standards for the licensing of all persons under this Act, as well as for electronic or mechanical gambling games, and to establish fees for such licenses.

(7) To adopt appropriate standards for all riverboats and facilities.

(8) To require that the records, including financial or other statements of any licensee under this Act, shall be kept in such manner as prescribed by the Board and that any such licensee involved in the ownership or management of gambling operations submit to the Board an annual balance sheet and profit and loss statement, list of the stockholders or other persons having a 1% or greater beneficial interest in the gambling activities of each licensee, and any other information the Board deems necessary in order to effectively administer this Act and all rules, regulations, orders and final decisions promulgated under this Act.

(8.1) To determine which entities and persons are subject to Board approval for involvement in the ownership or operations of riverboat gambling in Illinois and to approve the participation of such entities and persons, including approvals related to parent and subsidiary entities.

(9) To conduct hearings, issue subpoenas for the attendance of witnesses and subpoenas duces tecum for the production of books, records and other pertinent documents in accordance with the Illinois Administrative Procedure Act, and to administer oaths and affirmations to the witnesses, when, in the judgment of the Board, it is necessary to administer or enforce this Act or the Board rules.

(10) To prescribe a form to be used by any licensee involved in the ownership or management of gambling operations as an application for employment for their employees.

(11) To revoke or suspend licenses, as the Board may see fit and in compliance with applicable laws of the State regarding administrative procedures, and to review applications for the renewal of licenses. The Board may suspend an owners license, without notice or hearing upon a determination that the safety or health of patrons or employees is jeopardized by continuing a riverboat's operation. The suspension may remain in effect until the Board determines that the cause for suspension has been abated. The Board may revoke the owners license upon a determination that the owner has not made satisfactory progress toward abating the hazard.

(12) To eject or exclude or authorize the ejection or exclusion of, any person from riverboat gambling facilities where such person is in violation of this Act, rules and regulations thereunder, or final orders of the Board, or where such person's conduct or reputation is such that his presence within the riverboat gambling facilities may, in the opinion of the Board, call into question the honesty and integrity of the gambling operations or interfere with orderly conduct thereof; provided that the propriety of such ejection or exclusion is subject to subsequent hearing by the Board.

(13) To require all licensees of gambling operations to utilize a cashless wagering system whereby all players' money is converted to tokens, electronic cards, or chips which shall be used only for wagering in the gambling establishment.

(14) (Blank).

(15) To suspend, revoke or restrict licenses, to require the removal of a licensee or an employee, officer, director, or shareholder of a licensee, or to require the termination of a business relationship for a violation of this Act or a Board rule or for engaging in a fraudulent practice, and to impose civil penalties of up to $5,000 against individuals and up to $10,000 or an amount equal to the daily gross receipts, whichever is larger, against licensees for each violation of any provision of the Act, any rules adopted by the Board, any order of the Board or any other action which, in the Board's discretion, is a detriment or impediment to riverboat gambling operations.

(16) To hire employees to gather information, conduct investigations and carry out any other tasks contemplated under this Act.

(17) To establish minimum levels of insurance to be maintained by licensees.

(18) To authorize a licensee to sell or serve alcoholic liquors, wine or beer as defined in the Liquor Control Act of 1934 on board a riverboat and to have exclusive authority to establish the hours for sale and consumption of alcoholic liquor on board a riverboat, notwithstanding any provision of the Liquor Control Act of 1934 or any local ordinance, and regardless of whether the riverboat makes excursions. The establishment of the hours for sale and consumption of alcoholic liquor on board a riverboat is an exclusive power and function of the State. A home rule unit may not establish the hours for sale and consumption of alcoholic liquor on board a riverboat. This amendatory Act of 1991 is a denial and limitation of home rule powers and functions under subsection (h) of Section 6 of Article VII of the Illinois Constitution.

(19) After consultation with the U.S. Army Corps of Engineers, to establish binding emergency orders upon the concurrence of a majority of the members of the Board regarding the navigability of water, relative to excursions, in the event of extreme weather conditions, acts of God or other extreme circumstances.

(19.2) To petition the circuit court of Sangamon County for appointment of a receiver for a riverboat

gambling operation if either of the following conditions exist: (i) the Board has suspended, revoked, or refused to renew the license of the owner or (ii) the riverboat gambling operation is closing and the licensed owner is voluntarily surrendering its owners license. A receiver appointed by the court shall be an individual or entity selected from among up to 3 nominees submitted to the court by the Board. A copy of the petition and notice of a hearing, which must be held within 5 days of the filing of the petition, shall be served on the holder of the owners license as provided under the Civil Practice Law. The Board shall determine the amount of reasonable compensation, fees, and expenses to be assessed and retained by the receiver, which shall be paid from the adjusted gross receipts of the riverboat gambling operation, after the payment of wagering and admission taxes, for the services, costs, and expenses of the receiver and any other persons whom the receiver may engage to assist him or her in performing his or her duties. The compensation, fees, and expenses authorized by the Board shall have the same priority as the payment and collection of taxes and fees to the State required under this Act. The powers and duties of the receiver shall be requested in the petition and determined by the court, but in no event shall the duration of the receivership exceed one year.

(19.3) To administer and enforce a self-exclusion program for problem gamblers.

(20) To delegate the execution of any of its powers under this Act for the purpose of administering and enforcing this Act and its rules and regulations hereunder.

(21) To take any other action as may be reasonable or appropriate to enforce this Act and rules and regulations hereunder.

(d) The Board may seek and shall receive the cooperation of the Department of State Police in conducting background investigations of applicants and in fulfilling its responsibilities under this Section. Costs incurred by the Department of State Police as a result of such cooperation shall be paid by the Board in conformance with the requirements of Section 2605-400 of the Department of State Police Law (20 ILCS 2605/2605-400).

(e) The Board must authorize to each investigator and to any other employee of the Board exercising the powers of a peace officer a distinct badge that, on its face, (i) clearly states that the badge is authorized by the Board and (ii) contains a unique identifying number. No other badge shall be authorized by the Board. (Source: P.A. 91-40, eff. 1-1-00; 91-239, eff. 1-1-00; 91-883, eff. 1-1-01.)

(230 ILCS 10/6) (from Ch. 120, par. 2406)

Sec. 6. Application for Owners License. (a) A qualified person may apply to the Board for an owners license to conduct a riverboat gambling operation as provided in this Act. The application shall be made on forms provided by the Board and shall contain such information as the Board prescribes, including but not limited to the identity of the riverboat on which such gambling operation is to be conducted and the exact location where such riverboat will be docked, a certification that the riverboat will be registered under this Act at all times during which gambling operations are conducted on board, detailed information regarding the ownership and management of the applicant, and detailed personal information regarding the applicant. Information provided on the application shall be used as a basis for a thorough background investigation which the Board shall conduct with respect to each applicant. An incomplete application shall be cause for denial of a license by the Board.

(b) Applicants shall submit with their application all documents, resolutions, and letters of support from the governing body that represents the municipality or county wherein the licensee will dock.

(c) Each applicant shall disclose the identity of every person, association, trust or corporation having a greater than 1% direct or indirect pecuniary interest in the riverboat gambling operation with respect to which the license is sought. If the disclosed entity is a trust, the application shall disclose the names and addresses of the beneficiaries; if a corporation, the names and addresses of all stockholders and directors; if a partnership, the names and addresses of all partners, both general and limited.

(d) An application shall be filed and considered pursuant to the rules of ~~with~~ the Board ~~by January 1 of the year preceding any calendar year for which an applicant seeks an owners license; however, applications for an owners license permitting operations on January 1, 1991 shall be filed by July 1, 1990~~. An application fee of $50,000 shall be paid at the time of filing to defray the costs associated with the background investigation conducted by the Board. If the costs of the investigation exceed $50,000, the applicant shall pay the additional amount to the Board. If the costs of the investigation are less than $50,000, the applicant shall receive a refund of the remaining amount. All information, records, interviews, reports, statements, memoranda or other data supplied to or used by the Board in the course of its review or investigation of an application for a license under this Act shall be privileged, strictly confidential and shall be used only for the purpose of evaluating an applicant. Such information, records, interviews, reports, statements, memoranda or other data shall not be admissible as evidence, nor discoverable in any action of

any kind in any court or before any tribunal, board, agency or person, except for any action deemed necessary by the Board.

(e) The Board shall charge each applicant a fee set by the Department of State Police to defray the costs associated with the search and classification of fingerprints obtained by the Board with respect to the applicant's application. These fees shall be paid into the State Police Services Fund.

(f) The licensed owner shall be the person primarily responsible for the boat itself. Only one riverboat gambling operation may be authorized by the Board on any riverboat. The applicant must identify each riverboat it intends to use and certify that the riverboat: (1) has the authorized capacity required in this Act; (2) is accessible to disabled persons; and (3) is fully registered and licensed in accordance with any applicable laws.

(f-5) The requirements of this Section apply to the issuance of any owners license under this Act and, pursuant to the rules of the Board, to the transfer of ownership interests in an owners license.

(g) A person who knowingly makes a false statement on an application is guilty of a Class A misdemeanor. (Source: P.A. 91-40, eff. 6-25-99.)

(230 ILCS 10/8) (from Ch. 120, par. 2408)

Sec. 8. Suppliers licenses. (a) The Board may issue a suppliers license to such persons, firms or corporations which apply therefor upon the payment of a non-refundable application fee set by the Board, upon a determination by the Board that the applicant is eligible for a suppliers license and upon payment of a $5,000 annual license fee. The Board may provide by rule for the annual suppliers license fee to be graduated on the basis of the amount of business transacted in Illinois by the supplier, but in no case may such graduated fees exceed $5,000 per year.

(b) The holder of a suppliers license is authorized to sell or lease, and to contract to sell or lease, gambling equipment and supplies to any licensee involved in the ownership or management of gambling operations.

(c) Gambling supplies and equipment may not be distributed unless supplies and equipment conform to standards adopted by rules of the Board.

(d) A person, firm or corporation is ineligible to receive a suppliers license if:

(1) the person has been convicted of a felony under the laws of this State, any other state, or the United States;

(2) the person has been convicted of any violation of Article 28 of the Criminal Code of 1961, or substantially similar laws of any other jurisdiction;

(3) the person has submitted an application for a license under this Act which contains false information;

(4) the person is a member of the Board;

(5) the firm or corporation is one in which a person defined in (1), (2), (3) or (4), is an officer, director or managerial employee;

(6) the firm or corporation employs a person who participates in the management or operation of riverboat gambling authorized under this Act;

(7) the license of the person, firm or corporation issued under this Act, or a license to own or operate gambling facilities in any other jurisdiction, has been revoked.

(e) Any person that supplies any equipment, devices, or supplies to a licensed riverboat gambling operation must first obtain a suppliers license. A supplier shall furnish to the Board a list of all equipment, devices and supplies offered for sale or lease in connection with gambling games authorized under this Act. A supplier shall keep books and records for the furnishing of equipment, devices and supplies to gambling operations separate and distinct from any other business that the supplier might operate. A supplier shall file a quarterly return with the Board listing all sales and leases. A supplier shall permanently affix its name to all its equipment, devices, and supplies for gambling operations. Any supplier's equipment, devices or supplies which are used by any person in an unauthorized gambling operation shall be forfeited to the State. A licensed owner may own its own equipment, devices and supplies. Each holder of an owners license under the Act shall file an annual report listing its inventories of gambling equipment, devices and supplies.

(f) Any person who knowingly makes a false statement on an application is guilty of a Class A misdemeanor.

(g) Any gambling equipment, devices and supplies provided by any licensed supplier may either be repaired on the riverboat or removed from the riverboat to an on-shore facility owned by the holder of an owners license for repair. (Source: P.A. 86-1029; 87-826.)

(230 ILCS 10/9) (from Ch. 120, par. 2409)

Sec. 9. Occupational licenses. (a) The Board may issue an occupational license to an applicant

upon the payment of a non-refundable fee set by the Board, upon a determination by the Board that the applicant is eligible for an occupational license and upon payment of an annual license fee in an amount to be established. To be eligible for an occupational license, an applicant must:

(1) be at least 21 years of age if the applicant will perform any function involved in gaming by patrons. Any applicant seeking an occupational license for a non-gaming function shall be at least 18 years of age;

(2) not have been convicted of a felony offense or ~~,~~ a violation of Article 28 of the Criminal Code of 1961, or a similar statute of any other jurisdiction~~, or a crime involving dishonesty or moral turpitude~~;

(2.1) not have been convicted of a crime involving dishonesty or moral turpitude of such a type as to, in the sole discretion of the Board, negatively impact public confidence and trust in the credibility and integrity of riverboat gaming operations and the regulatory process;

(3) have demonstrated a level of skill or knowledge which the Board determines to be necessary in order to operate gambling aboard a riverboat; and

(4) have met standards for the holding of an occupational license as adopted by rules of the Board. Such rules shall provide that any person or entity seeking an occupational license to manage gambling operations hereunder shall be subject to background inquiries and further requirements similar to those required of applicants for an owners license. Furthermore, such rules shall provide that each such entity shall be permitted to manage gambling operations for only one licensed owner.

(b) Each application for an occupational license shall be on forms prescribed by the Board and shall contain all information required by the Board. The applicant shall set forth in the application: whether he has been issued prior gambling related licenses; whether he has been licensed in any other state under any other name, and, if so, such name and his age; and whether or not a permit or license issued to him in any other state has been suspended, restricted or revoked, and, if so, for what period of time.

(c) Each applicant shall submit with his application, on forms provided by the Board, 2 sets of his fingerprints. The Board shall charge each applicant a fee set by the Department of State Police to defray the costs associated with the search and classification of fingerprints obtained by the Board with respect to the applicant's application. These fees shall be paid into the State Police Services Fund.

(d) The Board may in its discretion refuse an occupational license to any person: (1) who is unqualified to perform the duties required of such applicant; (2) who fails to disclose or states falsely any information called for in the application; (3) who has been found guilty of a violation of this Act or whose prior gambling related license or application therefor has been suspended, restricted, revoked or denied for just cause in any other state; or (4) for any other just cause.

(e) The Board may suspend, revoke or restrict any occupational licensee: (1) for violation of any provision of this Act; (2) for violation of any of the rules and regulations of the Board; (3) for any cause which, if known to the Board, would have disqualified the applicant from receiving such license; or (4) for default in the payment of any obligation or debt due to the State of Illinois; or (5) for any other just cause.

(f) A person who knowingly makes a false statement on an application is guilty of a Class A misdemeanor.

(g) Any license issued pursuant to this Section shall be valid for a period of one year from the date of issuance.

(h) Nothing in this Act shall be interpreted to prohibit a licensed owner from entering into an agreement with a public community college or a school approved under the Private Business and Vocational Schools Act for the training of any occupational licensee. Any training offered by such a school shall be in accordance with a written agreement between the licensed owner and the school.

(i) Any training provided for occupational licensees may be conducted either on the riverboat or at a school with which a licensed owner has entered into an agreement pursuant to subsection (h). (Source: P.A. 86-1029; 87-826.)

(230 ILCS 10/11) (from Ch. 120, par. 2411)

Sec. 11. Conduct of gambling. Gambling may be conducted by licensed owners aboard riverboats, subject to the following standards:

(1) A licensee may conduct riverboat gambling authorized under this Act regardless of whether it conducts excursion cruises. A licensee may permit the continuous ingress and egress of passengers for the purpose of gambling.

(2) (Blank).

(3) Minimum and maximum wagers on games shall be set by the licensee.

(4) Agents of the Board and the Department of State Police may board and inspect any riverboat at any time for the purpose of determining whether this Act is being complied with. Every riverboat, if

under way and being hailed by a law enforcement officer or agent of the Board, must stop immediately and lay to.

(5) Employees of the Board shall have the right to be present on the riverboat or on adjacent facilities under the control of the licensee.

(6) Gambling equipment and supplies customarily used in conducting riverboat gambling must be purchased or leased only from suppliers licensed for such purpose under this Act, except that the Board may approve the sale or lease of gambling equipment and supplies by a licensed owner. A licensed owner may bring gambling equipment and supplies that it has legally acquired into this State for use in Illinois, subject to approval of the Board.

(7) Persons licensed under this Act shall permit no form of wagering on gambling games except as permitted by this Act.

(8) Wagers may be received only from a person present on a licensed riverboat. No person present on a licensed riverboat shall place or attempt to place a wager on behalf of another person who is not present on the riverboat.

(9) Wagering shall not be conducted with money or other negotiable currency.

(10) A person under age 21 shall not be permitted in any area of a riverboat in which gambling is conducted ~~on an area of a riverboat where gambling is being conducted, except for a person at least 18 years of age who is an employee of the riverboat gambling operation~~. No employee under age 21 shall perform any function involved in gambling by the patrons. No person under age 21 shall be permitted to make a wager under this Act, and any winnings that are the result of such an illegal wager by a person under age 21, whether or not paid by the riverboat gaming operation, shall be (i) treated as winnings for wagering tax purposes, (ii) confiscated, and (iii) forfeited to the State and deposited in the Education Assistance Fund .

(10.1) A person placed on the Self-Exclusion List shall not knowingly be permitted in any area of a riverboat in which gambling is conducted nor knowingly be permitted to make a wager. Any chips, tokens, or other wagering instruments discovered in his or her possession and all winnings, whether or not paid by the riverboat gambling operation to the person, shall be donated to the Department of Human Services-approved problem gambling charitable organization that was designated by the person at the time of his or her application for participation in the Self-Exclusion Program under subsection (c) of Section 13.1.

(11) Gambling excursion cruises shall be conducted pursuant to Section 11.3 ~~are permitted only when the waterway for which the riverboat is licensed is navigable, as determined by the Board in consultation with the U.S. Army Corps of Engineers~~. This paragraph (11) does not limit the ability of a licensee to conduct gambling authorized under this Act when gambling excursion cruises are not permitted.

(12) All tokens, chips or electronic cards used to make wagers must be purchased from a licensed owner either aboard a riverboat or at an onshore facility which has been approved by the Board and which is located where the riverboat docks. The tokens, chips or electronic cards may be purchased by means of an agreement under which the owner extends credit to the patron. Such tokens, chips or electronic cards may be used while aboard the riverboat only for the purpose of making wagers on gambling games.

(13) Notwithstanding any other Section of this Act, in addition to the other licenses authorized under this Act, the Board may issue special event licenses allowing persons who are not otherwise licensed to conduct riverboat gambling to conduct such gambling on a specified date or series of dates. Riverboat gambling under such a license may take place on a riverboat not normally used for riverboat gambling. The Board shall establish standards, fees and fines for, and limitations upon, such licenses, which may differ from the standards, fees, fines and limitations otherwise applicable under this Act. All such fees shall be deposited into the State Gaming Fund. All such fines shall be deposited into the Education Assistance Fund, created by Public Act 86-0018, of the State of Illinois.

(13.1) The Board shall establish all requirements for the times and conditions under which a licensed owner may conduct gaming. The Board shall limit the length of time for gambling excursions and the conditions under which gambling may be conducted while passenger ingress and egress is in progress.

(13.2) The Board shall ensure that each riverboat licensed under this Act operates as is reasonable and practicable given concerns for riverboat and passenger safety. As necessary, the Board shall consult with the U.S. Coast Guard and the U.S. Army Corps of Engineers.

(14) In addition to the above, gambling must be conducted in accordance with all rules adopted by the Board.

(Source: P.A. 91-40, eff. 6-25-99.)

(230 ILCS 10/12) (from Ch. 120, par. 2412)

Sec. 12. Admission tax; fees. (a) A tax is hereby imposed upon admissions authorized pursuant to this Act. Until July 1, 2002, the rate is $2 per person admitted. Beginning July 1, 2002, the rate is $3 per person admitted. This admission tax is imposed upon the licensed owner of the riverboat ~~conducting~~ gambling operation.

(1) The admission tax shall be paid for each admission.

(2) (Blank).

(3) The riverboat licensee may issue tax-free passes to actual and necessary officials and employees of the licensee or other persons actually working on the riverboat.

(4) The number and issuance of tax-free passes is subject to the rules of the Board, and a list of all persons to whom the tax-free passes are issued shall be filed with the Board.

(b) From the tax imposed under subsection (a), a municipality shall receive from the State $1 for each person embarking on a riverboat docked within the municipality, and a county shall receive $1 for each person embarking on a riverboat docked within the county but outside the boundaries of any municipality. The municipality's or county's share shall be collected by the Board on behalf of the State and remitted quarterly by the State, subject to appropriation, to the treasurer of the unit of local government for deposit in the general fund.

(c) The licensed owner shall pay the entire admission tax to the Board. Such payments shall be made daily. Accompanying each payment shall be a return on forms provided by the Board which shall include other information regarding admissions as the Board may require. Failure to submit either the payment or the return within the specified time may result in suspension or revocation of the owners license.

(d) The Board shall administer and collect the admission tax imposed by this Section, to the extent practicable, in a manner consistent with the provisions of Sections 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9 and 10 of the Retailers' Occupation Tax Act and Section 3-7 of the Uniform Penalty and Interest Act. (Source: P.A. 91-40, eff. 6-25-99; 92-595, eff. 6-28-02.)

(230 ILCS 10/13) (from Ch. 120, par. 2413)

Sec. 13. Wagering tax; rate; distribution. (a) Until January 1, 1998, a tax is imposed on the adjusted gross receipts received from gambling games authorized under this Act at the rate of 20%.

From January 1, 1998 until July 1, 2002, a privilege tax is imposed on persons engaged in the business of conducting riverboat gambling operations, based on the adjusted gross receipts received by a licensed owner from gambling games authorized under this Act at the following rates:

15% of annual adjusted gross receipts up to and including $25,000,000;

20% of annual adjusted gross receipts in excess of $25,000,000 but not exceeding $50,000,000;

25% of annual adjusted gross receipts in excess of $50,000,000 but not exceeding $75,000,000;

30% of annual adjusted gross receipts in excess of $75,000,000 but not exceeding $100,000,000;

35% of annual adjusted gross receipts in excess of $100,000,000.

Beginning July 1, 2002, a privilege tax is imposed on persons engaged in the business of conducting riverboat gambling operations, based on the adjusted gross receipts received by a licensed owner from gambling games authorized under this Act at the following rates:

15% of annual adjusted gross receipts up to and including $25,000,000;

22.5% of annual adjusted gross receipts in excess of $25,000,000 but not exceeding $50,000,000;

27.5% of annual adjusted gross receipts in excess of $50,000,000 but not exceeding $75,000,000;

32.5% of annual adjusted gross receipts in excess of $75,000,000 but not exceeding $100,000,000;

37.5% of annual adjusted gross receipts in excess of $100,000,000 but not exceeding $150,000,000;

45% of annual adjusted gross receipts in excess of $150,000,000 but not exceeding $200,000,000;

50% of annual adjusted gross receipts in excess of $200,000,000.

For the purpose of calculating the privilege tax under this subsection (a), the annual adjusted gross receipts of an owners licensee for any year shall be reduced by an amount equal to the amount of any payment made by the owners licensee in that year to (i) an Illinois not-for-profit organization, pursuant to an agreement, funded solely by a licensed owner for the primary benefit of educational, economic development, or environmental programs within this State or (ii) a county government, pursuant to an agreement between a licensed owner and a county government. In no event shall a reduction in the wagering tax imposed under this Section reduce the taxes owed by a licensee under this Section to less than zero.

The taxes imposed by this Section shall be paid by the licensed owner to the Board not later than 5:00 ~~3:00~~ o'clock p.m. of the day after the day when the wagers were made.

(b) Until January 1, 1998, 25% of the tax revenue deposited in the State Gaming Fund under this Section shall be paid, subject to appropriation by the General Assembly, to the unit of local government which is designated as the home dock of the riverboat. Beginning January 1, 1998, from the tax revenue deposited in the State Gaming Fund under this Section, an amount equal to 5% of adjusted gross receipts generated by a riverboat shall be paid monthly, subject to appropriation by the General Assembly, to the unit of local government that is designated as the home dock of the riverboat.

(c) Appropriations, as approved by the General Assembly, may be made from the State Gaming Fund to the Board ~~Department of Revenue and the Department of State Police~~ for the administration and enforcement of this Act.

(c-5) After the payments required under subsections (b) and (c) have been made, an amount equal to 15% of the adjusted gross receipts of a riverboat (1) that relocates pursuant to Section 11.2, or (2) for which an owners license is initially issued after the effective date of this amendatory Act of 1999, whichever comes first, shall be paid from the State Gaming Fund into the Horse Racing Equity Fund.

(c-10) Each year the General Assembly shall appropriate from the General Revenue Fund to the Education Assistance Fund an amount equal to the amount paid into the Horse Racing Equity Fund pursuant to subsection (c-5) in the prior calendar year.

(c-15) After the payments required under subsections (b), (c), and (c-5) have been made, an amount equal to 2% of the adjusted gross receipts of a riverboat (1) that relocates pursuant to Section 11.2, or (2) for which an owners license is initially issued after the effective date of this amendatory Act of 1999, whichever comes first, shall be paid, subject to appropriation from the General Assembly, from the State Gaming Fund to each home rule county with a population of over 3,000,000 inhabitants for the purpose of enhancing the county's criminal justice system.

(c-20) Each year the General Assembly shall appropriate from the General Revenue Fund to the Education Assistance Fund an amount equal to the amount paid to each home rule county with a population of over 3,000,000 inhabitants pursuant to subsection (c-15) in the prior calendar year.

(c-25) After the payments required under subsections (b), (c), (c-5) and (c-15) have been made, an amount equal to 2% of the adjusted gross receipts of a riverboat (1) that relocates pursuant to Section 11.2, or (2) for which an owners license is initially issued after the effective date of this amendatory Act of 1999, whichever comes first, shall be paid from the State Gaming Fund into the State Universities Athletic Capital Improvement Fund.

(d) From time to time, the Board shall transfer the remainder of the funds generated by this Act into the Education Assistance Fund, created by Public Act 86-0018, of the State of Illinois.

(e) Nothing in this Act shall prohibit the unit of local government designated as the home dock of the riverboat from entering into agreements with other units of local government in this State or in other states to share its portion of the tax revenue.

(f) To the extent practicable, the Board shall administer and collect the wagering taxes imposed by this Section in a manner consistent with the provisions of Sections 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9, and 10 of the Retailers' Occupation Tax Act and Section 3-7 of the Uniform Penalty and Interest Act. (Source: P.A. 91-40, eff. 6-25-99; 92-595, eff. 6-28-02.)

(230 ILCS 10/13.1)

Sec. 13.1. Compulsive gambling. (a) Each licensed owner shall post signs with a statement regarding obtaining assistance with gambling problems, the text of which shall be determined by rule by the Department of Human Services, at the following locations in each facility at which gambling is conducted by the licensed owner:

(i) Each entrance and exit.

(ii) Near each credit location.

The signs shall be provided by the Department of Human Services.

(b) Each licensed owner shall print a statement regarding obtaining assistance with gambling problems, the text of which shall be determined by rule by the Department of Human Services, on all paper stock that the licensed owner provides to the general public.

(c) The Board shall maintain a confidential Self-Exclusion List of persons who are prohibited from entering the area of a riverboat where gambling is conducted or making a wager at any riverboat gambling facility in Illinois. A person who applies to place his or her name on the Self-Exclusion List must designate a problem gambling charitable organization that has been approved by the Department of Human Services into which moneys shall be paid as provided in item (10.1) of Section 11. The confidentiality of the list shall be maintained in accordance with the Mental Health and Developmental Disabilities Act.

(d) Each licensed owner shall cooperate fully with implementing and enforcing the Self-Exclusion

Program. A riverboat gambling operation involved in the enforcement of any provision of the Self-Exclusion Program, including but not limited to, the confiscation of winnings, chip, tokens, and other wagering instruments or the ejection of a person placed on Self-Exclusion List from the riverboat gambling operation, shall not be liable for reasonable and ordinary conduct attendant thereto. Nothing in this Act shall limit the liability of a riverboat gambling operation for willful or wanton conduct or acts or failures to act that are not specifically authorized by the Board in the administration or enforcement of the Self-Exclusion Program. (Source: P.A. 89-374, eff. 1-1-96; 89-507, eff. 7-1-97.)

(230 ILCS 10/18) (from Ch. 120, par. 2418)

Sec. 18. Prohibited Activities - Penalty. (a) A person is guilty of a Class A misdemeanor for doing any of the following:

(1) Conducting gambling where wagering is used or to be used without a license issued by the Board.

(2) Conducting gambling where wagering is permitted other than in the manner specified by Section 11.

(b) A person is guilty of a Class B misdemeanor for doing any of the following:

(1) permitting a person under 21 years to make a wager; or

(2) violating paragraph (12) of subsection (a) of Section 11 of this Act.

(c) A person wagering or accepting a wager at any location outside the riverboat is subject to the penalties in paragraphs (1) or (2) of subsection (a) of Section 28-1 of the Criminal Code of 1961.

(d) A person commits a Class 4 felony and, in addition, shall be barred for life from riverboats under the jurisdiction of the Board, if the person does any of the following:

(1) Offers, promises, or gives anything of value or benefit to a person who is connected with a riverboat owner including, but not limited to, an officer or employee of a licensed owner or holder of an occupational license pursuant to an agreement or arrangement or with the intent that the promise or thing of value or benefit will influence the actions of the person to whom the offer, promise, or gift was made in order to affect or attempt to affect the outcome of a gambling game, or to influence official action of a member of the Board.

(2) Solicits or knowingly accepts or receives a promise of anything of value or benefit while the person is connected with a riverboat including, but not limited to, an officer or employee of a licensed owner, or holder of an occupational license, pursuant to an understanding or arrangement or with the intent that the promise or thing of value or benefit will influence the actions of the person to affect or attempt to affect the outcome of a gambling game, or to influence official action of a member of the Board.

(3) Uses or possesses with the intent to use a device to assist:

(i) In projecting the outcome of the game.

(ii) In keeping track of the cards played.

(iii) In analyzing the probability of the occurrence of an event relating to the gambling game.

(iv) In analyzing the strategy for playing or betting to be used in the game except as permitted by the Board.

(4) Cheats at a gambling game.

(5) Manufactures, sells, or distributes any cards, chips, dice, game or device which is intended to be used to violate any provision of this Act.

(6) Alters or misrepresents the outcome of a gambling game on which wagers have been made after the outcome is made sure but before it is revealed to the players.

(7) Places a bet after acquiring knowledge, not available to all players, of the outcome of the gambling game which is subject of the bet or to aid a person in acquiring the knowledge for the purpose of placing a bet contingent on that outcome.

(8) Claims, collects, or takes, or attempts to claim, collect, or take, money or anything of value in or from the gambling games, with intent to defraud, without having made a wager contingent on winning a gambling game, or claims, collects, or takes an amount of money or thing of value of greater value than the amount won.

(9) Uses counterfeit chips or tokens in a gambling game.

(10) Possesses any key or device designed for the purpose of opening, entering, or affecting the operation of a gambling game, drop box, or an electronic or mechanical device connected with the gambling game or for removing coins, tokens, chips or other contents of a gambling game. This paragraph (10) does not apply to a gambling licensee or employee of a gambling licensee acting in furtherance of the employee's employment.

(11) Agrees to share, receive, or transfer a direct or indirect financial or ownership interest in an owners license in violation of the disclosure and approval requirements of this Act and the rules of the Board.

(e) The possession of more than one of the devices described in subsection (d), paragraphs (3), (5) or (10) permits a rebuttable presumption that the possessor intended to use the devices for cheating.

(f) A person under the age of 21 years who enters upon a riverboat commits a petty offense. The fine to the individual for the first offense shall be not less than $100 nor more than $250. The fine for a second or subsequent offense shall be not less than $200 nor more than $500.

(g) A participant in the Self-Exclusion Program who, at any time during his or her placement on the Self-Exclusion List, enters or attempts to enter the area of a riverboat where gambling is conducted or places wagers at a riverboat shall be subject to arrest and prosecution for trespass and shall forfeit all chips, tokens, and other wagering instruments in his or her possession and all winnings, regardless of whether they have been paid by the gambling operation.

An action to prosecute any crime occurring on a riverboat shall be tried in the county of the dock at which the riverboat is based. (Source: P.A. 91-40, eff. 6-25-99.)

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

There being no further amendments, the foregoing Amendment No. 1 was ordered engrossed; and the bill, as amended, was held on the order of Second Reading.

HOUSE BILL 146. Having been printed, was taken up and read by title a second time.

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

AMENDMENT NO. __1__. Amend House Bill 146 by replacing everything after the enacting clause with the following:

"Section 1. Short title. This Act may be cited as the Intercity Development Act.

Section 5. Findings and purpose.

(a) The General Assembly finds that:

(1) There is a great need for economic revitalization in many communities throughout this State.

(2) Each community has valuable resources at its fingertips that can be tapped in the revitalization process.

(3) With adequate support and assistance from the State and other resources, each community can participate in and shepherd its own economic renewal.

(4) Successful redevelopment plans are based on policy that is responsive to the existing composition and character of the economically distressed community and that allows and compels the community to participate in the redevelopment planning process.

(5) A successful redevelopment initiative creates and maintains a capable and adaptable workforce, has access to capital, has a sound fiscal base, has adequate infrastructure, has well-managed natural resources, and has an attractive quality of life.

(b) It is the purpose of this legislation to provide a mechanism for an economically distressed community to use in its efforts to revitalize the community.

Section 10. Definitions. As used in this Section:

"Community" means a municipality, a county with respect to the unincorporated areas of a county, and any combination of municipalities and counties acting jointly.

"Department" means the Department of Commerce and Community Affairs.

"Economically distressed community" means any community that is certified by the Department as being in the highest 3% of all communities in the State in its rate of unemployment, its poverty rate, and the rate of bankruptcy petitions filed.

Section 15. Certification; Board of Economic Advisors.

(a) In order to receive the assistance as provided in this Act, a community shall first, by ordinance passed by its corporate authorities, request that the Department certify that it is an economically distressed community. The community must submit a certified copy of the ordinance to the Department. After review of the ordinance, if the Department determines that the community meets the requirements for certification, the Department shall certify the community as an economically distressed community.

(b) A community that is certified by the Department as an economically distressed community may appoint a Board of Economic Advisors to create and implement a revitalization plan for the community. The Board shall consist of 12 members of the community, appointed by the mayor or the presiding officer of the county or jointly by the presiding officers of each municipality and county that have joined to form a community for the purposes of this Act. The Board members shall be appointed from the 12 sectors vital to community redevelopment as follows:

(1) A member representing households and families.

(2) A member representing religious organizations.

(3) A member representing educational institutions.

(4) A member representing daycare centers, care centers for the handicapped, and care centers for the disadvantaged.

(5) A member representing community based organizations such as neighborhood improvement associations.

(6) A member representing federal and State employment service systems, skill training centers, and placement referrals.

(7) A member representing Masonic organizations, fraternities, sororities, and social clubs.

(8) A member representing hospitals, nursing homes, senior citizens, public health agencies, and funeral homes.

(9) A member representing organized sports, parks, parties, and games of chance.

(10) A member representing political parties, clubs, and affiliations, and election related matters concerning voter education and participation.

(11) A member representing the cultural aspects of the community, including cultural events, lifestyles, languages, music, visual and performing arts, and literature.

(12) A member representing police and fire protection agencies, prisons, weapons systems, and the military industrial complex.

The Board shall meet initially within 30 days of its appointment, shall select one member as chairperson at its initial meeting, and shall thereafter meet at the call of the chairperson. Members of the Board shall serve without compensation but shall be reimbursed for their reasonable and necessary expenses from funds available for that purpose.

(b) The Board shall create a 3-year to 5-year revitalization plan for the community. The plan shall contain distinct, measurable objectives for revitalization. The objectives shall be used to guide ongoing implementation of the plan and to measure progress during the 3-year to 5-year period. The Board shall work in a dynamic manner defining goals for the community based on the strengths and weaknesses of the individual sectors of the community as presented by each member of the Board. The Board shall meet periodically and revise the plan in light of the input from each member of the Board concerning his or her respective sector of expertise. The process shall be a community driven revitalization process, with community-specific data determining the direction and scope of the revitalization.

Section 20. Action by the Board.

(a) Organize. The Board shall first assess the needs and the resources of the community operating from the basic premise that the family unit is the primary unit of community and that the demand for goods and services from this residential sector is the main source of recovery and growth for the redevelopment of a community. The Board shall inventory community assets, including the condition of the family with respect to the role of the family as workers, consumers, and investors. The Board shall inventory the type and viability of businesses and industries currently in the community. In compiling the inventory, the Board shall rely on the input of each Board member with respect to his or her expertise in a given sector of the revitalization plan.

(b) Revitalize. In implementing the revitalization plan, the Board shall focus on and build from existing resources in the community, growing existing businesses rather than luring business into the community from the outside. The Board shall also focus on the residents themselves rather than jobs. The Board shall promote investment in training residents in areas that will lead to employment and in turn will bring revenue into the community.

(c) Mobilize. The Board shall engage in the dynamic process of community self-revitalization through a continuous reassessment of the needs of the community in the revitalization process. As each goal of the 3-year to 5-year plan is achieved, the Board shall draw from the resources of its members to establish new goals and implement new strategies employing the lessons learned in the earlier stages of revitalization.

(d) Advise. The Board shall Act as the liaison between the community and the local, county, and State

Government. The Board shall make use of the resources of these governmental entities and shall provide counsel to each of these bodies with respect to economic development.

The Board shall also act as a liaison between private business entities located in the community and the community itself. The Board shall offer advice and assistance to these entities when requested and provide incentives and support, both economic and otherwise, to facilitate expansion and further investment in the community by the businesses.

The Board shall annually submit a report to the General Assembly and the Governor summarizing the accomplishments of the community concerning revitalization and the goals of the community for future revitalization.

Section 25. Funding sources.

(a) The moneys appropriated into the Intercity Development Fund, which is hereby created as a special fund in the State Treasury, shall be allocated as follows:

(1) 50% shall be paid to the Department to be used to make grants as follows:

(A) 25% shall be allocated for use within the City of Chicago;

(B) 25% shall be allocated for use within Cook County, but outside of the City of Chicago; and

(C) 50% shall be allocated to communities that are located outside of Cook County and are certified as economically distressed communities and that have created Boards of Economic Advisors under this Act for the operational expenses of the Boards.

The procedures for grant applications shall be established by the Department by rule.

(2) The remaining 50% of the moneys shall be allocated as follows:

(A) 25% shall be paid, subject to appropriation, to the general fund of the City of Chicago;

(B) 25% shall be paid, subject to appropriation, to the general fund of Cook County; and

(C) 50% shall be paid, subject to appropriation, to the general funds of communities that are located outside of Cook County and are certified as economically distressed communities and that have created Boards of Economic Advisors under this Act for the operational expenses of the Boards.

(b) The Board, as a vital part of its function, shall seek funding sources to enhance economic development. The Board shall seek funding from the local, State, and federal government as well as from private funding sources, whether in the form of grants, loans, or otherwise. The Department shall advise the Boards of Economic Advisors created under this Act of all available sources of funding for economic development that it is aware of and shall assist the Boards in securing this funding.

(c) To the extent that there is a gap in funding for economic development, the Board shall recommend possible solutions to be undertaken by the State in addressing this issue to fill the funding gap.

Section 70. The Department of Revenue Law of the Civil Administrative Code of Illinois is amended by changing Section 2505-305 as follows:

(20 ILCS 2505/2505-305) (was 20 ILCS 2505/39b15.1)

Sec. 2505-305. Investigators.

(a) The Department has the power to appoint investigators to conduct all investigations, searches, seizures, arrests, and other duties imposed under the provisions of any law administered by the Department or the Illinois Gaming Board. Except as provided in subsection (c), these investigators have and may exercise all the powers of peace officers solely for the purpose of enforcing taxing measures administered by the Department or the Illinois Gaming Board.

(b) The Director must authorize to each investigator employed under this Section and to any other employee of the Department exercising the powers of a peace officer a distinct badge that, on its face, (i) clearly states that the badge is authorized by the Department and (ii) contains a unique identifying number. No other badge shall be authorized by the Department.

(c) Investigators appointed under this Section who are assigned to the Illinois Gaming Board have and may exercise all the rights and powers of peace officers. ~~, provided that these powers shall be limited to offenses or violations occurring or committed on a riverboat or dock, as defined in subsections (d) and (f) of Section 4 of the Riverboat Gambling Act.~~

(Source: P.A. 91-239, eff. 1-1-00; 91-883, eff. 1-1-01; 92-493, eff. 1-1-02.)

Section 75. The Illinois Horse Racing Act of 1975 is amended by changing Sections 1.2, 3.11, 9, 20, 25, 26, 27, 28.1, 30, 31, 32.1, 36, and 42 and adding Sections 3.24, 3.25, 3.26, 3.27, 34.2, 56, and 57 as follows:

(230 ILCS 5/1.2)

Sec. 1.2. Legislative intent. This Act is intended to benefit the people of the State of Illinois by encouraging the breeding and production of race horses, assisting economic development, and promoting Illinois tourism. The General Assembly finds and declares it to be the public policy of the State of Illinois to:

(a) support and enhance Illinois' horse racing industry, which is a significant component within the agribusiness industry;

(b) ensure that Illinois' horse racing industry remains competitive with neighboring states;

(c) stimulate growth within Illinois' horse racing industry, thereby encouraging new investment and development to produce additional tax revenues and to create additional jobs;

(d) promote the further growth of tourism;

(e) encourage the breeding of thoroughbred and standardbred horses in this State; and

(f) ensure that public confidence and trust in the credibility and integrity of racing operations and the regulatory process is maintained.

(Source: P.A. 91-40, eff. 6-25-99.)

(230 ILCS 5/3.11) (from Ch. 8, par. 37-3.11)

Sec. 3.11. "Organization licensee" means any person, not-for-profit corporation, municipality, or legal authority with bonding power created to promote tourism, receiving an organization license from the Board to conduct a race meeting or meetings.

(Source: P.A. 79-1185.)

(230 ILCS 5/3.24 new)

Sec. 3.24. "Adjusted gross receipts" has the same meaning as in Section 4 of the Riverboat Gambling Act.

(230 ILCS 5/3.25 new)

Sec. 3.25. "Electronic gaming" has the same meaning as in Section 4 of the Riverboat Gambling Act.

(230 ILCS 5/3.26 new)

Sec. 3.26. "Electronic gaming license" has the same meaning as in Section 4 of the Riverboat Gambling Act.

(230 ILCS 5/3.27 new)

Sec. 3.27. "Electronic gaming facility" means that portion of an organization licensee's race track facility at which electronic gaming is conducted.

(230 ILCS 5/9) (from Ch. 8, par. 37-9)

Sec. 9. The Board shall have all powers necessary and proper to fully and effectively execute the provisions of this Act, including, but not limited to, the following:

(a) The Board is vested with jurisdiction and supervision over all race meetings in this State, over all licensees doing business in this State, over all occupation licensees, and over all persons on the facilities of any licensee. Such jurisdiction shall include the power to issue licenses to the Illinois Department of Agriculture authorizing the pari-mutuel system of wagering on harness and Quarter Horse races held (1) at the Illinois State Fair in Sangamon County, and (2) at the DuQuoin State Fair in Perry County. The jurisdiction of the Board shall also include the power to issue licenses to county fairs which are eligible to receive funds pursuant to the Agricultural Fair Act, as now or hereafter amended, or their agents, authorizing the pari-mutuel system of wagering on horse races conducted at the county fairs receiving such licenses. Such licenses shall be governed by subsection (n) of this Section.

Upon application, the Board shall issue a license to the Illinois Department of Agriculture to conduct harness and Quarter Horse races at the Illinois State Fair and at the DuQuoin State Fairgrounds during the scheduled dates of each fair. The Board shall not require and the Department of Agriculture shall be exempt from the requirements of Sections 15.3, 18 and 19, paragraphs (a)(2), (b), (c), (d), (e), (e-5), (e-10), (f), (g), and (h) of Section 20, and Sections 21, 24 and 25. The Board and the Department of Agriculture may extend any or all of these exemptions to any contractor or agent engaged by the Department of Agriculture to conduct its race meetings when the Board determines that this would best serve the public interest and the interest of horse racing.

Notwithstanding any provision of law to the contrary, it shall be lawful for any licensee to operate pari-mutuel wagering or contract with the Department of Agriculture to operate pari-mutuel wagering at the DuQuoin State Fairgrounds or for the Department to enter into contracts with a licensee, employ its owners, employees or agents and employ such other occupation licensees as the Department deems necessary in connection with race meetings and wagerings.

(b) The Board is vested with the full power to promulgate reasonable rules and regulations for the purpose of administering the provisions of this Act and to prescribe reasonable rules, regulations and

conditions under which all horse race meetings or wagering in the State shall be conducted. Such reasonable rules and regulations are to provide for the prevention of practices detrimental to the public interest and to promote the best interests of horse racing and to impose penalties for violations thereof.

(c) The Board, and any person or persons to whom it delegates this power, is vested with the power to enter the facilities and other places of business of any licensee to determine whether there has been compliance with the provisions of this Act and its rules and regulations.

(d) The Board, and any person or persons to whom it delegates this power, is vested with the authority to investigate alleged violations of the provisions of this Act, its reasonable rules and regulations, orders and final decisions; the Board shall take appropriate disciplinary action against any licensee or occupation licensee for violation thereof or institute appropriate legal action for the enforcement thereof.

(e) The Board, and any person or persons to whom it delegates this power, may eject or exclude from any race meeting or the facilities of any licensee, or any part thereof, any occupation licensee or any other individual whose conduct or reputation is such that his presence on those facilities may, in the opinion of the Board, call into question the honesty and integrity of horse racing or wagering or interfere with the orderly conduct of horse racing or wagering; provided, however, that no person shall be excluded or ejected from the facilities of any licensee solely on the grounds of race, color, creed, national origin, ancestry, or sex. The power to eject or exclude an occupation licensee or other individual may be exercised for just cause by the licensee or the Board, subject to subsequent hearing by the Board as to the propriety of said exclusion.

(f) The Board is vested with the power to acquire, establish, maintain and operate (or provide by contract to maintain and operate) testing laboratories and related facilities, for the purpose of conducting saliva, blood, urine and other tests on the horses run or to be run in any horse race meeting, including races run at county fairs, and to purchase all equipment and supplies deemed necessary or desirable in connection with any such testing laboratories and related facilities and all such tests.

(g) The Board may require that the records, including financial or other statements of any licensee or any person affiliated with the licensee who is involved directly or indirectly in the activities of any licensee as regulated under this Act to the extent that those financial or other statements relate to such activities be kept in such manner as prescribed by the Board, and that Board employees shall have access to those records during reasonable business hours. Within 120 days of the end of its fiscal year, each licensee shall transmit to the Board an audit of the financial transactions and condition of the licensee's total operations. All audits shall be conducted by certified public accountants. Each certified public accountant must be registered in the State of Illinois under the Illinois Public Accounting Act. The compensation for each certified public accountant shall be paid directly by the licensee to the certified public accountant. A licensee shall also submit any other financial or related information the Board deems necessary to effectively administer this Act and all rules, regulations, and final decisions promulgated under this Act.

(h) The Board shall name and appoint in the manner provided by the rules and regulations of the Board: an Executive Director; a State director of mutuels; State veterinarians and representatives to take saliva, blood, urine and other tests on horses; licensing personnel; revenue inspectors; and State seasonal employees (excluding admission ticket sellers and mutuel clerks). All of those named and appointed as provided in this subsection shall serve during the pleasure of the Board; their compensation shall be determined by the Board and be paid in the same manner as other employees of the Board under this Act.

(i) The Board shall require that there shall be 3 stewards at each horse race meeting, at least 2 of whom shall be named and appointed by the Board. Stewards appointed or approved by the Board, while performing duties required by this Act or by the Board, shall be entitled to the same rights and immunities as granted to Board members and Board employees in Section 10 of this Act.

(j) The Board may discharge any Board employee who fails or refuses for any reason to comply with the rules and regulations of the Board, or who, in the opinion of the Board, is guilty of fraud, dishonesty or who is proven to be incompetent. The Board shall have no right or power to determine who shall be officers, directors or employees of any licensee, or their salaries except the Board may, by rule, require that all or any officials or employees in charge of or whose duties relate to the actual running of races be approved by the Board.

(k) The Board is vested with the power to appoint delegates to execute any of the powers granted to it under this Section for the purpose of administering this Act and any rules or regulations promulgated in accordance with this Act.

(l) The Board is vested with the power to impose civil penalties of up to $5,000 against an individual and up to $10,000 against a licensee for each violation of any provision of this Act, any rules adopted by the Board, any order of the Board or any other action which, in the Board's discretion, is a detriment or

impediment to horse racing or wagering.

(m) The Board is vested with the power to prescribe a form to be used by licensees as an application for employment for employees of each licensee.

(n) The Board shall have the power to issue a license to any county fair, or its agent, authorizing the conduct of the pari-mutuel system of wagering. The Board is vested with the full power to promulgate reasonable rules, regulations and conditions under which all horse race meetings licensed pursuant to this subsection shall be held and conducted, including rules, regulations and conditions for the conduct of the pari-mutuel system of wagering. The rules, regulations and conditions shall provide for the prevention of practices detrimental to the public interest and for the best interests of horse racing, and shall prescribe penalties for violations thereof. Any authority granted the Board under this Act shall extend to its jurisdiction and supervision over county fairs, or their agents, licensed pursuant to this subsection. However, the Board may waive any provision of this Act or its rules or regulations which would otherwise apply to such county fairs or their agents.

(o) Whenever the Board is authorized or required by law to consider some aspect of criminal history record information for the purpose of carrying out its statutory powers and responsibilities, then, upon request and payment of fees in conformance with the requirements of Section 2605-400 of the Department of State Police Law (20 ILCS 2605/2605-400), the Department of State Police is authorized to furnish, pursuant to positive identification, such information contained in State files as is necessary to fulfill the request.

(p) To insure the convenience, comfort, and wagering accessibility of race track patrons, to provide for the maximization of State revenue, and to generate increases in purse allotments to the horsemen, the Board shall require any licensee to staff the pari-mutuel department with adequate personnel.

(Source: P.A. 91-239, eff. 1-1-00.)

(230 ILCS 5/20) (from Ch. 8, par. 37-20)

Sec. 20. (a) Any person desiring to conduct a horse race meeting may apply to the Board for an organization license. The application shall be made on a form prescribed and furnished by the Board. The application shall specify:

(1) the dates on which it intends to conduct the horse race meeting, which dates shall be provided under Section 21;

(2) the hours of each racing day between which it intends to hold or conduct horse racing at such meeting;

(3) the location where it proposes to conduct the meeting; and

(4) any other information the Board may reasonably require.

(b) A separate application for an organization license shall be filed for each horse race meeting which such person proposes to hold. Any such application, if made by an individual, or by any individual as trustee, shall be signed and verified under oath by such individual. If made by individuals or a partnership, it shall be signed and verified under oath by at least 2 of such individuals or members of such partnership as the case may be. If made by an association, corporation, corporate trustee or any other entity, it shall be signed by the president and attested by the secretary or assistant secretary under the seal of such association, trust or corporation if it has a seal, and shall also be verified under oath by one of the signing officers.

(c) The application shall specify the name of the persons, association, trust, or corporation making such application and the post office address of the applicant; if the applicant is a trustee, the names and addresses of the beneficiaries; if a corporation, the names and post office addresses of all officers, stockholders and directors; or if such stockholders hold stock as a nominee or fiduciary, the names and post office addresses of these persons, partnerships, corporations, or trusts who are the beneficial owners thereof or who are beneficially interested therein; and if a partnership, the names and post office addresses of all partners, general or limited; if the applicant is a corporation, the name of the state of its incorporation shall be specified.

(d) The applicant shall execute and file with the Board a good faith affirmative action plan to recruit, train, and upgrade minorities in all classifications within the association.

(e) With such application there shall be delivered to the Board a certified check or bank draft payable to the order of the Board for an amount equal to $1,000. All applications for the issuance of an organization license shall be filed with the Board before August 1 of the year prior to the year for which application is made and shall be acted upon by the Board at a meeting to be held on such date as shall be fixed by the Board during the last 15 days of September of such prior year. At such meeting, the Board shall announce the award of the racing meets, live racing schedule, and designation of host track to the applicants and its

approval or disapproval of each application. No announcement shall be considered binding until a formal order is executed by the Board, which shall be executed no later than October 15 of that prior year. Absent the agreement of the affected organization licensees, the Board shall not grant overlapping race meetings to 2 or more tracks that are within 100 miles of each other to conduct the thoroughbred racing.

(e-2) In awarding racing dates for calendar year 2004 and thereafter, the Board shall award the same total number of racing days as it awarded in calendar year 2003 plus an amount as provided in subsection (e-3). In awarding racing dates under this subsection (e-2), the Board shall have the discretion to allocate those racing dates among organization licensees.

(e-3) Upon request, the Board shall award at least 50 standardbred racing dates to the organization licensee that conducts racing at Fairmount Race Track. Any racing dates awarded under this subsection (e-3) to an organization licensee that conducts racing at Fairmount Race Track that are in excess of the number awarded to that organization licensee in 2003 shall be in addition to those racing dates awarded under subsection (e-2).

(e-5) In reviewing an application for the purpose of granting an organization license consistent with the best interests of the public and the sport of horse racing, the Board shall consider:

(1) the character, reputation, experience, and financial integrity of the applicant and of any other separate person that either:

(i) controls the applicant, directly or indirectly, or

(ii) is controlled, directly or indirectly, by that applicant or by a person who controls, directly or indirectly, that applicant;

(2) the applicant's facilities or proposed facilities for conducting horse racing;

(3) the total revenue without regard to Section 32.1 to be derived by the State and horsemen from the applicant's conducting a race meeting;

(4) the applicant's good faith affirmative action plan to recruit, train, and upgrade minorities in all employment classifications;

(5) the applicant's financial ability to purchase and maintain adequate liability and casualty insurance;

(6) the applicant's proposed and prior year's promotional and marketing activities and expenditures of the applicant associated with those activities;

(7) an agreement, if any, among organization licensees as provided in subsection (b) of Section 21 of this Act; and

(8) the extent to which the applicant exceeds or meets other standards for the issuance of an organization license that the Board shall adopt by rule.

In granting organization licenses and allocating dates for horse race meetings, the Board shall have discretion to determine an overall schedule, including required simulcasts of Illinois races by host tracks that will, in its judgment, be conducive to the best interests of the public and the sport of horse racing.

(e-10) The Illinois Administrative Procedure Act shall apply to administrative procedures of the Board under this Act for the granting of an organization license, except that (1) notwithstanding the provisions of subsection (b) of Section 10-40 of the Illinois Administrative Procedure Act regarding cross-examination, the Board may prescribe rules limiting the right of an applicant or participant in any proceeding to award an organization license to conduct cross-examination of witnesses at that proceeding where that cross-examination would unduly obstruct the timely award of an organization license under subsection (e) of Section 20 of this Act; (2) the provisions of Section 10-45 of the Illinois Administrative Procedure Act regarding proposals for decision are excluded under this Act; (3) notwithstanding the provisions of subsection (a) of Section 10-60 of the Illinois Administrative Procedure Act regarding ex parte communications, the Board may prescribe rules allowing ex parte communications with applicants or participants in a proceeding to award an organization license where conducting those communications would be in the best interest of racing, provided all those communications are made part of the record of that proceeding pursuant to subsection (c) of Section 10-60 of the Illinois Administrative Procedure Act; (4) the provisions of Section 14a of this Act and the rules of the Board promulgated under that Section shall apply instead of the provisions of Article 10 of the Illinois Administrative Procedure Act regarding administrative law judges; and (5) the provisions of subsection (d) of Section 10-65 of the Illinois Administrative Procedure Act that prevent summary suspension of a license pending revocation or other action shall not apply.

(f) The Board may allot racing dates to an organization licensee for more than one calendar year but for no more than 3 successive calendar years in advance, provided that the Board shall review such allotment for more than one calendar year prior to each year for which such allotment has been made. The granting of

an organization license to a person constitutes a privilege to conduct a horse race meeting under the provisions of this Act, and no person granted an organization license shall be deemed to have a vested interest, property right, or future expectation to receive an organization license in any subsequent year as a result of the granting of an organization license. Organization licenses shall be subject to revocation if the organization licensee has violated any provision of this Act or the rules and regulations promulgated under this Act or has been convicted of a crime or has failed to disclose or has stated falsely any information called for in the application for an organization license. Any organization license revocation proceeding shall be in accordance with Section 16 regarding suspension and revocation of occupation licenses.

(f-5) If, (i) an applicant does not file an acceptance of the racing dates awarded by the Board as required under part (1) of subsection (h) of this Section 20, or (ii) an organization licensee has its license suspended or revoked under this Act, the Board, upon conducting an emergency hearing as provided for in this Act, may reaward on an emergency basis pursuant to rules established by the Board, racing dates not accepted or the racing dates associated with any suspension or revocation period to one or more organization licensees, new applicants, or any combination thereof, upon terms and conditions that the Board determines are in the best interest of racing, provided, the organization licensees or new applicants receiving the awarded racing dates file an acceptance of those reawarded racing dates as required under paragraph (1) of subsection (h) of this Section 20 and comply with the other provisions of this Act. The Illinois Administrative Procedures Act shall not apply to the administrative procedures of the Board in conducting the emergency hearing and the reallocation of racing dates on an emergency basis.

(g) (Blank).

(h) The Board shall send the applicant a copy of its formally executed order by certified mail addressed to the applicant at the address stated in his application, which notice shall be mailed within 5 days of the date the formal order is executed.

Each applicant notified shall, within 10 days after receipt of the final executed order of the Board awarding racing dates:

(1) file with the Board an acceptance of such award in the form prescribed by the Board;

(2) pay to the Board an additional amount equal to $110 for each racing date awarded;

and

(3) file with the Board the bonds required in Sections 21 and 25 at least 20 days prior to the first day of each race meeting.

Upon compliance with the provisions of paragraphs (1), (2), and (3) of this subsection (h), the applicant shall be issued an organization license.

If any applicant fails to comply with this Section or fails to pay the organization license fees herein provided, no organization license shall be issued to such applicant.

(Source: P.A. 91-40, eff. 6-25-99.)

(230 ILCS 5/25) (from Ch. 8, par. 37-25)

Sec. 25. Admissions tax; records and books; bond; penalty.

(a) There shall be paid to the Board at such time or times as it shall prescribe, the sum of fifteen cents (15& #xA2;) for each person entering the grounds or enclosure of each organization licensee and inter-track wagering licensee upon a ticket of admission except as provided in subsection (g) of Section 27 of this Act. If tickets are issued for more than one day then the sum of fifteen cents (15& #xA2;) shall be paid for each person using such ticket on each day that the same shall be used. Provided, however, that no charge shall be made on tickets of admission issued to and in the name of directors, officers, agents or employees of the organization licensee, or inter-track wagering licensee, or to owners, trainers, jockeys, drivers and their employees or to any person or persons entering the grounds or enclosure for the transaction of business in connection with such race meeting. The organization licensee or inter-track wagering licensee may, if it desires, collect such amount from each ticket holder in addition to the amount or amounts charged for such ticket of admission.

(b) Accurate records and books shall at all times be kept and maintained by the organization licensees and inter-track wagering licensees showing the admission tickets issued and used on each racing day and the attendance thereat of each horse racing meeting. The Board or its duly authorized representative or representatives shall at all reasonable times have access to the admission records of any organization licensee and inter-track wagering licensee for the purpose of examining and checking the same and ascertaining whether or not the proper amount has been or is being paid the State of Illinois as herein provided. The Board shall also require, before issuing any license, that the licensee shall execute and deliver to it a bond, payable to the State of Illinois, in such sum as it shall determine, not, however, in excess of fifty thousand dollars ($50,000), with a surety or sureties to be approved by it, conditioned for the

payment of all sums due and payable or collected by it under this Section upon admission fees received for any particular racing meetings. The Board may also from time to time require sworn statements of the number or numbers of such admissions and may prescribe blanks upon which such reports shall be made. Any organization licensee or inter-track wagering licensee failing or refusing to pay the amount found to be due as herein provided, shall be deemed guilty of a business offense and upon conviction shall be punished by a fine of not more than five thousand dollars ($5,000) in addition to the amount due from such organization licensee or inter-track wagering licensee as herein provided. All fines paid into court by an organization licensee or inter-track wagering licensee found guilty of violating this Section shall be transmitted and paid over by the clerk of the court to the Board.

(c) In addition to the admission tax imposed under subsection (a), a tax of $1 is hereby imposed for each person who enters the grounds or enclosure of each organization licensee. The tax is imposed upon the organization licensee.

(1) The admission tax shall be paid for each admission.

(2) An organization licensee may issue tax-free passes to actual and necessary officials and employees of the licensee and other persons associated with race meeting operations.

(3) The number and issuance of tax-free passes is subject to the rules of the Board, and a list of all persons to whom the tax-free passes are issued shall be filed with the Board.

(4) The organization licensee shall pay the entire admission tax to the Board. Such payments shall be made daily. Accompanying each payment shall be a return on forms provided by the Board which shall include other information regarding admission as the Board may require. Failure to submit either the payment or the return within the specified time may result in suspension or revocation of the organization licensee's license.

(5) The Board shall administer and collect the admission tax imposed by this subsection, to the extent practicable, in a manner consistent with the provisions of Sections 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 6, 6a, 6b, 6c, 8, 9, and 10 of the Retailers' Occupation Tax Act and Section 3-7 of the Uniform Penalty and Interest Act. All moneys collected by the Board shall be deposited into the State Gaming Fund.

(Source: P.A. 88-495; 89-16, eff. 5-30-95.)

(230 ILCS 5/26) (from Ch. 8, par. 37-26)

Sec. 26. Wagering.

(a) Any licensee may conduct and supervise the pari-mutuel system of wagering, as defined in Section 3.12 of this Act, on horse races conducted by an Illinois organization licensee or conducted at a racetrack located in another state or country and televised in Illinois in accordance with subsection (g) of Section 26 of this Act. Subject to the prior consent of the Board, licensees may supplement any pari-mutuel pool in order to guarantee a minimum distribution. Such pari-mutuel method of wagering shall not, under any circumstances if conducted under the provisions of this Act, be held or construed to be unlawful, other statutes of this State to the contrary notwithstanding. Subject to rules for advance wagering promulgated by the Board, any licensee may accept wagers in advance of the day of the race wagered upon occurs.

(b) Except as otherwise provided in Section 56, no other method of betting, pool making, wagering or gambling shall be used or permitted by the licensee. Each licensee may retain, subject to the payment of all applicable taxes and purses, an amount not to exceed 17% of all money wagered under subsection (a) of this Section, except as may otherwise be permitted under this Act.

(b-5) An individual may place a wager under the pari-mutuel system from any licensed location authorized under this Act provided that wager is electronically recorded in the manner described in Section 3.12 of this Act. Any wager made electronically by an individual while physically on the premises of a licensee shall be deemed to have been made at the premises of that licensee.

(c) Until January 1, 2000, the sum held by any licensee for payment of outstanding pari-mutuel tickets, if unclaimed prior to December 31 of the next year, shall be retained by the licensee for payment of such tickets until that date. Within 10 days thereafter, the balance of such sum remaining unclaimed, less any uncashed supplements contributed by such licensee for the purpose of guaranteeing minimum distributions of any pari-mutuel pool, shall be paid to the Illinois Veterans' Rehabilitation Fund of the State treasury, except as provided in subsection (g) of Section 27 of this Act.

(c-5) Beginning January 1, 2000, the sum held by any licensee for payment of outstanding pari-mutuel tickets, if unclaimed prior to December 31 of the next year, shall be retained by the licensee for payment of such tickets until that date. Within 10 days thereafter, the balance of such sum remaining unclaimed, less any uncashed supplements contributed by such licensee for the purpose of guaranteeing minimum distributions of any pari-mutuel pool, shall be evenly distributed to the purse account of the organization licensee and the organization licensee.

(d) A pari-mutuel ticket shall be honored until December 31 of the next calendar year, and the licensee shall pay the same and may charge the amount thereof against unpaid money similarly accumulated on account of pari-mutuel tickets not presented for payment.

(e) No licensee shall knowingly permit any minor, other than an employee of such licensee or an owner, trainer, jockey, driver, or employee thereof, to be admitted during a racing program unless accompanied by a parent or guardian, or any minor to be a patron of the pari-mutuel system of wagering conducted or supervised by it. The admission of any unaccompanied minor, other than an employee of the licensee or an owner, trainer, jockey, driver, or employee thereof at a race track is a Class C misdemeanor.

(f) Notwithstanding the other provisions of this Act, an organization licensee may contract with an entity in another state or country to permit any legal wagering entity in another state or country to accept wagers solely within such other state or country on races conducted by the organization licensee in this State. Beginning January 1, 2000, these wagers shall not be subject to State taxation. Until January 1, 2000, when the out-of-State entity conducts a pari-mutuel pool separate from the organization licensee, a privilege tax equal to 7 1/2% of all monies received by the organization licensee from entities in other states or countries pursuant to such contracts is imposed on the organization licensee, and such privilege tax shall be remitted to the Department of Revenue within 48 hours of receipt of the moneys from the simulcast. When the out-of-State entity conducts a combined pari-mutuel pool with the organization licensee, the tax shall be 10% of all monies received by the organization licensee with 25% of the receipts from this 10% tax to be distributed to the county in which the race was conducted.

An organization licensee may permit one or more of its races to be utilized for pari-mutuel wagering at one or more locations in other states and may transmit audio and visual signals of races the organization licensee conducts to one or more locations outside the State or country and may also permit pari-mutuel pools in other states or countries to be combined with its gross or net wagering pools or with wagering pools established by other states.

(g) A host track may accept interstate simulcast wagers on horse races conducted in other states or countries and shall control the number of signals and types of breeds of racing in its simulcast program, subject to the disapproval of the Board. The Board may prohibit a simulcast program only if it finds that the simulcast program is clearly adverse to the integrity of racing. The host track simulcast program shall include the signal of live racing of all organization licensees. All non-host licensees shall carry the host track simulcast program and accept wagers on all races included as part of the simulcast program upon which wagering is permitted. The costs and expenses of the host track and non-host licensees associated with interstate simulcast wagering, other than the interstate commission fee, shall be borne by the host track and all non-host licensees incurring these costs. The interstate commission fee shall not exceed 5% of Illinois handle on the interstate simulcast race or races without prior approval of the Board. The Board shall promulgate rules under which it may permit interstate commission fees in excess of 5%. The interstate commission fee and other fees charged by the sending racetrack, including, but not limited to, satellite decoder fees, shall be uniformly applied to the host track and all non-host licensees.

(1) Between the hours of 6:30 a.m. and 6:30 p.m. an intertrack wagering licensee other than the host track may supplement the host track simulcast program with additional simulcast races or race programs, provided that between January 1 and the third Friday in February of any year, inclusive, if no live thoroughbred racing is occurring in Illinois during this period, only thoroughbred races may be used for supplemental interstate simulcast purposes. The Board shall withhold approval for a supplemental interstate simulcast only if it finds that the simulcast is clearly adverse to the integrity of racing. A supplemental interstate simulcast may be transmitted from an intertrack wagering licensee to its affiliated non-host licensees. The interstate commission fee for a supplemental interstate simulcast shall be paid by the non-host licensee and its affiliated non-host licensees receiving the simulcast.

(2) Between the hours of 6:30 p.m. and 6:30 a.m. an intertrack wagering licensee other than the host track may receive supplemental interstate simulcasts only with the consent of the host track, except when the Board finds that the simulcast is clearly adverse to the integrity of racing. Consent granted under this paragraph (2) to any intertrack wagering licensee shall be deemed consent to all non-host licensees. The interstate commission fee for the supplemental interstate simulcast shall be paid by all participating non-host licensees.

(3) Each licensee conducting interstate simulcast wagering may retain, subject to the payment of all applicable taxes and the purses, an amount not to exceed 17% of all money wagered. If any licensee conducts the pari-mutuel system wagering on races conducted at racetracks in another state or country, each such race or race program shall be considered a separate racing day for the purpose of determining the daily handle and computing the privilege tax of that daily handle as provided in

subsection (a) of Section 27. Until January 1, 2000, from the sums permitted to be retained pursuant to this subsection, each intertrack wagering location licensee shall pay 1% of the pari-mutuel handle wagered on simulcast wagering to the Horse Racing Tax Allocation Fund, subject to the provisions of subparagraph (B) of paragraph (11) of subsection (h) of Section 26 of this Act.

(4) A licensee who receives an interstate simulcast may combine its gross or net pools with pools at the sending racetracks pursuant to rules established by the Board. All licensees combining their gross pools at a sending racetrack shall adopt the take-out percentages of the sending racetrack. A licensee may also establish a separate pool and takeout structure for wagering purposes on races conducted at race tracks outside of the State of Illinois. The licensee may permit pari-mutuel wagers placed in other states or countries to be combined with its gross or net wagering pools or other wagering pools.

(5) After the payment of the interstate commission fee (except for the interstate commission fee on a supplemental interstate simulcast, which shall be paid by the host track and by each non-host licensee through the host-track) and all applicable State and local taxes, except as provided in subsection (g) of Section 27 of this Act, the remainder of moneys retained from simulcast wagering pursuant to this subsection (g), and Section 26.2 shall be divided as follows:

(A) For interstate simulcast wagers made at a host track, 50% to the host track and 50% to purses at the host track.

(B) For wagers placed on interstate simulcast races, supplemental simulcasts as defined in subparagraphs (1) and (2), and separately pooled races conducted outside of the State of Illinois made at a non-host licensee, 25% to the host track, 25% to the non-host licensee, and 50% to the purses at the host track.

(6) Notwithstanding any provision in this Act to the contrary, non-host licensees who derive their licenses from a track located in a county with a population in excess of 230,000 and that borders the Mississippi River may receive supplemental interstate simulcast races at all times subject to Board approval, which shall be withheld only upon a finding that a supplemental interstate simulcast is clearly adverse to the integrity of racing.

(7) Notwithstanding any provision of this Act to the contrary, after payment of all applicable State and local taxes and interstate commission fees, non-host licensees who derive their licenses from a track located in a county with a population in excess of 230,000 and that borders the Mississippi River shall retain 50% of the retention from interstate simulcast wagers and shall pay 50% to purses at the track from which the non-host licensee derives its license as follows:

(A) Between January 1 and the third Friday in February, inclusive, if no live thoroughbred racing is occurring in Illinois during this period, when the interstate simulcast is a standardbred race, the purse share to its standardbred purse account;

(B) Between January 1 and the third Friday in February, inclusive, if no live thoroughbred racing is occurring in Illinois during this period, and the interstate simulcast is a thoroughbred race, the purse share to its interstate simulcast purse pool to be distributed under paragraph (10) of this subsection (g);

(C) Between January 1 and the third Friday in February, inclusive, if live thoroughbred racing is occurring in Illinois, between 6:30 a.m. and 6:30 p.m. the purse share from wagers made during this time period to its thoroughbred purse account and between 6:30 p.m. and 6:30 a.m. the purse share from wagers made during this time period to its standardbred purse accounts;

(D) Between the third Saturday in February and December 31, when the interstate simulcast occurs between the hours of 6:30 a.m. and 6:30 p.m., the purse share to its thoroughbred purse account;

(E) Between the third Saturday in February and December 31, when the interstate simulcast occurs between the hours of 6:30 p.m. and 6:30 a.m., the purse share to its standardbred purse account.

(7.1) Notwithstanding any other provision of this Act to the contrary, if no standardbred racing is conducted at a racetrack located in Madison County during any calendar year beginning on or after January 1, 2002, all moneys derived by that racetrack from simulcast wagering and inter-track wagering that (1) are to be used for purses and (2) are generated between the hours of 6:30 p.m. and 6:30 a.m. during that calendar year shall be paid as follows:

(A) If the licensee that conducts horse racing at that racetrack requests from the Board at least as many racing dates as were conducted in calendar year 2000, 80% shall be paid to its thoroughbred purse account; and

(B) Twenty percent shall be deposited into the Illinois Colt Stakes Purse Distribution Fund and shall be paid to purses for standardbred races for Illinois conceived and foaled horses conducted at any county fairgrounds. The moneys deposited into the Fund pursuant to this subparagraph (B) shall be deposited within 2 weeks after the day they were generated, shall be in addition to and not in lieu of any other moneys paid to standardbred purses under this Act, and shall not be commingled with other moneys paid into that Fund. The moneys deposited pursuant to this subparagraph (B) shall be allocated as provided by the Department of Agriculture, with the advice and assistance of the Illinois Standardbred Breeders Fund Advisory Board.

(7.2) Notwithstanding any other provision of this Act to the contrary, if no thoroughbred racing is conducted at a racetrack located in Madison County during any calendar year beginning on or after January 1, 2002, all moneys derived by that racetrack from simulcast wagering and inter-track wagering that (1) are to be used for purses and (2) are generated between the hours of 6:30 a.m. and 6:30 p.m. during that calendar year shall be deposited as follows:

(A) If the licensee that conducts horse racing at that racetrack requests from the Board at least as many racing dates as were conducted in calendar year 2000, 80% shall be deposited into its standardbred purse account; and

(B) Twenty percent shall be deposited into the Illinois Colt Stakes Purse Distribution Fund. Moneys deposited into the Illinois Colt Stakes Purse Distribution Fund pursuant to this subparagraph (B) shall be paid to Illinois conceived and foaled thoroughbred breeders' programs and to thoroughbred purses for races conducted at any county fairgrounds for Illinois conceived and foaled horses at the discretion of the Department of Agriculture, with the advice and assistance of the Illinois Thoroughbred Breeders Fund Advisory Board. The moneys deposited into the Illinois Colt Stakes Purse Distribution Fund pursuant to this subparagraph (B) shall be deposited within 2 weeks after the day they were generated, shall be in addition to and not in lieu of any other moneys paid to thoroughbred purses under this Act, and shall not be commingled with other moneys deposited into that Fund.

(7.3) If no live standardbred racing is conducted at a racetrack located in Madison County in calendar year 2000 or 2001, an organization licensee who is licensed to conduct horse racing at that racetrack shall, before January 1, 2002, pay all moneys derived from simulcast wagering and inter-track wagering in calendar years 2000 and 2001 and paid into the licensee's standardbred purse account as follows:

(A) Eighty percent to that licensee's thoroughbred purse account to be used for thoroughbred purses; and

(B) Twenty percent to the Illinois Colt Stakes Purse Distribution Fund.

Failure to make the payment to the Illinois Colt Stakes Purse Distribution Fund before January 1, 2002 shall result in the immediate revocation of the licensee's organization license, inter-track wagering license, and inter-track wagering location license.

Moneys paid into the Illinois Colt Stakes Purse Distribution Fund pursuant to this paragraph (7.3) shall be paid to purses for standardbred races for Illinois conceived and foaled horses conducted at any county fairgrounds. Moneys paid into the Illinois Colt Stakes Purse Distribution Fund pursuant to this paragraph (7.3) shall be used as determined by the Department of Agriculture, with the advice and assistance of the Illinois Standardbred Breeders Fund Advisory Board, shall be in addition to and not in lieu of any other moneys paid to standardbred purses under this Act, and shall not be commingled with any other moneys paid into that Fund.

(7.4) If live standardbred racing is conducted at a racetrack located in Madison County at any time in calendar year 2001 before the payment required under paragraph (7.3) has been made, the organization licensee who is licensed to conduct racing at that racetrack shall pay all moneys derived by that racetrack from simulcast wagering and inter-track wagering during calendar years 2000 and 2001 that (1) are to be used for purses and (2) are generated between the hours of 6:30 p.m. and 6:30 a.m. during 2000 or 2001 to the standardbred purse account at that racetrack to be used for standardbred purses.

(8) Notwithstanding any provision in this Act to the contrary, an organization licensee from a track located in a county with a population in excess of 230,000 and that borders the Mississippi River and its affiliated non-host licensees shall not be entitled to share in any retention generated on racing, inter-track wagering, or simulcast wagering at any other Illinois wagering facility.

(8.1) Notwithstanding any provisions in this Act to the contrary, if 2 organization licensees are conducting standardbred race meetings concurrently between the hours of 6:30 p.m. and

6:30 a.m., after payment of all applicable State and local taxes and interstate commission fees, the remainder of the amount retained from simulcast wagering otherwise attributable to the host track and to host track purses shall be split daily between the 2 organization licensees and the purses at the tracks of the 2 organization licensees, respectively, based on each organization licensee's share of the total live handle for that day, provided that this provision shall not apply to any non-host licensee that derives its license from a track located in a county with a population in excess of 230,000 and that borders the Mississippi River.

(9) (Blank).

(10) (Blank).

(11) (Blank).

(12) The Board shall have authority to compel all host tracks to receive the simulcast of any or all races conducted at the Springfield or DuQuoin State fairgrounds and include all such races as part of their simulcast programs.

(13) Notwithstanding any other provision of this Act, in the event that the total Illinois pari-mutuel handle on Illinois horse races at all wagering facilities in any calendar year is less than 75% of the total Illinois pari-mutuel handle on Illinois horse races at all such wagering facilities for calendar year 1994, then each wagering facility that has an annual total Illinois pari-mutuel handle on Illinois horse races that is less than 75% of the total Illinois pari-mutuel handle on Illinois horse races at such wagering facility for calendar year 1994, shall be permitted to receive, from any amount otherwise payable to the purse account at the race track with which the wagering facility is affiliated in the succeeding calendar year, an amount equal to 2% of the differential in total Illinois pari-mutuel handle on Illinois horse races at the wagering facility between that calendar year in question and 1994 provided, however, that a wagering facility shall not be entitled to any such payment until the Board certifies in writing to the wagering facility the amount to which the wagering facility is entitled and a schedule for payment of the amount to the wagering facility, based on: (i) the racing dates awarded to the race track affiliated with the wagering facility during the succeeding year; (ii) the sums available or anticipated to be available in the purse account of the race track affiliated with the wagering facility for purses during the succeeding year; and (iii) the need to ensure reasonable purse levels during the payment period. The Board's certification shall be provided no later than January 31 of the succeeding year. In the event a wagering facility entitled to a payment under this paragraph (13) is affiliated with a race track that maintains purse accounts for both standardbred and thoroughbred racing, the amount to be paid to the wagering facility shall be divided between each purse account pro rata, based on the amount of Illinois handle on Illinois standardbred and thoroughbred racing respectively at the wagering facility during the previous calendar year. Annually, the General Assembly shall appropriate sufficient funds from the General Revenue Fund to the Department of Agriculture for payment into the thoroughbred and standardbred horse racing purse accounts at Illinois pari-mutuel tracks. The amount paid to each purse account shall be the amount certified by the Illinois Racing Board in January to be transferred from each account to each eligible racing facility in accordance with the provisions of this Section. An organization licensee shall no longer be able to receive payments under this paragraph (13) beginning on the January 1 first occurring after the licensee begins conducting electronic gaming pursuant to an electronic gaming license issued under Section 7.4 of the Riverboat Gambling Act. For the calendar year in which an organization licensee that is eligible to receive a payment under this paragraph (13) begins conducting electronic gaming pursuant to an electronic gaming license, the amount of that payment shall be reduced by a percentage equal to the percentage of the year remaining after the organization licensee begins conducting electronic gaming pursuant to its electronic gaming license. Beginning on January 1, 2005, the provisions of this paragraph (13) shall be of no force and effect.

(h) The Board may approve and license the conduct of inter-track wagering and simulcast wagering by inter-track wagering licensees and inter-track wagering location licensees subject to the following terms and conditions:

(1) Any person licensed to conduct a race meeting (i) at a track where 60 or more days of racing were conducted during the immediately preceding calendar year or where over the 5 immediately preceding calendar years an average of 30 or more days of racing were conducted annually may be issued an inter-track wagering license; (ii) at a track located in a county that is bounded by the Mississippi River, which has a population of less than 150,000 according to the 1990 decennial census, and an average of at least 60 days of racing per year between 1985 and 1993 may be issued an inter-track wagering license; or (iii) at a track located in Madison County that conducted at least 100 days of live racing during the immediately preceding calendar year may be issued an inter-track wagering license,

unless a lesser schedule of live racing is the result of (A) weather, unsafe track conditions, or other acts of God; (B) an agreement between the organization licensee and the associations representing the largest number of owners, trainers, jockeys, or standardbred drivers who race horses at that organization licensee's racing meeting; or (C) a finding by the Board of extraordinary circumstances and that it was in the best interest of the public and the sport to conduct fewer than 100 days of live racing. Any such person having operating control of the racing facility may also receive up to 6 inter-track wagering location licenses. In no event shall more than 6 inter-track wagering locations be established for each eligible race track, except that an eligible race track located in a county that has a population of more than 230,000 and that is bounded by the Mississippi River may establish up to 7 inter-track wagering locations. An application for said license shall be filed with the Board prior to such dates as may be fixed by the Board. With an application for an inter-track wagering location license there shall be delivered to the Board a certified check or bank draft payable to the order of the Board for an amount equal to $500. The application shall be on forms prescribed and furnished by the Board. The application shall comply with all other rules, regulations and conditions imposed by the Board in connection therewith.

(2) The Board shall examine the applications with respect to their conformity with this Act and the rules and regulations imposed by the Board. If found to be in compliance with the Act and rules and regulations of the Board, the Board may then issue a license to conduct inter-track wagering and simulcast wagering to such applicant. All such applications shall be acted upon by the Board at a meeting to be held on such date as may be fixed by the Board.

(3) In granting licenses to conduct inter-track wagering and simulcast wagering, the Board shall give due consideration to the best interests of the public, of horse racing, and of maximizing revenue to the State.

(4) Prior to the issuance of a license to conduct inter-track wagering and simulcast wagering, the applicant shall file with the Board a bond payable to the State of Illinois in the sum of $50,000, executed by the applicant and a surety company or companies authorized to do business in this State, and conditioned upon (i) the payment by the licensee of all taxes due under Section 27 or 27.1 and any other monies due and payable under this Act, and (ii) distribution by the licensee, upon presentation of the winning ticket or tickets, of all sums payable to the patrons of pari-mutuel pools.

(5) Each license to conduct inter-track wagering and simulcast wagering shall specify the person to whom it is issued, the dates on which such wagering is permitted, and the track or location where the wagering is to be conducted.

(6) All wagering under such license is subject to this Act and to the rules and regulations from time to time prescribed by the Board, and every such license issued by the Board shall contain a recital to that effect.

(7) An inter-track wagering licensee or inter-track wagering location licensee may accept wagers at the track or location where it is licensed, or as otherwise provided under this Act.

(8) Inter-track wagering or simulcast wagering shall not be conducted at any track less than 5 miles from a track at which a racing meeting is in progress.

(8.1) Inter-track wagering location licensees who derive their licenses from a particular organization licensee shall conduct inter-track wagering and simulcast wagering only at locations which are either within 90 miles of that race track where the particular organization licensee is licensed to conduct racing, or within 135 miles of that race track where the particular organization licensee is licensed to conduct racing in the case of race tracks in counties of less than 400,000 that were operating on or before June 1, 1986. However, inter-track wagering and simulcast wagering shall not be conducted by those licensees at any location within 5 miles of any race track at which a horse race meeting has been licensed in the current year, unless the person having operating control of such race track has given its written consent to such inter-track wagering location licensees, which consent must be filed with the Board at or prior to the time application is made.

(8.2) Inter-track wagering or simulcast wagering shall not be conducted by an inter-track wagering location licensee at any location within 500 feet of an existing church or existing school, nor within 500 feet of the residences of more than 50 registered voters without receiving written permission from a majority of the registered voters at such residences. Such written permission statements shall be filed with the Board. The distance of 500 feet shall be measured to the nearest part of any building used for worship services, education programs, residential purposes, or conducting inter-track wagering by an inter-track wagering location licensee, and not to property boundaries. However, inter-track wagering or simulcast wagering may be conducted at a site within 500 feet of a church, school or residences of 50 or more registered voters if such church, school or residences have

been erected or established, or such voters have been registered, after the Board issues the original inter-track wagering location license at the site in question. Inter-track wagering location licensees may conduct inter-track wagering and simulcast wagering only in areas that are zoned for commercial or manufacturing purposes or in areas for which a special use has been approved by the local zoning authority. However, no license to conduct inter-track wagering and simulcast wagering shall be granted by the Board with respect to any inter-track wagering location within the jurisdiction of any local zoning authority which has, by ordinance or by resolution, prohibited the establishment of an inter-track wagering location within its jurisdiction. However, inter-track wagering and simulcast wagering may be conducted at a site if such ordinance or resolution is enacted after the Board licenses the original inter-track wagering location licensee for the site in question.

(9) (Blank).

(10) An inter-track wagering licensee or an inter-track wagering location licensee may retain, subject to the payment of the privilege taxes and the purses, an amount not to exceed 17% of all money wagered. Each program of racing conducted by each inter-track wagering licensee or inter-track wagering location licensee shall be considered a separate racing day for the purpose of determining the daily handle and computing the privilege tax or pari-mutuel tax on such daily handle as provided in Section 27.

(10.1) Except as provided in subsection (g) of Section 27 of this Act, inter-track wagering location licensees shall pay 1% of the pari-mutuel handle at each location to the municipality in which such location is situated and 1% of the pari-mutuel handle at each location to the county in which such location is situated. In the event that an inter-track wagering location licensee is situated in an unincorporated area of a county, such licensee shall pay 2% of the pari-mutuel handle from such location to such county.

(10.2) Notwithstanding any other provision of this Act, with respect to intertrack wagering at a race track located in a county that has a population of more than 230,000 and that is bounded by the Mississippi River ("the first race track"), or at a facility operated by an inter-track wagering licensee or inter-track wagering location licensee that derives its license from the organization licensee that operates the first race track, on races conducted at the first race track or on races conducted at another Illinois race track and simultaneously televised to the first race track or to a facility operated by an inter-track wagering licensee or inter-track wagering location licensee that derives its license from the organization licensee that operates the first race track, those moneys shall be allocated as follows:

(A) That portion of all moneys wagered on standardbred racing that is required under this Act to be paid to purses shall be paid to purses for standardbred races.

(B) That portion of all moneys wagered on thoroughbred racing that is required under this Act to be paid to purses shall be paid to purses for thoroughbred races.

(11) (A) After payment of the privilege or pari-mutuel tax, any other applicable taxes, and the costs and expenses in connection with the gathering, transmission, and dissemination of all data necessary to the conduct of inter-track wagering, the remainder of the monies retained under either Section 26 or Section 26.2 of this Act by the inter-track wagering licensee on inter-track wagering shall be allocated with 50% to be split between the 2 participating licensees and 50% to purses, except that an intertrack wagering licensee that derives its license from a track located in a county with a population in excess of 230,000 and that borders the Mississippi River shall not divide any remaining retention with the Illinois organization licensee that provides the race or races, and an intertrack wagering licensee that accepts wagers on races conducted by an organization licensee that conducts a race meet in a county with a population in excess of 230,000 and that borders the Mississippi River shall not divide any remaining retention with that organization licensee.

(B) From the sums permitted to be retained pursuant to this Act each inter-track wagering location licensee shall pay (i) the privilege or pari-mutuel tax to the State; (ii) 4.75% of the pari-mutuel handle on intertrack wagering at such location on races as purses, except that an intertrack wagering location licensee that derives its license from a track located in a county with a population in excess of 230,000 and that borders the Mississippi River shall retain all purse moneys for its own purse account consistent with distribution set forth in this subsection (h), and intertrack wagering location licensees that accept wagers on races conducted by an organization licensee located in a county with a population in excess of 230,000 and that borders the Mississippi River shall distribute all purse moneys to purses at the operating host track; (iii) until January 1, 2000, except as provided in subsection (g) of Section 27 of this Act, 1% of the pari-mutuel handle wagered on inter-track wagering and simulcast wagering at each inter-track wagering location licensee facility to the Horse Racing Tax Allocation

Fund, provided that, to the extent the total amount collected and distributed to the Horse Racing Tax Allocation Fund under this subsection (h) during any calendar year exceeds the amount collected and distributed to the Horse Racing Tax Allocation Fund during calendar year 1994, that excess amount shall be redistributed (I) to all inter-track wagering location licensees, based on each licensee's pro-rata share of the total handle from inter-track wagering and simulcast wagering for all inter-track wagering location licensees during the calendar year in which this provision is applicable; then (II) the amounts redistributed to each inter-track wagering location licensee as described in subpart (I) shall be further redistributed as provided in subparagraph (B) of paragraph (5) of subsection (g) of this Section 26 provided first, that the shares of those amounts, which are to be redistributed to the host track or to purses at the host track under subparagraph (B) of paragraph (5) of subsection (g) of this Section 26 shall be redistributed based on each host track's pro rata share of the total inter-track wagering and simulcast wagering handle at all host tracks during the calendar year in question, and second, that any amounts redistributed as described in part (I) to an inter-track wagering location licensee that accepts wagers on races conducted by an organization licensee that conducts a race meet in a county with a population in excess of 230,000 and that borders the Mississippi River shall be further redistributed as provided in subparagraphs (D) and (E) of paragraph (7) of subsection (g) of this Section 26, with the portion of that further redistribution allocated to purses at that organization licensee to be divided between standardbred purses and thoroughbred purses based on the amounts otherwise allocated to purses at that organization licensee during the calendar year in question; and (iv) 8% of the pari-mutuel handle on inter-track wagering wagered at such location to satisfy all costs and expenses of conducting its wagering. The remainder of the monies retained by the inter-track wagering location licensee shall be allocated 40% to the location licensee and 60% to the organization licensee which provides the Illinois races to the location, except that an intertrack wagering location licensee that derives its license from a track located in a county with a population in excess of 230,000 and that borders the Mississippi River shall not divide any remaining retention with the organization licensee that provides the race or races and an intertrack wagering location licensee that accepts wagers on races conducted by an organization licensee that conducts a race meet in a county with a population in excess of 230,000 and that borders the Mississippi River shall not divide any remaining retention with the organization licensee. Notwithstanding the provisions of clauses (ii) and (iv) of this paragraph, in the case of the additional inter-track wagering location licenses authorized under paragraph (1) of this subsection (h) by this amendatory Act of 1991, those licensees shall pay the following amounts as purses: during the first 12 months the licensee is in operation, 5.25% of the pari-mutuel handle wagered at the location on races; during the second 12 months, 5.25%; during the third 12 months, 5.75%; during the fourth 12 months, 6.25%; and during the fifth 12 months and thereafter, 6.75%. The following amounts shall be retained by the licensee to satisfy all costs and expenses of conducting its wagering: during the first 12 months the licensee is in operation, 8.25% of the pari-mutuel handle wagered at the location; during the second 12 months, 8.25%; during the third 12 months, 7.75%; during the fourth 12 months, 7.25%; and during the fifth 12 months and thereafter, 6.75%. For additional intertrack wagering location licensees authorized under this amendatory Act of 1995, purses for the first 12 months the licensee is in operation shall be 5.75% of the pari-mutuel wagered at the location, purses for the second 12 months the licensee is in operation shall be 6.25%, and purses thereafter shall be 6.75%. For additional intertrack location licensees authorized under this amendatory Act of 1995, the licensee shall be allowed to retain to satisfy all costs and expenses: 7.75% of the pari-mutuel handle wagered at the location during its first 12 months of operation, 7.25% during its second 12 months of operation, and 6.75% thereafter.

(C) There is hereby created the Horse Racing Tax Allocation Fund which shall remain in existence until December 31, 1999. Moneys remaining in the Fund after December 31, 1999 shall be paid into the General Revenue Fund. Until January 1, 2000, all monies paid into the Horse Racing Tax Allocation Fund pursuant to this paragraph (11) by inter-track wagering location licensees located in park districts of 500,000 population or less, or in a municipality that is not included within any park district but is included within a conservation district and is the county seat of a county that (i) is contiguous to the state of Indiana and (ii) has a 1990 population of 88,257 according to the United States Bureau of the Census, and operating on May 1, 1994 shall be allocated by appropriation as follows:

Two-sevenths to the Department of Agriculture. Fifty percent of this two-sevenths shall be used to promote the Illinois horse racing and breeding industry, and shall be distributed by the Department of Agriculture upon the advice of a 9-member committee appointed by the Governor consisting of the following members: the Director of Agriculture, who shall serve as chairman; 2 representatives of organization licensees conducting thoroughbred race meetings in this State,

recommended by those licensees; 2 representatives of organization licensees conducting standardbred race meetings in this State, recommended by those licensees; a representative of the Illinois Thoroughbred Breeders and Owners Foundation, recommended by that Foundation; a representative of the Illinois Standardbred Owners and Breeders Association, recommended by that Association; a representative of the Horsemen's Benevolent and Protective Association or any successor organization thereto established in Illinois comprised of the largest number of owners and trainers, recommended by that Association or that successor organization; and a representative of the Illinois Harness Horsemen's Association, recommended by that Association. Committee members shall serve for terms of 2 years, commencing January 1 of each even-numbered year. If a representative of any of the above-named entities has not been recommended by January 1 of any even-numbered year, the Governor shall appoint a committee member to fill that position. Committee members shall receive no compensation for their services as members but shall be reimbursed for all actual and necessary expenses and disbursements incurred in the performance of their official duties. The remaining 50% of this two-sevenths shall be distributed to county fairs for premiums and rehabilitation as set forth in the Agricultural Fair Act;

Four-sevenths to park districts or municipalities that do not have a park district of 500,000 population or less for museum purposes (if an inter-track wagering location licensee is located in such a park district) or to conservation districts for museum purposes (if an inter-track wagering location licensee is located in a municipality that is not included within any park district but is included within a conservation district and is the county seat of a county that (i) is contiguous to the state of Indiana and (ii) has a 1990 population of 88,257 according to the United States Bureau of the Census, except that if the conservation district does not maintain a museum, the monies shall be allocated equally between the county and the municipality in which the inter-track wagering location licensee is located for general purposes) or to a municipal recreation board for park purposes (if an inter-track wagering location licensee is located in a municipality that is not included within any park district and park maintenance is the function of the municipal recreation board and the municipality has a 1990 population of 9,302 according to the United States Bureau of the Census); provided that the monies are distributed to each park district or conservation district or municipality that does not have a park district in an amount equal to four-sevenths of the amount collected by each inter-track wagering location licensee within the park district or conservation district or municipality for the Fund. Monies that were paid into the Horse Racing Tax Allocation Fund before the effective date of this amendatory Act of 1991 by an inter-track wagering location licensee located in a municipality that is not included within any park district but is included within a conservation district as provided in this paragraph shall, as soon as practicable after the effective date of this amendatory Act of 1991, be allocated and paid to that conservation district as provided in this paragraph. Any park district or municipality not maintaining a museum may deposit the monies in the corporate fund of the park district or municipality where the inter-track wagering location is located, to be used for general purposes; and

One-seventh to the Agricultural Premium Fund to be used for distribution to agricultural home economics extension councils in accordance with "An Act in relation to additional support and finances for the Agricultural and Home Economic Extension Councils in the several counties of this State and making an appropriation therefor", approved July 24, 1967.

Until January 1, 2000, all other monies paid into the Horse Racing Tax Allocation Fund pursuant to this paragraph (11) shall be allocated by appropriation as follows:

Two-sevenths to the Department of Agriculture. Fifty percent of this two-sevenths shall be used to promote the Illinois horse racing and breeding industry, and shall be distributed by the Department of Agriculture upon the advice of a 9-member committee appointed by the Governor consisting of the following members: the Director of Agriculture, who shall serve as chairman; 2 representatives of organization licensees conducting thoroughbred race meetings in this State, recommended by those licensees; 2 representatives of organization licensees conducting standardbred race meetings in this State, recommended by those licensees; a representative of the Illinois Thoroughbred Breeders and Owners Foundation, recommended by that Foundation; a representative of the Illinois Standardbred Owners and Breeders Association, recommended by that Association; a representative of the Horsemen's Benevolent and Protective Association or any successor organization thereto established in Illinois comprised of the largest number of owners and trainers, recommended by that Association or that successor organization; and a representative of the Illinois Harness Horsemen's Association, recommended by that Association. Committee members shall serve for terms of 2 years, commencing January 1 of each even-numbered year. If a representative of any of the

above-named entities has not been recommended by January 1 of any even-numbered year, the Governor shall appoint a committee member to fill that position. Committee members shall receive no compensation for their services as members but shall be reimbursed for all actual and necessary expenses and disbursements incurred in the performance of their official duties. The remaining 50% of this two-sevenths shall be distributed to county fairs for premiums and rehabilitation as set forth in the Agricultural Fair Act;

Four-sevenths to museums and aquariums located in park districts of over 500,000 population; provided that the monies are distributed in accordance with the previous year's distribution of the maintenance tax for such museums and aquariums as provided in Section 2 of the Park District Aquarium and Museum Act; and

One-seventh to the Agricultural Premium Fund to be used for distribution to agricultural home economics extension councils in accordance with "An Act in relation to additional support and finances for the Agricultural and Home Economic Extension Councils in the several counties of this State and making an appropriation therefor", approved July 24, 1967. This subparagraph (C) shall be inoperative and of no force and effect on and after January 1, 2000.

(D) Except as provided in paragraph (11) of this subsection (h), with respect to purse allocation from intertrack wagering, the monies so retained shall be divided as follows:

(i) If the inter-track wagering licensee, except an intertrack wagering licensee that derives its license from an organization licensee located in a county with a population in excess of 230,000 and bounded by the Mississippi River, is not conducting its own race meeting during the same dates, then the entire purse allocation shall be to purses at the track where the races wagered on are being conducted.

(ii) If the inter-track wagering licensee, except an intertrack wagering licensee that derives its license from an organization licensee located in a county with a population in excess of 230,000 and bounded by the Mississippi River, is also conducting its own race meeting during the same dates, then the purse allocation shall be as follows: 50% to purses at the track where the races wagered on are being conducted; 50% to purses at the track where the inter-track wagering licensee is accepting such wagers.

(iii) If the inter-track wagering is being conducted by an inter-track wagering location licensee, except an intertrack wagering location licensee that derives its license from an organization licensee located in a county with a population in excess of 230,000 and bounded by the Mississippi River, the entire purse allocation for Illinois races shall be to purses at the track where the race meeting being wagered on is being held.

(12) The Board shall have all powers necessary and proper to fully supervise and control the conduct of inter-track wagering and simulcast wagering by inter-track wagering licensees and inter-track wagering location licensees, including, but not limited to the following:

(A) The Board is vested with power to promulgate reasonable rules and regulations for the purpose of administering the conduct of this wagering and to prescribe reasonable rules, regulations and conditions under which such wagering shall be held and conducted. Such rules and regulations are to provide for the prevention of practices detrimental to the public interest and for the best interests of said wagering and to impose penalties for violations thereof.

(B) The Board, and any person or persons to whom it delegates this power, is vested with the power to enter the facilities of any licensee to determine whether there has been compliance with the provisions of this Act and the rules and regulations relating to the conduct of such wagering.

(C) The Board, and any person or persons to whom it delegates this power, may eject or exclude from any licensee's facilities, any person whose conduct or reputation is such that his presence on such premises may, in the opinion of the Board, call into the question the honesty and integrity of, or interfere with the orderly conduct of such wagering; provided, however, that no person shall be excluded or ejected from such premises solely on the grounds of race, color, creed, national origin, ancestry, or sex.

(D) (Blank).

(E) The Board is vested with the power to appoint delegates to execute any of the powers granted to it under this Section for the purpose of administering this wagering and any rules and regulations promulgated in accordance with this Act.

(F) The Board shall name and appoint a State director of this wagering who shall be a representative of the Board and whose duty it shall be to supervise the conduct of inter-track wagering as may be provided for by the rules and regulations of the Board; such rules and regulation

shall specify the method of appointment and the Director's powers, authority and duties.

(G) The Board is vested with the power to impose civil penalties of up to $5,000 against individuals and up to $10,000 against licensees for each violation of any provision of this Act relating to the conduct of this wagering, any rules adopted by the Board, any order of the Board or any other action which in the Board's discretion, is a detriment or impediment to such wagering.

(13) The Department of Agriculture may enter into agreements with licensees authorizing such licensees to conduct inter-track wagering on races to be held at the licensed race meetings conducted by the Department of Agriculture. Such agreement shall specify the races of the Department of Agriculture's licensed race meeting upon which the licensees will conduct wagering. In the event that a licensee conducts inter-track pari-mutuel wagering on races from the Illinois State Fair or DuQuoin State Fair which are in addition to the licensee's previously approved racing program, those races shall be considered a separate racing day for the purpose of determining the daily handle and computing the privilege or pari-mutuel tax on that daily handle as provided in Sections 27 and 27.1. Such agreements shall be approved by the Board before such wagering may be conducted. In determining whether to grant approval, the Board shall give due consideration to the best interests of the public and of horse racing. The provisions of paragraphs (1), (8), (8.1), and (8.2) of subsection (h) of this Section which are not specified in this paragraph (13) shall not apply to licensed race meetings conducted by the Department of Agriculture at the Illinois State Fair in Sangamon County or the DuQuoin State Fair in Perry County, or to any wagering conducted on those race meetings.

(i) Notwithstanding the other provisions of this Act, the conduct of wagering at wagering facilities is authorized on all days, except as limited by subsection (b) of Section 19 of this Act.

(Source: P.A. 91-40, eff. 6-25-99; 92-211, eff. 8-2-01.)

(230 ILCS 5/27) (from Ch. 8, par. 37-27)

Sec. 27. (a) In addition to the organization license fee provided by this Act, until January 1, 2000, a graduated privilege tax is hereby imposed for conducting the pari-mutuel system of wagering permitted under this Act. Until January 1, 2000, except as provided in subsection (g) of Section 27 of this Act, all of the breakage of each racing day held by any licensee in the State shall be paid to the State. Until January 1, 2000, such daily graduated privilege tax shall be paid by the licensee from the amount permitted to be retained under this Act. Until January 1, 2000, each day's graduated privilege tax, breakage, and Horse Racing Tax Allocation funds shall be remitted to the Department of Revenue within 48 hours after the close of the racing day upon which it is assessed or within such other time as the Board prescribes. The privilege tax hereby imposed, until January 1, 2000, shall be a flat tax at the rate of 2% of the daily pari-mutuel handle except as provided in Section 27.1.

In addition, every organization licensee, except as provided in Section 27.1 of this Act, which conducts multiple wagering shall pay, until January 1, 2000, as a privilege tax on multiple wagers an amount equal to 1.25% of all moneys wagered each day on such multiple wagers, plus an additional amount equal to 3.5% of the amount wagered each day on any other multiple wager which involves a single betting interest on 3 or more horses. The licensee shall remit the amount of such taxes to the Department of Revenue within 48 hours after the close of the racing day on which it is assessed or within such other time as the Board prescribes.

This subsection (a) shall be inoperative and of no force and effect on and after January 1, 2000.

(a-5) Beginning on January 1, 2000, a flat pari-mutuel tax at the rate of 1.5% of the daily pari-mutuel handle is imposed at all pari-mutuel wagering facilities, which shall be remitted to the Department of Revenue within 48 hours after the close of the racing day upon which it is assessed or within such other time as the Board prescribes.

(b) On or before December 31, 1999, in the event that any organization licensee conducts 2 separate programs of races on any day, each such program shall be considered a separate racing day for purposes of determining the daily handle and computing the privilege tax on such daily handle as provided in subsection (a) of this Section.

(c) Licensees shall at all times keep accurate books and records of all monies wagered on each day of a race meeting and of the taxes paid to the Department of Revenue under the provisions of this Section. The Board or its duly authorized representative or representatives shall at all reasonable times have access to such records for the purpose of examining and checking the same and ascertaining whether the proper amount of taxes is being paid as provided. The Board shall require verified reports and a statement of the total of all monies wagered daily at each wagering facility upon which the taxes are assessed and may prescribe forms upon which such reports and statement shall be made.

(d) Any licensee failing or refusing to pay the amount of any tax due under this Section shall be guilty of

a business offense and upon conviction shall be fined not more than $5,000 in addition to the amount found due as tax under this Section. Each day's violation shall constitute a separate offense. All fines paid into Court by a licensee hereunder shall be transmitted and paid over by the Clerk of the Court to the Board.

(e) No other license fee, privilege tax, excise tax, or racing fee, except as provided in this Act, shall be assessed or collected from any such licensee by the State.

(f) No other license fee, privilege tax, excise tax or racing fee shall be assessed or collected from any such licensee by units of local government except as provided in paragraph 10.1 of subsection (h) and subsection (f) of Section 26 of this Act. However, any municipality that has a Board licensed horse race meeting at a race track wholly within its corporate boundaries or a township that has a Board licensed horse race meeting at a race track wholly within the unincorporated area of the township may charge a local amusement tax not to exceed 10& #xA2; per admission to such horse race meeting by the enactment of an ordinance. However, any municipality or county that has a Board licensed inter-track wagering location facility wholly within its corporate boundaries may each impose an admission fee not to exceed $1.00 per admission to such inter-track wagering location facility, so that a total of not more than $2.00 per admission may be imposed. Except as provided in subparagraph (g) of Section 27 of this Act, the inter-track wagering location licensee shall collect any and all such fees and within 48 hours remit the fees to the Board, which shall, pursuant to rule, cause the fees to be distributed to the county or municipality.

(g) Notwithstanding any provision in this Act to the contrary, if in any calendar year the total taxes and fees <u>from wagering on live racing and from inter-track wagering</u> required to be collected from licensees and distributed under this Act to all State and local governmental authorities exceeds the amount of such taxes and fees distributed to each State and local governmental authority to which each State and local governmental authority was entitled under this Act for calendar year 1994, then the first $11 million of that excess amount shall be allocated at the earliest possible date for distribution as purse money for the succeeding calendar year. Upon reaching the 1994 level, and until the excess amount of taxes and fees exceeds $11 million, the Board shall direct all licensees to cease paying the subject taxes and fees and the Board shall direct all licensees to allocate any such excess amount for purses as follows:

(i) the excess amount shall be initially divided between thoroughbred and standardbred purses based on the thoroughbred's and standardbred's respective percentages of total Illinois live wagering in calendar year 1994;

(ii) each thoroughbred and standardbred organization licensee issued an organization licensee in that succeeding allocation year shall be allocated an amount equal to the product of its percentage of total Illinois live thoroughbred or standardbred wagering in calendar year 1994 (the total to be determined based on the sum of 1994 on-track wagering for all organization licensees issued organization licenses in both the allocation year and the preceding year) multiplied by the total amount allocated for standardbred or thoroughbred purses, provided that the first $1,500,000 of the amount allocated to standardbred purses under item (i) shall be allocated to the Department of Agriculture to be expended with the assistance and advice of the Illinois Standardbred Breeders Funds Advisory Board for the purposes listed in subsection (g) of Section 31 of this Act, before the amount allocated to standardbred purses under item (i) is allocated to standardbred organization licensees in the succeeding allocation year.

To the extent the excess amount of taxes and fees to be collected and distributed to State and local governmental authorities exceeds $11 million, that excess amount shall be collected and distributed to State and local authorities as provided for under this Act.

(Source: P.A. 91-40, eff. 6-25-99.)

(230 ILCS 5/28.1)

Sec. 28.1. Payments.

(a) Beginning on January 1, 2000, moneys collected by the Department of Revenue and the Racing Board pursuant to Section 26 or Section 27 of this Act shall be deposited into the Horse Racing Fund, which is hereby created as a special fund in the State Treasury.

(b) Appropriations, as approved by the General Assembly, may be made from the Horse Racing Fund to the Board to pay the salaries of the Board members, secretary, stewards, directors of mutuels, veterinarians, representatives, accountants, clerks, stenographers, inspectors and other employees of the Board, and all expenses of the Board incident to the administration of this Act, including, but not limited to, all expenses and salaries incident to the taking of saliva and urine samples in accordance with the rules and regulations of the Board.

(c) <u>Appropriations, as approved by the General Assembly, shall be made from the Horse Racing Fund to the Department of Agriculture for the purposes identified in paragraphs (2), (2.5), (4), (4.1), (6), (7), (8),</u>

and (9) of subsection (g) of Section 30, subsection (e) of Section 30.5, paragraphs (1), (2), (3), (5), and (8) of subsection (g) of Section 31, and for standardbred bonus programs for owners of horses that win multiple stakes races that are limited to Illinois conceived and foaled horses. From ~~Beginning on~~ January 1, 2000 until the effective date of this amendatory Act of the 93rd General Assembly, the Board shall transfer the remainder of the funds generated pursuant to Sections 26 and 27 from the Horse Racing Fund into the General Revenue Fund.

(d) Beginning January 1, 2000, payments to all programs in existence on the effective date of this amendatory Act of 1999 that are identified in Sections 26(c), 26(f), 26(h)(11)(C), and 28, subsections (a), (b), (c), (d), (e), (f), (g), and (h) of Section 30, and subsections (a), (b), (c), (d), (e), (f), (g), and (h) of Section 31 shall be made from the General Revenue Fund at the funding levels determined by amounts paid under this Act in calendar year 1998.

(e) Notwithstanding any other provision of this Act to the contrary, appropriations, as approved by the General Assembly, may be made from the Fair and Exposition Fund to the Department of Agriculture for distribution to Illinois county fairs to supplement premiums offered in junior classes.

(Source: P.A. 91-40, eff. 6-25-99.)

(230 ILCS 5/30) (from Ch. 8, par. 37-30)

Sec. 30. (a) The General Assembly declares that it is the policy of this State to encourage the breeding of thoroughbred horses in this State and the ownership of such horses by residents of this State in order to provide for: sufficient numbers of high quality thoroughbred horses to participate in thoroughbred racing meetings in this State, and to establish and preserve the agricultural and commercial benefits of such breeding and racing industries to the State of Illinois. It is the intent of the General Assembly to further this policy by the provisions of this Act.

(b) Each organization licensee conducting a thoroughbred racing meeting pursuant to this Act shall provide at least two races each day limited to Illinois conceived and foaled horses or Illinois foaled horses or both. A minimum of 6 races shall be conducted each week limited to Illinois conceived and foaled or Illinois foaled horses or both. Subject to the daily availability of horses, one of the 6 races scheduled per week that are limited to Illinois conceived and foaled or Illinois foaled horses or both shall be limited to Illinois conceived and foaled or Illinois foaled maidens. No horses shall be permitted to start in such races unless duly registered under the rules of the Department of Agriculture.

(c) Conditions of races under subsection (b) shall be commensurate with past performance, quality, and class of Illinois conceived and foaled and Illinois foaled horses available. If, however, sufficient competition cannot be had among horses of that class on any day, the races may, with consent of the Board, be eliminated for that day and substitute races provided.

(d) There is hereby created a special fund of the State Treasury to be known as the Illinois Thoroughbred Breeders Fund.

Except as provided in subsection (g) of Section 27 of this Act, 8.5% of all the monies received by the State as privilege taxes on Thoroughbred racing meetings shall be paid into the Illinois Thoroughbred Breeders Fund.

(e) The Illinois Thoroughbred Breeders Fund shall be administered by the Department of Agriculture with the advice and assistance of the Advisory Board created in subsection (f) of this Section.

(f) The Illinois Thoroughbred Breeders Fund Advisory Board shall consist of the Director of the Department of Agriculture, who shall serve as Chairman; a member of the Illinois Racing Board, designated by it; 2 representatives of the organization licensees conducting thoroughbred racing meetings, recommended by them; 2 representatives of the Illinois Thoroughbred Breeders and Owners Foundation, recommended by it; and 2 representatives of the Horsemen's Benevolent Protective Association or any successor organization established in Illinois comprised of the largest number of owners and trainers, recommended by it, with one representative of the Horsemen's Benevolent and Protective Association to come from its Illinois Division, and one from its Chicago Division. Advisory Board members shall serve for 2 years commencing January 1 of each odd numbered year. If representatives of the organization licensees conducting thoroughbred racing meetings, the Illinois Thoroughbred Breeders and Owners Foundation, and the Horsemen's Benevolent Protection Association have not been recommended by January 1, of each odd numbered year, the Director of the Department of Agriculture shall make an appointment for the organization failing to so recommend a member of the Advisory Board. Advisory Board members shall receive no compensation for their services as members but shall be reimbursed for all actual and necessary expenses and disbursements incurred in the execution of their official duties.

(g) Moneys ~~No monies~~ shall be expended from the Illinois Thoroughbred Breeders Fund ~~except~~ as appropriated by the General Assembly pursuant to this Act, the Riverboat Gambling Act, or both. Monies

appropriated from the Illinois Thoroughbred Breeders Fund shall be expended by the Department of Agriculture, with the advice and assistance of the Illinois Thoroughbred Breeders Fund Advisory Board, for the following purposes only:

(1) To provide purse supplements to owners of horses participating in races limited to Illinois conceived and foaled and Illinois foaled horses. Any such purse supplements shall not be included in and shall be paid in addition to any purses, stakes, or breeders' awards offered by each organization licensee as determined by agreement between such organization licensee and an organization representing the horsemen. No monies from the Illinois Thoroughbred Breeders Fund shall be used to provide purse supplements for claiming races in which the minimum claiming price is less than $7,500.

(2) To provide stakes and awards to be paid to the owners of the winning horses in certain races limited to Illinois conceived and foaled and Illinois foaled horses designated as stakes races.

(2.5) To provide an award to the owner or owners of an Illinois conceived and foaled or Illinois foaled horse that wins a maiden special weight, an allowance, overnight handicap race, or claiming race with claiming price of $10,000 or more providing the race is not restricted to Illinois conceived and foaled or Illinois foaled horses. Awards shall also be provided to the owner or owners of Illinois conceived and foaled and Illinois foaled horses that place second or third in those races. To the extent that additional moneys are required to pay the minimum additional awards of 40% of the purse the horse earns for placing first, second or third in those races for Illinois foaled horses and of 60% of the purse the horse earns for placing first, second or third in those races for Illinois conceived and foaled horses, those moneys shall be provided from the purse account at the track where earned.

(3) To provide stallion awards to the owner or owners of any stallion that is duly registered with the Illinois Thoroughbred Breeders Fund Program ~~prior to the effective date of this amendatory Act of 1995~~ whose duly registered Illinois conceived and foaled offspring wins a race conducted at an Illinois thoroughbred racing meeting other than a claiming race. Such award shall not be paid to the owner or owners of an Illinois stallion that served outside this State at any time during the calendar year in which such race was conducted.

(4) To provide $75,000 annually for purses to be distributed to county fairs that provide for the running of races during each county fair exclusively for the thoroughbreds conceived and foaled in Illinois. The conditions of the races shall be developed by the county fair association and reviewed by the Department with the advice and assistance of the Illinois Thoroughbred Breeders Fund Advisory Board. There shall be no wagering of any kind on the running of Illinois conceived and foaled races at county fairs.

(4.1) (Blank). ~~To provide purse money for an Illinois stallion stakes program.~~

(5) No less than 80% of all monies appropriated to ~~from~~ the Illinois Thoroughbred Breeders Fund shall be expended for the purposes in (1), (2), (2.5), (3), (4), (4.1), and (5) as shown above.

(6) To provide for educational programs regarding the thoroughbred breeding industry.

(7) To provide for research programs concerning the health, development and care of the thoroughbred horse.

(8) To provide for a scholarship and training program for students of equine veterinary medicine.

(9) To provide for dissemination of public information designed to promote the breeding of thoroughbred horses in Illinois.

(10) To provide for all expenses incurred in the administration of the Illinois Thoroughbred Breeders Fund.

(h) (Blank). ~~Whenever the Governor finds that the amount in the Illinois Thoroughbred Breeders Fund is more than the total of the outstanding appropriations from such fund, the Governor shall notify the State Comptroller and the State Treasurer of such fact. The Comptroller and the State Treasurer, upon receipt of such notification, shall transfer such excess amount from the Illinois Thoroughbred Breeders Fund to the General Revenue Fund.~~

(i) A sum equal to 12 1/2% of the first prize money of every purse won by an Illinois foaled or an Illinois conceived and foaled horse in races not limited to Illinois foaled horses or Illinois conceived and foaled horses, or both, shall be paid by the organization licensee conducting the horse race meeting. Such sum shall be paid from the organization licensee's share of the money wagered as follows: 11 1/2% to the breeder of the winning horse and 1% to the organization representing thoroughbred breeders and owners whose representative serves on the Illinois Thoroughbred Breeders Fund Advisory Board for verifying the amounts of breeders' awards earned, assuring their distribution in accordance with this Act, and servicing

and promoting the Illinois thoroughbred horse racing industry. The organization representing thoroughbred breeders and owners shall cause all expenditures of monies received under this subsection (i) to be audited at least annually by a registered public accountant. The organization shall file copies of each annual audit with the Racing Board, the Clerk of the House of Representatives and the Secretary of the Senate, and shall make copies of each annual audit available to the public upon request and upon payment of the reasonable cost of photocopying the requested number of copies. Such payments shall not reduce any award to the owner of the horse or reduce the taxes payable under this Act. Upon completion of its racing meet, each organization licensee shall deliver to the organization representing thoroughbred breeders and owners whose representative serves on the Illinois Thoroughbred Breeders Fund Advisory Board a listing of all the Illinois foaled and the Illinois conceived and foaled horses which won breeders' awards and the amount of such breeders' awards under this subsection to verify accuracy of payments and assure proper distribution of breeders' awards in accordance with the provisions of this Act. Such payments shall be delivered by the organization licensee within 30 days of the end of each race meeting.

(j) A sum equal to 12 1/2% of the first prize money won in each race limited to Illinois foaled horses or Illinois conceived and foaled horses, or both, shall be paid in the following manner by the organization licensee conducting the horse race meeting, from the organization licensee's share of the money wagered: 11 1/2% to the breeders of the horses in each such race which are the official first, second, third and fourth finishers and 1% to the organization representing thoroughbred breeders and owners whose representative serves on the Illinois Thoroughbred Breeders Fund Advisory Board for verifying the amounts of breeders' awards earned, assuring their proper distribution in accordance with this Act, and servicing and promoting the Illinois thoroughbred horse racing industry. The organization representing thoroughbred breeders and owners shall cause all expenditures of monies received under this subsection (j) to be audited at least annually by a registered public accountant. The organization shall file copies of each annual audit with the Racing Board, the Clerk of the House of Representatives and the Secretary of the Senate, and shall make copies of each annual audit available to the public upon request and upon payment of the reasonable cost of photocopying the requested number of copies.

The 11 1/2% paid to the breeders in accordance with this subsection shall be distributed as follows:

(1) 60% of such sum shall be paid to the breeder of the horse which finishes in the official first position;

(2) 20% of such sum shall be paid to the breeder of the horse which finishes in the official second position;

(3) 15% of such sum shall be paid to the breeder of the horse which finishes in the official third position; and

(4) 5% of such sum shall be paid to the breeder of the horse which finishes in the official fourth position.

Such payments shall not reduce any award to the owners of a horse or reduce the taxes payable under this Act. Upon completion of its racing meet, each organization licensee shall deliver to the organization representing thoroughbred breeders and owners whose representative serves on the Illinois Thoroughbred Breeders Fund Advisory Board a listing of all the Illinois foaled and the Illinois conceived and foaled horses which won breeders' awards and the amount of such breeders' awards in accordance with the provisions of this Act. Such payments shall be delivered by the organization licensee within 30 days of the end of each race meeting.

(k) The term "breeder", as used herein, means the owner of the mare at the time the foal is dropped. An "Illinois foaled horse" is a foal dropped by a mare which enters this State on or before December 1, in the year in which the horse is bred, provided the mare remains continuously in this State until its foal is born. An "Illinois foaled horse" also means a foal born of a mare in the same year as the mare enters this State on or before March 1, and remains in this State at least 30 days after foaling, is bred back during the season of the foaling to an Illinois Registered Stallion (unless a veterinarian certifies that the mare should not be bred for health reasons), and is not bred to a stallion standing in any other state during the season of foaling. An "Illinois foaled horse" also means a foal born in Illinois of a mare purchased at public auction subsequent to the mare entering this State prior to March 1 ~~February 1~~ of the foaling year providing the mare is owned solely by one or more Illinois residents or an Illinois entity that is entirely owned by one or more Illinois residents.

(l) The Department of Agriculture shall, by rule, with the advice and assistance of the Illinois Thoroughbred Breeders Fund Advisory Board:

(1) Qualify stallions for Illinois breeding; such stallions to stand for service within the State of Illinois at the time of a foal's conception. Such stallion must not stand for service at any place

outside the State of Illinois during the calendar year in which the foal is conceived. The Department of Agriculture may assess and collect an application fee of $500 ~~fees~~ for the registration of each Illinois-eligible stallion ~~stallions~~. All fees collected are to be paid into the Illinois Thoroughbred Breeders Fund and used by the Illinois Thoroughbred Breeders Fund Advisory Board for stallion awards.

(2) Provide for the registration of Illinois conceived and foaled horses and Illinois foaled horses. No such horse shall compete in the races limited to Illinois conceived and foaled horses or Illinois foaled horses or both unless registered with the Department of Agriculture. The Department of Agriculture may prescribe such forms as are necessary to determine the eligibility of such horses. The Department of Agriculture may assess and collect application fees for the registration of Illinois-eligible foals. All fees collected are to be paid into the Illinois Thoroughbred Breeders Fund. No person shall knowingly prepare or cause preparation of an application for registration of such foals containing false information.

(m) The Department of Agriculture, with the advice and assistance of the Illinois Thoroughbred Breeders Fund Advisory Board, shall provide that certain races limited to Illinois conceived and foaled and Illinois foaled horses be stakes races and determine the total amount of stakes and awards to be paid to the owners of the winning horses in such races.

In determining the stakes races and the amount of awards for such races, the Department of Agriculture shall consider factors, including but not limited to, the amount of money appropriated for the Illinois Thoroughbred Breeders Fund program, organization licensees' contributions, availability of stakes caliber horses as demonstrated by past performances, whether the race can be coordinated into the proposed racing dates within organization licensees' racing dates, opportunity for colts and fillies and various age groups to race, public wagering on such races, and the previous racing schedule.

(n) The Board and the organizational licensee shall notify the Department of the conditions and minimum purses for races limited to Illinois conceived and foaled and Illinois foaled horses conducted for each organizational licensee conducting a thoroughbred racing meeting. The Department of Agriculture with the advice and assistance of the Illinois Thoroughbred Breeders Fund Advisory Board may allocate monies for purse supplements for such races. In determining whether to allocate money and the amount, the Department of Agriculture shall consider factors, including but not limited to, the amount of money appropriated for the Illinois Thoroughbred Breeders Fund program, the number of races that may occur, and the organizational licensee's purse structure.

(o) (Blank). ~~In order to improve the breeding quality of thoroughbred horses in the State, the General Assembly recognizes that existing provisions of this Section to encourage such quality breeding need to be revised and strengthened. As such, a Thoroughbred Breeder's Program Task Force is to be appointed by the Governor by September 1, 1999 to make recommendations to the General Assembly by no later than March 1, 2000. This task force is to be composed of 2 representatives from the Illinois Thoroughbred Breeders and Owners Foundation, 2 from the Illinois Thoroughbred Horsemen's Association, 3 from Illinois race tracks operating thoroughbred race meets for an average of at least 30 days in the past 3 years, the Director of Agriculture, the Executive Director of the Racing Board, who shall serve as Chairman.~~

(Source: P.A. 91-40, eff. 6-25-99.)

(230 ILCS 5/31) (from Ch. 8, par. 37-31)

Sec. 31. (a) The General Assembly declares that it is the policy of this State to encourage the breeding of standardbred horses in this State and the ownership of such horses by residents of this State in order to provide for: sufficient numbers of high quality standardbred horses to participate in harness racing meetings in this State, and to establish and preserve the agricultural and commercial benefits of such breeding and racing industries to the State of Illinois. It is the intent of the General Assembly to further this policy by the provisions of this Section of this Act.

(b) Each organization licensee conducting a harness racing meeting pursuant to this Act shall provide for at least two races each race program limited to Illinois conceived and foaled horses. A minimum of 6 races shall be conducted each week limited to Illinois conceived and foaled horses. No horses shall be permitted to start in such races unless duly registered under the rules of the Department of Agriculture.

(b-5) Each organization licensee conducting a harness racing meeting pursuant to this Act shall provide stakes races and early closer races for Illinois conceived and foaled horses so the total purses distributed for such races shall be no less than 17% of the total purses distributed at the meeting.

(b-10) Each organization licensee conducting a harness racing meeting pursuant to this Act shall provide an owner award to be paid from the purse account equal to 25% of the amount earned by Illinois conceived and foaled horses in races that are not restricted to Illinois conceived and foaled horses.

(c) Conditions of races under subsection (b) shall be commensurate with past performance, quality and

class of Illinois conceived and foaled horses available. If, however, sufficient competition cannot be had among horses of that class on any day, the races may, with consent of the Board, be eliminated for that day and substitute races provided.

(d) There is hereby created a special fund of the State Treasury to be known as the Illinois Standardbred Breeders Fund.

During the calendar year 1981, and each year thereafter, except as provided in subsection (g) of Section 27 of this Act, eight and one-half per cent of all the monies received by the State as privilege taxes on harness racing meetings shall be paid into the Illinois Standardbred Breeders Fund.

(e) The Illinois Standardbred Breeders Fund shall be administered by the Department of Agriculture with the assistance and advice of the Advisory Board created in subsection (f) of this Section.

(f) The Illinois Standardbred Breeders Fund Advisory Board is hereby created. The Advisory Board shall consist of the Director of the Department of Agriculture, who shall serve as Chairman; the Superintendent of the Illinois State Fair; a member of the Illinois Racing Board, designated by it; a representative of the Illinois Standardbred Owners and Breeders Association, recommended by it; a representative of the Illinois Association of Agricultural Fairs, recommended by it, such representative to be from a fair at which Illinois conceived and foaled racing is conducted; a representative of the organization licensees conducting harness racing meetings, recommended by them and a representative of the Illinois Harness Horsemen's Association, recommended by it. Advisory Board members shall serve for 2 years commencing January 1, of each odd numbered year. If representatives of the Illinois Standardbred Owners and Breeders Associations, the Illinois Association of Agricultural Fairs, the Illinois Harness Horsemen's Association, and the organization licensees conducting harness racing meetings have not been recommended by January 1, of each odd numbered year, the Director of the Department of Agriculture shall make an appointment for the organization failing to so recommend a member of the Advisory Board. Advisory Board members shall receive no compensation for their services as members but shall be reimbursed for all actual and necessary expenses and disbursements incurred in the execution of their official duties.

(g) No monies shall be expended from the Illinois Standardbred Breeders Fund except as appropriated by the General Assembly. Monies appropriated from the Illinois Standardbred Breeders Fund shall be expended by the Department of Agriculture, with the assistance and advice of the Illinois Standardbred Breeders Fund Advisory Board for the following purposes only:

1. To provide purses for races limited to Illinois conceived and foaled horses at the State Fair <u>and the DuQuoin State Fair</u>.

2. To provide purses for races limited to Illinois conceived and foaled horses at county fairs.

3. To provide purse supplements for races limited to Illinois conceived and foaled horses conducted by associations conducting harness racing meetings.

4. No less than 75% of all monies in the Illinois Standardbred Breeders Fund shall be expended for purses in 1, 2 and 3 as shown above.

5. In the discretion of the Department of Agriculture to provide awards to harness breeders of Illinois conceived and foaled horses which win races conducted by organization licensees conducting harness racing meetings. A breeder is the owner of a mare at the time of conception. No more than 10% of all monies appropriated from the Illinois Standardbred Breeders Fund shall be expended for such harness breeders awards. No more than 25% of the amount expended for harness breeders awards shall be expended for expenses incurred in the administration of such harness breeders awards.

6. To pay for the improvement of racing facilities located at the State Fair and County fairs.

7. To pay the expenses incurred in the administration of the Illinois Standardbred Breeders Fund.

8. To promote the sport of harness racing<u>, including grants up to a maximum of $7,500 per fair per year for the cost of a totalizer system to be used for conducting pari-mutuel wagering during the advertised dates of a county fair</u>.

(h) Whenever the Governor finds that the amount in the Illinois Standardbred Breeders Fund is more than the total of the outstanding appropriations from such fund, the Governor shall notify the State Comptroller and the State Treasurer of such fact. The Comptroller and the State Treasurer, upon receipt of such notification, shall transfer such excess amount from the Illinois Standardbred Breeders Fund to the General Revenue Fund.

(i) A sum equal to 12 1/2% of the first prize money of every purse won by an Illinois conceived and foaled horse shall be paid by the organization licensee conducting the horse race meeting to the breeder of

such winning horse from the organization licensee's account ~~share of the money wagered~~. Such payment shall not reduce any award to the owner of the horse or reduce the taxes payable under this Act. Such payment shall be delivered by the organization licensee at the end of each month ~~race meeting~~.

(j) The Department of Agriculture shall, by rule, with the assistance and advice of the Illinois Standardbred Breeders Fund Advisory Board:

1. Qualify stallions for Illinois Standardbred Breeders Fund breeding; such stallion shall be owned by a resident of the State of Illinois or by an Illinois corporation all of whose shareholders, directors, officers and incorporators are residents of the State of Illinois. Such stallion shall stand for service at and within the State of Illinois at the time of a foal's conception, and such stallion must not stand for service at any place, ~~nor may semen from such stallion be transported,~~ outside the State of Illinois during that calendar year in which the foal is conceived and that the owner of the stallion was for the 12 months prior, a resident of Illinois. The articles of agreement of any partnership, joint venture, limited partnership, syndicate, association or corporation and any bylaws and stock certificates must contain a restriction that provides that the ownership or transfer of interest by any one of the persons a party to the agreement can only be made to a person who qualifies as an Illinois resident. Foals conceived outside the State of Illinois from shipped semen from a stallion qualified for breeders' awards under this Section are not eligible to participate in the Illinois conceived and foaled program.

2. Provide for the registration of Illinois conceived and foaled horses and no such horse shall compete in the races limited to Illinois conceived and foaled horses unless registered with the Department of Agriculture. The Department of Agriculture may prescribe such forms as may be necessary to determine the eligibility of such horses. No person shall knowingly prepare or cause preparation of an application for registration of such foals containing false information. A mare (dam) must be in the state at least 30 days prior to foaling or remain in the State at least 30 days at the time of foaling. Beginning with the 1996 breeding season and for foals of 1997 and thereafter, a foal conceived in the State of Illinois by transported fresh semen may be eligible for Illinois conceived and foaled registration provided all breeding and foaling requirements are met. The stallion must be qualified for Illinois Standardbred Breeders Fund breeding at the time of conception and the mare must be inseminated within the State of Illinois. The foal must be dropped in Illinois and properly registered with the Department of Agriculture in accordance with this Act.

3. Provide that at least a 5 day racing program shall be conducted at the State Fair each year, which program shall include at least the following races limited to Illinois conceived and foaled horses: (a) a two year old Trot and Pace, and Filly Division of each; (b) a three year old Trot and Pace, and Filly Division of each; (c) an aged Trot and Pace, and Mare Division of each.

4. Provide for the payment of nominating, sustaining and starting fees for races promoting the sport of harness racing and for the races to be conducted at the State Fair as provided in subsection (j) 3 of this Section provided that the nominating, sustaining and starting payment required from an entrant shall not exceed 2% of the purse of such race. All nominating, sustaining and starting payments shall be held for the benefit of entrants and shall be paid out as part of the respective purses for such races. Nominating, sustaining and starting fees shall be held in trust accounts for the purposes as set forth in this Act and in accordance with Section 205-15 of the Department of Agriculture Law (20 ILCS 205/205-15).

5. Provide for the registration with the Department of Agriculture of Colt Associations or county fairs desiring to sponsor races at county fairs.

(k) The Department of Agriculture, with the advice and assistance of the Illinois Standardbred Breeders Fund Advisory Board, may allocate monies for purse supplements for such races. In determining whether to allocate money and the amount, the Department of Agriculture shall consider factors, including but not limited to, the amount of money appropriated for the Illinois Standardbred Breeders Fund program, the number of races that may occur, and an organizational licensee's purse structure. The organizational licensee shall notify the Department of Agriculture of the conditions and minimum purses for races limited to Illinois conceived and foaled horses to be conducted by each organizational licensee conducting a harness racing meeting for which purse supplements have been negotiated.

(l) All races held at county fairs and the State Fair which receive funds from the Illinois Standardbred Breeders Fund shall be conducted in accordance with the rules of the United States Trotting Association unless otherwise modified by the Department of Agriculture.

(m) At all standardbred race meetings held or conducted under authority of a license granted by the Board, and at all standardbred races held at county fairs which are approved by the Department of Agriculture or at the Illinois or DuQuoin State Fairs, no one shall jog, train, warm up or drive a standardbred horse unless he or she is wearing a protective safety helmet, with the chin strap fastened and in place, which meets the standards and requirements as set forth in the 1984 Standard for Protective

Headgear for Use in Harness Racing and Other Equestrian Sports published by the Snell Memorial Foundation, or any standards and requirements for headgear the Illinois Racing Board may approve. Any other standards and requirements so approved by the Board shall equal or exceed those published by the Snell Memorial Foundation. Any equestrian helmet bearing the Snell label shall be deemed to have met those standards and requirements.

(Source: P.A. 91-239, eff. 1-1-00.)

(230 ILCS 5/32.1)

Sec. 32.1. Pari-mutuel tax credit; statewide racetrack real estate equalization. In order to encourage new investment in Illinois racetrack facilities and mitigate differing real estate tax burdens among all racetracks, the licensees affiliated or associated with each racetrack that has been awarded live racing dates in the current year shall receive an immediate pari-mutuel tax credit in an amount equal to the greater of (i) 50% of the amount of the real estate taxes paid in the prior year attributable to that racetrack, or (ii) the amount by which the real estate taxes paid in the prior year attributable to that racetrack exceeds 60% of the average real estate taxes paid in the prior year for all racetracks awarded live horse racing meets in the current year.

Each year, regardless of whether the organization licensee conducted live racing in the year of certification, the Board shall certify in writing, prior to December 31, the real estate taxes paid in that year for each racetrack and the amount of the pari-mutuel tax credit that each organization licensee, intertrack wagering licensee, and intertrack wagering location licensee that derives its license from such racetrack is entitled in the succeeding calendar year. The real estate taxes considered under this Section for any racetrack shall be those taxes on the real estate parcels and related facilities used to conduct a horse race meeting and inter-track wagering at such racetrack under this Act. In no event shall the amount of the tax credit under this Section exceed the amount of pari-mutuel taxes otherwise calculated under this Act. The amount of the tax credit under this Section shall be retained by each licensee and shall not be subject to any reallocation or further distribution under this Act. The Board may promulgate emergency rules to implement this Section.

An organization licensee shall no longer be eligible to receive a pari-mutuel tax credit under this Section beginning on the January 1 first occurring after the organization licensee begins conducting electronic gaming pursuant to an electronic gaming license issued under Section 7.4 of the Riverboat Gambling Act or on January 1, 2005, whichever comes first. For the calendar year in which an organization licensee that is eligible to receive a pari-mutuel tax credit under this Section begins conducting electronic gaming pursuant to an electronic gaming license, the amount of the pari-mutuel tax credit shall be reduced by a percentage equal to the percentage of the year remaining after the organization licensee begins conducting electronic gaming pursuant to its electronic gaming license. Beginning on January 1, 2005, the provisions of this Section shall be of no force and effect.

(Source: P.A. 91-40, eff. 6-25-99.)

(230 ILCS 5/34.2 new)

Sec. 34.2. Racetrack consolidation.

(a) Findings. The General Assembly finds that encouraging organization licensees to consolidate will be beneficial to the horse racing industry. The General Assembly declares it to be the public policy of this State to enhance the viability of the horse racing industry by encouraging organization licensees to consolidate and not be penalized or lose any rights, benefits, or powers by reason of such consolidation.

(b) Consolidation. Notwithstanding any provision of this Act to the contrary, if 2 or more existing organization licensees consolidate into a single organization licensee or otherwise form a joint venture, corporation, limited liability company, or similar consolidated enterprise (consolidated organization licensee) whereby the consolidated organization licensee makes application or joint application, as the case may be, as a single organization licensee, or such existing licensees, after consolidation, make separate applications in the names of such pre-existing licensees, the newly consolidated organization licensee or each such separate pre-existing licensee shall thereafter retain and be entitled to all of the rights, benefits, and powers under this Act that would have otherwise accrued to each such individual pre-consolidation organization licensee but for such consolidation, regardless of whether all or a portion of the facilities of a pre-consolidation licensee are sold, transferred, or otherwise cease to be utilized by the newly consolidated organization licensee or either of the pre-existing licensees. Such multiple rights, benefits, and powers shall include, but not be limited to:

(1) the authority to make application for and receive, within the discretion of the Board, racing dates, including host track days, in the same manner as the individual pre-consolidation organization licensees and the racetracks from which the organization licensees derive their licenses;

(2) the right to retain the existing inter-track wagering licenses and inter-track wagering location licenses of the individual pre-consolidation organization licensees and the racetracks from which the organization licensees derive their licenses, and the authority to make application for future inter-track wagering licenses and inter-track wagering location licenses in the same manner as each individual pre-consolidation organization licensee and the racetracks from which each pre-consolidation organization licensee derives its license, had or has in its own right; and

(3) all existing and future rights, benefits, and powers that the individual pre-consolidation organization licensees and the racetracks from which the organization licensees derive their licenses would have had or received but for the consolidation.

The newly consolidated organization licensee shall be subject to such taxation and fees as other similarly situated organization licensees.

(230 ILCS 5/36) (from Ch. 8, par. 37-36)

Sec. 36. (a) Whoever administers or conspires to administer to any horse a hypnotic, narcotic, stimulant, depressant or any chemical substance which may affect the speed of a horse at any time in any race where the purse or any part of the purse is made of money authorized by any Section of this Act, except those chemical substances permitted by ruling of the Board, internally, externally or by hypodermic method in a race or prior thereto, or whoever knowingly enters a horse in any race within a period of 24 hours after any hypnotic, narcotic, stimulant, depressant or any other chemical substance which may affect the speed of a horse at any time, except those chemical substances permitted by ruling of the Board, has been administered to such horse either internally or externally or by hypodermic method for the purpose of increasing or retarding the speed of such horse shall be guilty of a Class 4 felony. The Board shall suspend or revoke such violator's license.

(b) The term "hypnotic" as used in this Section includes all barbituric acid preparations and derivatives.

(c) The term "narcotic" as used in this Section includes opium and all its alkaloids, salts, preparations and derivatives, cocaine and all its salts, preparations and derivatives and substitutes.

(d) The provisions of this Section 36 and the treatment authorized herein apply to horses entered in and competing in race meetings as defined in Section 3.47 of this Act and to horses entered in and competing at any county fair.

(Source: P.A. 79-1185.)

(230 ILCS 5/42) (from Ch. 8, par. 37-42)

Sec. 42. (a) Except as to the distribution of monies provided for by Sections 28, 29, 30, and 31 and the treating of horses as provided in Section 36, nothing whatsoever in this Act shall be held or taken to apply to county fairs and State Fairs or to agricultural and livestock exhibitions where the pari-mutuel system of wagering upon the result of horses is not permitted or conducted.

(b) Nothing herein shall be construed to permit the pari-mutuel method of wagering upon any race track unless such race track is licensed under this Act. It is hereby declared to be unlawful for any person to permit, conduct or supervise upon any race track ground the pari-mutuel method of wagering except in accordance with the provisions of this Act.

(c) Whoever violates subsection (b) of this Section is guilty of a Class 4 felony.

(Source: P.A. 89-16, eff. 5-30-95.)

(230 ILCS 5/56 new)

Sec. 56. Electronic gaming.

(a) An organization licensee may apply to the Gaming Board for an electronic gaming license. An electronic gaming license shall authorize its holder to conduct electronic gaming on the grounds of the licensee's race track. Each license shall specify the number of gaming positions that its holder may operate. An electronic gaming licensee may not permit persons under 21 years of age to be present in its electronic gaming facility, but the licensee may accept pari-mutuel wagers at its electronic gaming facility that are placed by persons who are at least 21 years of age.

If employees of an organization licensee accept pari-mutuel wagers at a portion of the organization licensee's race track that is not separate and distinct from its electronic gaming facility, those employees must be licensed in the same manner as employees of an electronic gaming facility and must undergo the same background investigation under the Riverboat Gambling Act as employees of an electronic gaming facility.

(b) Prior to the payment of any taxes under Section 13 of the Riverboat Gambling Act, of the adjusted gross receipts received by an electronic gaming licensee from electronic gaming, 14% of those adjusted gross receipts received during the first 5 years that the licensee conducts electronic gaming and 15% of those adjusted gross receipts received during the sixth and all subsequent years that the licensee conducts

electronic gaming shall be paid to purse equity accounts as provided by current law or as provided by Racing Board rule. Of the moneys paid into purse equity accounts under this subsection (b), 58% shall be paid to thoroughbred purse equity accounts and 48% shall be paid to standardbred purse equity accounts.

(c) Prior to the payment of any taxes under Section 13 of the Riverboat Gambling Act, the following amounts shall be paid each month by all electronic gaming licensees from the adjusted gross receipts received by those electronic gaming licensees:

(1) 1/12 of $5,000,000 shall be paid to the Department of Agriculture and distributed by the Department as determined by rule into the Illinois Thoroughbred Breeders Fund and the Illinois Standardbred Breeders Fund;

(2) 1/12 of $1,250,000 shall be paid to the Racing Industry Charitable Foundation;

(3) 1/12 of $500,000 shall be paid to the Department of Agriculture and distributed by the Department as determined by rule to State universities for equine research; and

(4) 1/12 of $500,000 shall be paid into the Illinois Quarterhorse Breeders Fund.

The payments required under this subsection (c) shall be paid by electronic gaming licensees, pro rata, based on the total amount wagered at each of those electronic gaming licensees' electronic gaming facilities in the previous month.

(d) The amounts remaining after all payments required under this Section and under Section 13 of the Riverboat Gambling Act shall be retained by the electronic gaming licensee.

(230 ILCS 5/57 new)

Sec. 57. Marketing and Promotion.

(a) Beginning January 30, 2004 and every January 30 thereafter, each organization licensee shall certify the amounts it spent on marketing and promoting horseracing and electronic gaming in the immediately previous calendar year.

(b) Beginning with calendar year 2004, and every year thereafter, each organization licensees that was awarded an electronic gaming license by the Gaming Board shall spend on the marketing of horseracing in each calendar year no less than the organization licensee spent on the marketing of horseracing in calendar year 2003.

(c) Beginning with calendar year 2004, an organization licensee that was awarded an electronic gaming license by the Gaming Board shall be required to spend on the marketing of electronic gaming in each calendar year no less than the amount that the organization licensee spent on the marketing of horseracing in calendar year 2003. At least 50% of any advertising spent to promote electronic gaming shall also promote horseracing. Advertising includes direct spending for print and electronic media.

(d) If the average total daily handle on live race meets of an organization licensee that was awarded an electronic gaming license by the Gaming Board decreases by 15% or more compared to the average daily handle for live race meets of that licensee in the immediately previous calendar year, that organization licensee shall increase advertising expenditures promoting horseracing by 50% in the immediately following calendar year, unless the organization licensee and its representative horsemen's association agree otherwise in writing. An organization licensee that experiences such a decrease in average daily handle for live race meets shall notify the Racing Board of the amount that it intends to spend on advertising horseracing in the immediately following calendar year.

(e) Before November 30 of each year, an organization licensee that has been awarded race dates for the subsequent year shall convene a meeting with representatives of horsemen's associations to discuss, review, and solicit input regarding the horseracing marketing plans for horseracing promotional programs conducted in the current year and planned for the subsequent year.

Section 80. The Riverboat Gambling Act is amended by changing Sections 3, 4, 5, 7, 8, 9, 11, 11.1, 12, 13, 14, 18, 19, and 20 and adding Sections 7.4, 7.5, 13.2, and 13.3 as follows:

(230 ILCS 10/3) (from Ch. 120, par. 2403)

Sec. 3. ~~Riverboat~~ Gambling Authorized.

(a) Riverboat gambling operations and electronic gaming operations ~~and the system of wagering incorporated therein~~, as defined in this Act, are hereby authorized to the extent that they are carried out in accordance with the provisions of this Act.

(b) This Act does not apply to the pari-mutuel system of wagering used or intended to be used in connection with the horse-race meetings as authorized under the Illinois Horse Racing Act of 1975, lottery games authorized under the Illinois Lottery Law, bingo authorized under the Bingo License and Tax Act, charitable games authorized under the Charitable Games Act or pull tabs and jar games conducted under the Illinois Pull Tabs and Jar Games Act. This Act does apply to electronic gaming authorized under the

Illinois Horse Racing Act of 1975 to the extent provided in that Act and in this Act.

(c) Riverboat gambling conducted pursuant to this Act may be authorized upon any water within the State of Illinois or any water other than Lake Michigan which constitutes a boundary of the State of Illinois. A licensee may conduct riverboat gambling authorized under this Act regardless of whether it conducts excursion cruises. A licensee may permit the continuous ingress and egress of passengers for the purpose of gambling.

(d) Electronic gaming may be conducted at electronic gaming facilities as authorized under this Act.

(Source: P.A. 91-40, eff. 6-25-99.)

(230 ILCS 10/4) (from Ch. 120, par. 2404)

Sec. 4. Definitions. As used in this Act:

~~(a)~~ "Board" means the Illinois Gaming Board.

~~(b)~~ "Occupational license" means a license issued by the Board to a person or entity to perform an occupation which the Board has identified as requiring a license to engage in riverboat gambling in Illinois.

~~(c)~~ "Gambling game" includes, but is not limited to, baccarat, twenty-one, poker, craps, slot machine, video game of chance, roulette wheel, klondike table, punchboard, faro layout, keno layout, numbers ticket, push card, jar ticket, or pull tab which is authorized by the Board as a wagering device under this Act.

~~(d)~~ "Riverboat" means a self-propelled excursion boat, a permanently moored barge, or permanently moored barges that are permanently fixed together to operate as one vessel, on which lawful gambling is authorized and licensed as provided in this Act.

~~(e) (Blank).~~

~~(f)~~ "Dock" means the location where a riverboat moors for the purpose of embarking passengers for and disembarking passengers from the riverboat.

~~(g)~~ "Gross receipts" means the total amount of money exchanged for the purchase of chips, tokens or electronic cards by riverboat patrons or electronic gaming operation patrons.

~~(h)~~ "Adjusted gross receipts" means the gross receipts less winnings paid to wagerers.

~~(i)~~ "Cheat" means to alter the selection of criteria which determine the result of a gambling game or the amount or frequency of payment in a gambling game.

~~(j)~~ "Department" means the Department of Revenue.

~~(k)~~ "Gambling operation" means the conduct of ~~authorized~~ gambling games authorized under this Act on ~~upon~~ a riverboat or authorized under this Act and the Illinois Horse Racing Act of 1975 at an electronic gaming facility.

"Owners license" means a license to conduct riverboat gambling operations, but does not include an electronic gaming license.

"Licensed owner" means a person who holds an owners license.

"Electronic gaming license" means a license issued by the Board under Section 7.4 of this Act authorizing electronic gaming at an electronic gaming facility.

"Electronic gaming" means the conduct of gambling using slot machines, video games of chance, or both, at a race track licensed under the Illinois Horse Racing Act of 1975 pursuant to the Illinois Horse Racing Act of 1975 and this Act.

"Electronic gaming facility" means the area where the Board has authorized electronic gaming at a race track of an organization licensee under the Illinois Horse Racing Act of 1975 that holds an electronic gaming license.

"Organization licensee" means an entity authorized by the Illinois Racing Board to conduct pari-mutuel wagering in accordance with the Illinois Horse Racing Act of 1975.

"Gambling participant" and "gaming position" both have the same meaning as the term "gaming position" as defined by the Board by rule.

(Source: P.A. 91-40, eff. 6-25-99; 92-600, eff. 6-28-02.)

(230 ILCS 10/5) (from Ch. 120, par. 2405)

Sec. 5. Gaming Board.

(a) (1) There is hereby established within the Department of Revenue an Illinois Gaming Board which shall have the powers and duties specified in this Act, and all other powers necessary and proper to fully and effectively execute this Act for the purpose of administering, regulating, and enforcing the system of riverboat gambling established by this Act. Its jurisdiction shall extend under this Act to every person, association, corporation, partnership and trust involved in riverboat gambling operations in the State of Illinois.

(2) The Board shall consist of 5 members to be appointed by the Governor with the advice and consent of the Senate, one of whom shall be designated by the Governor to be chairman. Each member shall have a

reasonable knowledge of the practice, procedure and principles of gambling operations. Each member shall either be a resident of Illinois or shall certify that he will become a resident of Illinois before taking office. At least one member shall be experienced in law enforcement and criminal investigation, at least one member shall be a certified public accountant experienced in accounting and auditing, and at least one member shall be a lawyer licensed to practice law in Illinois.

(3) The terms of office of the Board members shall be 3 years, except that the terms of office of the initial Board members appointed pursuant to this Act will commence from the effective date of this Act and run as follows: one for a term ending July 1, 1991, 2 for a term ending July 1, 1992, and 2 for a term ending July 1, 1993. Upon the expiration of the foregoing terms, the successors of such members shall serve a term for 3 years and until their successors are appointed and qualified for like terms. Vacancies in the Board shall be filled for the unexpired term in like manner as original appointments. Each member of the Board shall be eligible for reappointment at the discretion of the Governor with the advice and consent of the Senate.

(4) Each member of the Board shall receive $300 for each day the Board meets and for each day the member conducts any hearing pursuant to this Act. Each member of the Board shall also be reimbursed for all actual and necessary expenses and disbursements incurred in the execution of official duties.

(5) No person shall be appointed a member of the Board or continue to be a member of the Board who is, or whose spouse, child or parent is, a member of the board of directors of, or a person financially interested in, any gambling operation subject to the jurisdiction of this Board, or any race track, race meeting, racing association or the operations thereof subject to the jurisdiction of the Illinois Racing Board. No Board member shall hold any other public office for which he shall receive compensation other than necessary travel or other incidental expenses. No person shall be a member of the Board who is not of good moral character or who has been convicted of, or is under indictment for, a felony under the laws of Illinois or any other state, or the United States.

(6) Any member of the Board may be removed by the Governor for neglect of duty, misfeasance, malfeasance, or nonfeasance in office.

(7) Before entering upon the discharge of the duties of his office, each member of the Board shall take an oath that he will faithfully execute the duties of his office according to the laws of the State and the rules and regulations adopted therewith and shall give bond to the State of Illinois, approved by the Governor, in the sum of $25,000. Every such bond, when duly executed and approved, shall be recorded in the office of the Secretary of State. Whenever the Governor determines that the bond of any member of the Board has become or is likely to become invalid or insufficient, he shall require such member forthwith to renew his bond, which is to be approved by the Governor. Any member of the Board who fails to take oath and give bond within 30 days from the date of his appointment, or who fails to renew his bond within 30 days after it is demanded by the Governor, shall be guilty of neglect of duty and may be removed by the Governor. The cost of any bond given by any member of the Board under this Section shall be taken to be a part of the necessary expenses of the Board.

(8) Upon the request of the Board, the Department shall employ such personnel as may be necessary to carry out the functions of the Board. No person shall be employed to serve the Board who is, or whose spouse, parent or child is, an official of, or has a financial interest in or financial relation with, any operator engaged in gambling operations within this State or any organization engaged in conducting horse racing within this State. Any employee violating these prohibitions shall be subject to termination of employment.

(9) An Administrator shall perform any and all duties that the Board shall assign him. The salary of the Administrator shall be determined by the Board and approved by the Director of the Department and, in addition, he shall be reimbursed for all actual and necessary expenses incurred by him in discharge of his official duties. The Administrator shall keep records of all proceedings of the Board and shall preserve all records, books, documents and other papers belonging to the Board or entrusted to its care. The Administrator shall devote his full time to the duties of the office and shall not hold any other office or employment.

(b) The Board shall have general responsibility for the implementation of this Act. Its duties include, without limitation, the following:

(1) To decide promptly and in reasonable order all license applications. Any party aggrieved by an action of the Board denying, suspending, revoking, restricting or refusing to renew a license may request a hearing before the Board. A request for a hearing must be made to the Board in writing within 5 days after service of notice of the action of the Board. Notice of the action of the Board shall be served either by personal delivery or by certified mail, postage prepaid, to the aggrieved party. Notice served by certified mail shall be deemed complete on the business day following the date of such

mailing. The Board shall conduct all requested hearings promptly and in reasonable order;

(2) To conduct all hearings pertaining to civil violations of this Act or rules and regulations promulgated hereunder;

(3) To promulgate such rules and regulations as in its judgment may be necessary to protect or enhance the credibility and integrity of gambling operations authorized by this Act and the regulatory process hereunder;

(4) To provide for the establishment and collection of all license and registration fees and taxes imposed by this Act and the rules and regulations issued pursuant hereto. All such fees and taxes shall be deposited into the State Gaming Fund;

(5) To provide for the levy and collection of penalties and fines for the violation of provisions of this Act and the rules and regulations promulgated hereunder. All such fines and penalties shall be deposited into the Education Assistance Fund, created by Public Act 86-0018, of the State of Illinois;

(6) To be present through its inspectors and agents any time gambling operations are conducted on any riverboat or at any electronic gaming facility for the purpose of certifying the revenue thereof, receiving complaints from the public, and conducting such other investigations into the conduct of the gambling games and the maintenance of the equipment as from time to time the Board may deem necessary and proper;

(7) To review and rule upon any complaint by a licensee regarding any investigative procedures of the State which are unnecessarily disruptive of gambling operations. The need to inspect and investigate shall be presumed at all times. The disruption of a licensee's operations shall be proved by clear and convincing evidence, and establish that: (A) the procedures had no reasonable law enforcement purposes, and (B) the procedures were so disruptive as to unreasonably inhibit gambling operations;

(8) To hold at least one meeting each quarter of the fiscal year. In addition, special meetings may be called by the Chairman or any 2 Board members upon 72 hours written notice to each member. All Board meetings shall be subject to the Open Meetings Act. Three members of the Board shall constitute a quorum, and 3 votes shall be required for any final determination by the Board. The Board shall keep a complete and accurate record of all its meetings. A majority of the members of the Board shall constitute a quorum for the transaction of any business, for the performance of any duty, or for the exercise of any power which this Act requires the Board members to transact, perform or exercise en banc, except that, upon order of the Board, one of the Board members or an administrative law judge designated by the Board may conduct any hearing provided for under this Act or by Board rule and may recommend findings and decisions to the Board. The Board member or administrative law judge conducting such hearing shall have all powers and rights granted to the Board in this Act. The record made at the time of the hearing shall be reviewed by the Board, or a majority thereof, and the findings and decision of the majority of the Board shall constitute the order of the Board in such case;

(9) To maintain records which are separate and distinct from the records of any other State board or commission. Such records shall be available for public inspection and shall accurately reflect all Board proceedings;

(10) To file a written annual report with the Governor on or before March 1 each year and such additional reports as the Governor may request. The annual report shall include a statement of receipts and disbursements by the Board, actions taken by the Board, and any additional information and recommendations which the Board may deem valuable or which the Governor may request;

(11) (Blank); ~~and~~

(12) To assume responsibility for the administration and enforcement of the Bingo License and Tax Act, the Charitable Games Act, and the Pull Tabs and Jar Games Act if such responsibility is delegated to it by the Director of Revenue; and ~~.~~

(13) To assume responsibility for the administration and enforcement of operations at electronic gaming facilities pursuant to this Act and the Illinois Horse Racing Act of 1975.

(c) The Board shall have jurisdiction over and shall supervise all gambling operations governed by this Act. The Board shall have all powers necessary and proper to fully and effectively execute the provisions of this Act, including, but not limited to, the following:

(1) To investigate applicants and determine the eligibility of applicants for licenses and to select among competing applicants the applicants which best serve the interests of the citizens of Illinois.

(2) To have jurisdiction and supervision over all ~~riverboat~~ gambling operations authorized under this

Act ~~in this State~~ and all persons in places ~~on riverboats~~ where gambling operations are conducted.

(3) To promulgate rules and regulations for the purpose of administering the provisions of this Act and to prescribe rules, regulations and conditions under which all ~~riverboat~~ gambling operations subject to this Act ~~in the State~~ shall be conducted. Such rules and regulations are to provide for the prevention of practices detrimental to the public interest and for the best interests of ~~riverboat~~ gambling, including rules and regulations regarding the inspection of electronic gaming facilities and ~~such~~ riverboats and the review of any permits or licenses necessary to operate a riverboat under any laws or regulations applicable to riverboats, and to impose penalties for violations thereof.

(4) To enter the office, riverboats, electronic gaming facilities, and other facilities ~~,~~ or other places of business of a licensee, where evidence of the compliance or noncompliance with the provisions of this Act is likely to be found.

(5) To investigate alleged violations of this Act or the rules of the Board and to take appropriate disciplinary action against a licensee or a holder of an occupational license for a violation, or institute appropriate legal action for enforcement, or both.

(6) To adopt standards for the licensing of all persons under this Act, as well as for electronic or mechanical gambling games, and to establish fees for such licenses.

(7) To adopt appropriate standards for all electronic gaming facilities, riverboats, and other facilities authorized under this Act.

(8) To require that the records, including financial or other statements of any licensee under this Act, shall be kept in such manner as prescribed by the Board and that any such licensee involved in the ownership or management of gambling operations submit to the Board an annual balance sheet and profit and loss statement, list of the stockholders or other persons having a 1% or greater beneficial interest in the gambling activities of each licensee, and any other information the Board deems necessary in order to effectively administer this Act and all rules, regulations, orders and final decisions promulgated under this Act.

(9) To conduct hearings, issue subpoenas for the attendance of witnesses and subpoenas duces tecum for the production of books, records and other pertinent documents in accordance with the Illinois Administrative Procedure Act, and to administer oaths and affirmations to the witnesses, when, in the judgment of the Board, it is necessary to administer or enforce this Act or the Board rules.

(10) To prescribe a form to be used by any licensee involved in the ownership or management of gambling operations as an application for employment for their employees.

(11) To revoke or suspend licenses, as the Board may see fit and in compliance with applicable laws of the State regarding administrative procedures, and to review applications for the renewal of licenses. The Board may suspend an owners license or electronic gaming license, without notice or hearing, upon a determination that the safety or health of patrons or employees is jeopardized by continuing a gambling operation conducted under that license ~~a riverboat's operation~~. The suspension may remain in effect until the Board determines that the cause for suspension has been abated. The Board may revoke the owners license or electronic gaming license upon a determination that the licensee ~~owner~~ has not made satisfactory progress toward abating the hazard.

(12) To eject or exclude or authorize the ejection or exclusion of, any person from ~~riverboat~~ gambling facilities where that ~~such~~ person is in violation of this Act, rules and regulations thereunder, or final orders of the Board, or where such person's conduct or reputation is such that his or her presence within the ~~riverboat~~ gambling facilities may, in the opinion of the Board, call into question the honesty and integrity of the gambling operations or interfere with the orderly conduct thereof; provided that the propriety of such ejection or exclusion is subject to subsequent hearing by the Board.

(13) To require all licensees of gambling operations to utilize a cashless wagering system whereby all players' money is converted to tokens, electronic cards, or chips which shall be used only for wagering in the gambling establishment.

(14) (Blank).

(15) To suspend, revoke or restrict licenses, to require the removal of a licensee or an employee of a licensee for a violation of this Act or a Board rule or for engaging in a fraudulent practice, and to impose civil penalties of up to $5,000 against individuals and up to $10,000 or an amount equal to the daily gross receipts, whichever is larger, against licensees for each violation of any provision of the Act, any rules adopted by the Board, any order of the Board or any other action which, in the Board's discretion, is a detriment or impediment to ~~riverboat~~ gambling operations.

(16) To hire employees to gather information, conduct investigations and carry out any other tasks contemplated under this Act.

(17) To establish minimum levels of insurance to be maintained by licensees.

(18) To authorize a licensee to sell or serve alcoholic liquors, wine or beer as defined in the Liquor Control Act of 1934 on board a riverboat and to have exclusive authority to establish the hours for sale and consumption of alcoholic liquor on board a riverboat, notwithstanding any provision of the Liquor Control Act of 1934 or any local ordinance, and regardless of whether the riverboat makes excursions. The establishment of the hours for sale and consumption of alcoholic liquor on board a riverboat is an exclusive power and function of the State. A home rule unit may not establish the hours for sale and consumption of alcoholic liquor on board a riverboat. This subdivision (18) ~~amendatory Act of 1991~~ is a denial and limitation of home rule powers and functions under subsection (h) of Section 6 of Article VII of the Illinois Constitution.

(19) After consultation with the U.S. Army Corps of Engineers, to establish binding emergency orders upon the concurrence of a majority of the members of the Board regarding the navigability of water, relative to excursions, in the event of extreme weather conditions, acts of God or other extreme circumstances.

(20) To delegate the execution of any of its powers under this Act for the purpose of administering and enforcing this Act and its rules and regulations hereunder.

(21) To make rules concerning the conduct of electronic gaming.

(22) ~~(21)~~ To take any other action as may be reasonable or appropriate to enforce this Act and rules and regulations hereunder.

(d) The Board may seek and shall receive the cooperation of the Department of State Police in conducting background investigations of applicants and in fulfilling its responsibilities under this Section. Costs incurred by the Department of State Police as a result of such cooperation shall be paid by the Board in conformance with the requirements of Section 2605-400 of the Department of State Police Law (20 ILCS 2605/2605-400).

(e) The Board must authorize to each investigator and to any other employee of the Board exercising the powers of a peace officer a distinct badge that, on its face, (i) clearly states that the badge is authorized by the Board and (ii) contains a unique identifying number. No other badge shall be authorized by the Board.
(Source: P.A. 91-40, eff. 1-1-00; 91-239, eff. 1-1-00; 91-883, eff. 1-1-01.)

(230 ILCS 10/7) (from Ch. 120, par. 2407)

Sec. 7. Owners Licenses.

(a) The Board shall issue owners licenses to persons, firms or corporations which apply for such licenses upon payment to the Board of the non-refundable license fee set by the Board, upon payment of a $25,000 license fee for the first year of operation and a $5,000 license fee for each succeeding year and upon a determination by the Board that the applicant is eligible for an owners license pursuant to this Act and the rules of the Board. A person, firm or corporation is ineligible to receive an owners license if:

(1) the person has been convicted of a felony under the laws of this State, any other state, or the United States;

(2) the person has been convicted of any violation of Article 28 of the Criminal Code of 1961, or substantially similar laws of any other jurisdiction;

(3) the person has submitted an application for a license under this Act which contains false information;

(4) the person is a member of the Board;

(5) a person defined in (1), (2), (3) or (4) is an officer, director or managerial employee of the firm or corporation;

(6) the firm or corporation employs a person defined in (1), (2), (3) or (4) who participates in the management or operation of gambling operations authorized under this Act;

(7) (blank); or

(8) a license of the person, firm or corporation issued under this Act, or a license to own or operate gambling facilities in any other jurisdiction, has been revoked.

(b) In determining whether to grant an owners license to an applicant, the Board shall consider:

(1) the character, reputation, experience and financial integrity of the applicants and of any other or separate person that either:

(A) controls, directly or indirectly, such applicant, or

(B) is controlled, directly or indirectly, by such applicant or by a person which controls, directly or indirectly, such applicant;

(2) the facilities or proposed facilities for the conduct of riverboat gambling;

(3) the highest prospective total revenue to be derived by the State from the conduct of riverboat gambling;

(4) the good faith affirmative action plan of each applicant to recruit, train and upgrade minorities in all employment classifications;

(5) the financial ability of the applicant to purchase and maintain adequate liability and casualty insurance;

(6) whether the applicant has adequate capitalization to provide and maintain, for the duration of a license, a riverboat; and

(7) the extent to which the applicant exceeds or meets other standards for the issuance of an owners license which the Board may adopt by rule.

(c) Each owners license shall specify the place where riverboats shall operate and dock.

(d) Each applicant shall submit with his application, on forms provided by the Board, 2 sets of his fingerprints.

(e) The Board may issue up to 10 licenses authorizing the holders of such licenses to own riverboats. In the application for an owners license, the applicant shall state the dock at which the riverboat is based and the water on which the riverboat will be located. The Board shall issue 5 licenses to become effective not earlier than January 1, 1991. Three of such licenses shall authorize riverboat gambling on the Mississippi River or in a municipality that (1) borders on the Mississippi River or is within 5 miles of the city limits of a municipality that borders on the Mississippi River and (2), on the effective date of this amendatory Act of the 93rd General Assembly, has a riverboat conducting riverboat gambling operations pursuant to a license issued under this Act, one of which shall authorize riverboat gambling from a home dock in the city of East St. Louis ~~, and one of which shall authorize riverboat gambling on the Mississippi River or in a municipality that (1) borders on the Mississippi River or is within 5 miles of the city limits of a municipality that borders on the Mississippi River and (2) on the effective date of this amendatory Act of the 92nd General Assembly has a riverboat conducting riverboat gambling operations pursuant to a license issued under this Act~~. One other license shall authorize riverboat gambling on the Illinois River south of Marshall County. The Board shall issue one additional license to become effective not earlier than March 1, 1992, which shall authorize riverboat gambling on the Des Plaines River in Will County. The Board may issue 4 additional licenses to become effective not earlier than March 1, 1992. In determining the water upon which riverboats will operate, the Board shall consider the economic benefit which riverboat gambling confers on the State, and shall seek to assure that all regions of the State share in the economic benefits of riverboat gambling.

In granting all licenses, the Board may give favorable consideration to economically depressed areas of the State, to applicants presenting plans which provide for significant economic development over a large geographic area, and to applicants who currently operate non-gambling riverboats in Illinois. The Board shall review all applications for owners licenses, and shall inform each applicant of the Board's decision.

The Board may revoke the owners license of a licensee which fails to begin conducting gambling within 15 months of receipt of the Board's approval of the application if the Board determines that license revocation is in the best interests of the State.

(f) The first 10 owners licenses issued under this Act shall permit the holder to own up to 2 riverboats and equipment thereon for a period of 3 years after the effective date of the license. Holders of the first 10 owners licenses must pay the annual license fee for each of the 3 years during which they are authorized to own riverboats.

(g) Upon the termination, expiration, or revocation of each of the first 10 licenses, which shall be issued for a 3 year period, all licenses are renewable annually upon payment of the fee and a determination by the Board that the licensee continues to meet all of the requirements of this Act and the Board's rules. However, for licenses renewed on or after May 1, 1998, renewal shall be for a period of 4 years, unless the Board sets a shorter period.

(h) An owners license shall entitle the licensee to own up to 2 riverboats and operate up to 2,000 gaming positions. In addition to the 2,000 gaming positions authorized by a licensee's owners license, a licensee may operate gaming positions that it acquires pursuant to the competitive bidding process established under this subsection (h). A licensee may operate both of its riverboats concurrently, provided that the total number of gaming positions on both riverboats does not exceed 2,000 plus the number of gaming positions it receives under the competitive bidding process. For each 4-year license period, a licensee shall certify to the Board the total number of gaming positions it will use during the license period. If a licensee certifies that it will use a given number of gaming positions during its license period and, in the Board's

determination, fails to use some or all of those gaming positions, then the unused gaming positions shall become the property of the Board. If a licensee certifies that it will use fewer than 2,000 gaming positions, then the authorized but unused gaming positions shall become the property of the Board. The Board shall establish, by rule, a method for licensees to competitively bid for the right to use gaming positions that become the property of the Board under this subsection (h). A licensee may not bid for additional gaming positions under this subsection (h) unless (1) it certifies that it is currently using all 2,000 gaming positions authorized by its license or (2) it certifies that it is remodeling or has remodeled its riverboat gambling facilities and, upon completion of the remodeling, will be able to operate at least 2,000 gaming positions.

An owners licensee that is authorized to admit in excess of 1,200 participants under this subsection (h) may conduct riverboat gambling operations from a temporary facility pending the construction of a permanent facility or the remodeling of an existing facility to accommodate those additional participants for up to 12 months after receiving the authority to admit additional participants. Upon request by an owners licensee and upon a showing of good cause by the owners licensee, the Board shall extend the period during which the licensee may conduct riverboat gambling operations from a temporary facility by up to 12 months. The number of participants who may be present at such a temporary facility at one time may not exceed the number of participants the licensee is authorized to admit in excess of 1,200. The Board shall make rules concerning the conduct of gambling from temporary facilities. ~~A licensee shall limit the number of gambling participants to 1,200 for any such owners license. A licensee may operate both of its riverboats concurrently, provided that the total number of gambling participants on both riverboats does not exceed 1,200. Riverboats licensed to operate on the Mississippi River and the Illinois River south of Marshall County shall have an authorized capacity of at least 500 persons. Any other riverboat licensed under this Act shall have an authorized capacity of at least 400 persons.~~

(i) A licensed owner is authorized to apply to the Board for and, if approved therefor, to receive all licenses from the Board necessary for the operation of a riverboat, including a liquor license, a license to prepare and serve food for human consumption, and other necessary licenses. All use, occupation and excise taxes which apply to the sale of food and beverages in this State and all taxes imposed on the sale or use of tangible personal property apply to such sales aboard the riverboat.

(j) The Board may issue a license authorizing a riverboat to dock in a municipality or approve a relocation under Section 11.2 only if, prior to the issuance of the license or approval, the governing body of the municipality in which the riverboat will dock has by a majority vote approved the docking of riverboats in the municipality. The Board may issue a license authorizing a riverboat to dock in areas of a county outside any municipality or approve a relocation under Section 11.2 only if, prior to the issuance of the license or approval, the governing body of the county has by a majority vote approved of the docking of riverboats within such areas.

(Source: P.A. 91-40, eff. 6-25-99; 92-600, eff. 6-28-02.)

(230 ILCS 10/7.4 new)

Sec. 7.4. Electronic gaming.

(a) The General Assembly finds that the horse racing and riverboat gambling industries share many similarities and collectively comprise the bulk of the State's gaming industry. One feature in common to both industries is that each is highly regulated by the State of Illinois.

The General Assembly further finds, however, that despite their shared features each industry is distinct from the other in that horse racing is and continues to be intimately tied to Illinois' agricultural economy and is, at its core, a spectator sport. This distinction requires the General Assembly to utilize different methods to regulate and promote the horse racing industry throughout the State.

The General Assembly finds that in order to promote live horse racing as a spectator sport in Illinois and the agricultural economy of this State, it is necessary to allow electronic gaming at Illinois race tracks as an ancillary use given the success of other states in increasing live racing purse accounts and improving the quality of horses participating in horse race meetings.

The General Assembly finds, however, that even though the authority to conduct electronic gaming is a uniform means to improve live horse racing in this State, electronic gaming must be regulated and implemented differently in southern Illinois versus the Chicago area. The General Assembly finds that Fairmount Park is the only race track operating on a year round basis in southern Illinois that offers live racing and for that matter only conducts live thoroughbred racing. The General Assembly finds that the current state of affairs deprives spectators and standardbred horsemen residing in southern Illinois of the opportunity to participate in live standardbred racing in a manner similar to spectators, thoroughbred horsemen, and standardbred horsemen residing in the Chicago area. The General Assembly declares that southern Illinois spectators and standardbred horsemen are entitled to have a similar opportunity to

participate in live standardbred racing as spectators in the Chicago area. The General Assembly declares that in order to remove the disparity between southern Illinois and the Chicago area, it is necessary for the State to regulate Fairmount Park differently from horse race tracks found in the Chicago area and tie Fairmount Park's authorization to conduct electronic gaming to a commitment to conduct at least 100 days of standardbred racing as set forth in subsection (d) of this Section.

(b) The Illinois Gaming Board shall award one electronic gaming license to become effective on or after July 1, 2003 to each organization licensee under the Illinois Horse Racing Act of 1975, subject to application and eligibility requirements of this Section. An electronic gaming license shall authorize its holder to conduct electronic gaming at its race track beginning at 9:00 AM on any day in which it conducts live racing at its race track or simulcast wagering on races run in the United States until 3:00 AM on the following day. A license to conduct electronic gaming and any renewal of an electronic gaming license shall authorize limited gaming for a period of 4 years.

(c) To be eligible to conduct electronic gaming, an organization licensee must (i) obtain an electronic gaming license, (ii) hold an organization license under the Illinois Horse Racing Act of 1975, (iii) hold an inter-track wagering license, (iv) pay a fee of $25,000 ($12,500 in the case of Fairmount Race Track and Balmoral Race Track) for each gaming position it is authorized to use when it receives a finding of preliminary suitability from the Board and an additional fee of $25,000 ($12,500 in the case of Fairmount Race Track and Balmoral Race Track) for each gaming position it is authorized to use no later than 12 months after the date it first conducts electronic gaming, (v) apply for at least the same number of days of thoroughbred racing or standardbred racing or both, as the case may be, as it was awarded in calendar year 2003, (vi) meet the marketing and promotion requirements as provided in Section 57 of the Illinois Horse Racing Act of 1975, and (vii) meet all other requirements of this Act that apply to owners licensees.

With respect to the live racing requirement described in this subsection, an organization licensee must conduct the same number of days of thoroughbred or standardbred racing or both, as the case may be, as it was awarded by the Racing Board in calendar year 2003, unless a lesser schedule of live racing is the result of (A) weather or unsafe track conditions due to acts of God, (B) a strike between the organization licensee and the associations representing the largest number of owners, trainers, jockeys, or standardbred drivers who race horse at that organization licensee's racing meeting, or (C) an agreement between the organization licensee and the associations representing the largest number of owners, trainers, jockeys, or standardbred drivers who race horses at that organization licensee's race meeting to conduct a lesser number of race meets.

(d) In addition to the other eligibility requirements of subsection (c), an organization licensee that holds an electronic gaming license authorizing it to conduct electronic gaming at Fairmount Park must apply for and conduct at least 50 days of standardbred racing in calendar year 2004 and thereafter, unless a lesser schedule of live racing is the result of (A) weather or unsafe track conditions due to acts of God or (B) a strike between the organization licensee and the associations representing the largest number of owners, trainers, jockeys, or standardbred drivers who race horses at that organization licensee's racing meeting.

(e) The Board may approve electronic gaming licenses authorizing the conduct of electronic gaming by eligible organization licensees.

(f) In calendar year 2003, the Board may approve up to 3,750 aggregate gambling participants statewide as provided in this Section. The authority to admit participants under this Section in calendar year 2003 shall be allocated as follows:

(1) The organization licensee operating at Arlington Park Race Course may admit up to 1,150 gaming participants at a time;

(2) The organization licensees operating at Hawthorne Race Course, including the organization licensee formerly operating at Sportsman's Park, may collectively admit up to 1,000 gaming participants at a time;

(3) The organization licensee operating at Balmoral Park may admit up to 300 gaming participants at a time;

(4) The organization licensee operating at Maywood Park may admit up to 850 gaming participants at a time; and

(5) The organization licensee operating at Fairmount Park may admit up to 450 gaming participants at a time.

(g) For each calendar year after 2003 in which an electronic gaming licensee requests a number of racing days under its organization license that is less than 90% of the number of days of live racing it was awarded in 2003, the electronic gaming licensee may not conduct electronic gaming.

(h) On the second anniversary of the issuance or renewal of an electronic gaming license and upon

renewal of an electronic gaming license, the Gaming Board shall review the average daily live on-track handle at the race track where the electronic gaming licensee's electronic gaming facility is located. If the average daily live on-track handle at that race track is lower than the average daily live on-track handle at that race track in calendar year 2003 by at least 10%, the Board shall withdraw 10% of the gaming positions at that electronic gaming facility.

(i) An electronic gaming licensee may conduct electronic gaming at a temporary facility pending the construction of a permanent facility or the remodeling of an existing facility to accommodate electronic gaming participants for up to 12 months after receiving an electronic gaming license. Upon request by an electronic gaming licensee and upon a showing of good cause by the electronic gaming licensee, the Board shall extend the period during which the licensee may conduct electronic gaming at a temporary facility by up to 12 months. The Board shall make rules concerning the conduct of electronic gaming from temporary facilities.

(j) The specific designations made in this Section to the organization licensees located at Arlington Park Race Course, Hawthorne Race Course, Sportsman's Park, Balmoral Park, Maywood Park, and Fairmount Park shall have the same legal effect as the designations in the Horse Racing Act of 1975 that apply to those organization licensees.

(230 ILCS 10/7.5 new)

Sec. 7.5. Home Rule. The regulation and licensing of electronic gaming and electronic gaming licensees are exclusive powers and functions of the State. A home rule unit may not regulate or license electronic gaming or electronic gaming licensees. This Section is a denial and limitation of home rule powers and functions under subsection (h) of Section 6 of Article VII of the Illinois Constitution.

(230 ILCS 10/8) (from Ch. 120, par. 2408)

Sec. 8. Suppliers licenses.

(a) The Board may issue a suppliers license to such persons, firms or corporations which apply therefor upon the payment of a non-refundable application fee set by the Board, upon a determination by the Board that the applicant is eligible for a suppliers license and upon payment of a $5,000 annual license fee.

(b) The holder of a suppliers license is authorized to sell or lease, and to contract to sell or lease, gambling equipment and supplies to any owners licensee involved in the ownership or management of riverboat gambling operations and to any electronic gaming licensee involved in the ownership or management of an electronic gaming facility.

(c) Riverboat gambling and electronic gaming supplies and equipment may not be distributed unless supplies and equipment conform to standards adopted by rules of the Board.

(d) A person, firm or corporation is ineligible to receive a suppliers license if:

(1) the person has been convicted of a felony under the laws of this State, any other state, or the United States;

(2) the person has been convicted of any violation of Article 28 of the Criminal Code of 1961, or substantially similar laws of any other jurisdiction;

(3) the person has submitted an application for a license under this Act which contains false information;

(4) the person is a member of the Board;

(5) the firm or corporation is one in which a person defined in (1), (2), (3) or (4), is an officer, director or managerial employee;

(6) the firm or corporation employs a person who participates in the management or operation of riverboat gambling or in the management or operation of electronic gaming authorized under this Act;

(7) the license of the person, firm or corporation issued under this Act, or a license to own or operate gambling facilities in any other jurisdiction, has been revoked.

(e) Any person that supplies any equipment, devices, or supplies to a licensed riverboat gambling operation or electronic gaming operation must first obtain a suppliers license. A supplier shall furnish to the Board a list of all equipment, devices and supplies offered for sale or lease in connection with gambling games authorized under this Act. A supplier shall keep books and records for the furnishing of equipment, devices and supplies to riverboat gambling and electronic gaming operations separate and distinct from any other business that the supplier might operate. A supplier shall file a quarterly return with the Board listing all sales and leases. A supplier shall permanently affix its name to all its equipment, devices, and supplies for riverboat gambling and electronic gaming operations. Any supplier's equipment, devices or supplies which are used by any person in an unauthorized riverboat gambling or electronic gaming operation shall be forfeited to the State. A holder of an owners license or an electronic gaming license ~~licensed owner~~ may

own its own equipment, devices and supplies. Each holder of an owners license or an electronic gaming license under the Act shall file an annual report listing its inventories of gambling equipment, devices and supplies.

(f) Any person who knowingly makes a false statement on an application is guilty of a Class A misdemeanor.

(g) Any gambling equipment, devices and supplies provided by any licensed supplier may either be repaired on the riverboat or electronic gaming facility or removed from the riverboat or electronic gaming facility to a ~~an on-shore~~ facility owned by the holder of an owners license or electronic gaming license for repair.

(Source: P.A. 86-1029; 87-826.)

(230 ILCS 10/9) (from Ch. 120, par. 2409)

Sec. 9. Occupational licenses.

(a) The Board may issue an occupational license to an applicant upon the payment of a non-refundable fee set by the Board, upon a determination by the Board that the applicant is eligible for an occupational license and upon payment of an annual license fee in an amount to be established. To be eligible for an occupational license, an applicant must:

(1) be at least 21 years of age if the applicant will perform any function involved in gaming by patrons. Any applicant seeking an occupational license for a non-gaming function shall be at least 18 years of age;

(2) not have been convicted of a felony offense, a violation of Article 28 of the Criminal Code of 1961, or a similar statute of any other jurisdiction, or a crime involving dishonesty or moral turpitude;

(3) have demonstrated a level of skill or knowledge which the Board determines to be necessary in order to operate gambling aboard a riverboat or at an electronic gaming facility; and

(4) have met standards for the holding of an occupational license as adopted by rules of the Board. Such rules shall provide that any person or entity seeking an occupational license to manage gambling operations hereunder shall be subject to background inquiries and further requirements similar to those required of applicants for an owners license. Furthermore, such rules shall provide that each such entity shall be permitted to manage gambling operations for only one licensed owner or electronic gaming licensee.

(b) Each application for an occupational license shall be on forms prescribed by the Board and shall contain all information required by the Board. The applicant shall set forth in the application: whether he has been issued prior gambling related licenses; whether he has been licensed in any other state under any other name, and, if so, such name and his age; and whether or not a permit or license issued to him in any other state has been suspended, restricted or revoked, and, if so, for what period of time.

(c) Each applicant shall submit with his application, on forms provided by the Board, 2 sets of his fingerprints. The Board shall charge each applicant a fee set by the Department of State Police to defray the costs associated with the search and classification of fingerprints obtained by the Board with respect to the applicant's application. These fees shall be paid into the State Police Services Fund.

(d) The Board may in its discretion refuse an occupational license to any person: (1) who is unqualified to perform the duties required of such applicant; (2) who fails to disclose or states falsely any information called for in the application; (3) who has been found guilty of a violation of this Act or whose prior gambling related license or application therefor has been suspended, restricted, revoked or denied for just cause in any other state; or (4) for any other just cause.

(e) The Board may suspend, revoke or restrict any occupational licensee: (1) for violation of any provision of this Act; (2) for violation of any of the rules and regulations of the Board; (3) for any cause which, if known to the Board, would have disqualified the applicant from receiving such license; or (4) for default in the payment of any obligation or debt due to the State of Illinois; or (5) for any other just cause.

(f) A person who knowingly makes a false statement on an application is guilty of a Class A misdemeanor.

(g) Any license issued pursuant to this Section shall be valid for a period of one year from the date of issuance.

(h) Nothing in this Act shall be interpreted to prohibit a licensed owner or electronic gaming licensee from entering into an agreement with a school approved under the Private Business and Vocational Schools Act for the training of any occupational licensee. Any training offered by such a school shall be in accordance with a written agreement between the licensed owner or electronic gaming licensee and the school.

(i) Any training provided for occupational licensees may be conducted either at the site of the gambling facility ~~on the riverboat~~ or at a school with which a licensed owner or electronic gaming licensee has entered into an agreement pursuant to subsection (h).

(Source: P.A. 86-1029; 87-826.)

(230 ILCS 10/11) (from Ch. 120, par. 2411)

Sec. 11. Conduct of gambling. Gambling may be conducted by licensed owners aboard riverboats. Notwithstanding any provision in subsection (c) of Section 3 to the contrary, if authorized by the Board by rule, an owners licensee may move up to 15% of its slot machines from its riverboats to its home dock facility and use those slot machines to conduct gambling, provided that the slot machines are located in an area that is accessible only to persons who are at least 21 years of age and provided that the admission tax imposed under Section 12 has been paid for all persons who use those slot machines. Gambling may be conducted by electronic gaming licensees at limited gaming facilities. Gambling authorized under this Section shall be ~~,~~ subject to the following standards:

(1) A licensee may conduct riverboat gambling authorized under this Act regardless of whether it conducts excursion cruises. A licensee may permit the continuous ingress and egress of passengers for the purpose of gambling.

(2) (Blank).

(3) Minimum and maximum wagers on games shall be set by the licensee.

(4) Agents of the Board and the Department of State Police may board and inspect any riverboat or enter and inspect any portion of an electronic gaming facility where electronic gaming is conducted at any time for the purpose of determining whether this Act is being complied with. Every riverboat, if under way and being hailed by a law enforcement officer or agent of the Board, must stop immediately and lay to.

(5) Employees of the Board shall have the right to be present on the riverboat or on adjacent facilities under the control of the licensee and at the electronic gaming facility under the control of the electronic gaming licensee.

(6) Gambling equipment and supplies customarily used in conducting riverboat gambling or electronic gaming must be purchased or leased only from suppliers licensed for such purpose under this Act.

(7) Persons licensed under this Act shall permit no form of wagering on gambling games except as permitted by this Act.

(8) Wagers may be received only from a person present on a licensed riverboat or at an electronic gaming facility. No person present on a licensed riverboat or at an electronic gaming facility shall place or attempt to place a wager on behalf of another person who is not present on the riverboat or at the electronic gaming facility.

(9) Wagering, including electronic gaming, shall not be conducted with money or other negotiable currency.

(10) A person under age 21 shall not be permitted on an area of a riverboat where gambling is being conducted or at an electronic gaming facility where gambling is being conducted, except for a person at least 18 years of age who is an employee of the riverboat gambling operation or electronic gaming operation. No employee under age 21 shall perform any function involved in gambling by the patrons. No person under age 21 shall be permitted to make a wager under this Act.

(11) Gambling excursion cruises are permitted only when the waterway for which the riverboat is licensed is navigable, as determined by the Board in consultation with the U.S. Army Corps of Engineers. This paragraph (11) does not limit the ability of a licensee to conduct gambling authorized under this Act when gambling excursion cruises are not permitted.

(12) All tokens, chips or electronic cards used to make wagers must be purchased (i) from a licensed owner, in the case of a riverboat, either aboard the ~~a~~ riverboat or at an onshore facility which has been approved by the Board and which is located where the riverboat docks or (ii) from an electronic gaming licensee at the electronic gaming facility. The tokens, chips or electronic cards may be purchased by means of an agreement under which the owner extends credit to the patron. Such tokens, chips or electronic cards may be used while aboard the riverboat or at the electronic gaming facility only for the purpose of making wagers on gambling games.

(13) Notwithstanding any other Section of this Act, in addition to the other licenses authorized under this Act, the Board may issue special event licenses allowing persons who are not otherwise licensed to conduct riverboat gambling to conduct such gambling on a specified date or series of dates. Riverboat gambling under such a license may take place on a riverboat not normally used for

riverboat gambling. The Board shall establish standards, fees and fines for, and limitations upon, such licenses, which may differ from the standards, fees, fines and limitations otherwise applicable under this Act. All such fees shall be deposited into the State Gaming Fund. All such fines shall be deposited into the Education Assistance Fund, created by Public Act 86-0018, of the State of Illinois.

(14) In addition to the above, gambling must be conducted in accordance with all rules adopted by the Board.

(Source: P.A. 91-40, eff. 6-25-99.)

(230 ILCS 10/11.1) (from Ch. 120, par. 2411.1)

Sec. 11.1. Collection of amounts owing under credit agreements. Notwithstanding any applicable statutory provision to the contrary, a licensed owner or electronic gaming licensee who extends credit to a ~~riverboat~~ gambling patron pursuant to Section 11 (a) (12) of this Act is expressly authorized to institute a cause of action to collect any amounts due and owing under the extension of credit, as well as the owner's costs, expenses and reasonable attorney's fees incurred in collection.

(Source: P.A. 86-1029; 86-1389; 87-826.)

(230 ILCS 10/12) (from Ch. 120, par. 2412)

Sec. 12. Admission tax; fees.

(a) A tax is hereby imposed upon admissions to riverboat gambling facilities authorized pursuant to this Act. Until July 1, 2002, the rate is $2 per person admitted. From ~~Beginning~~ July 1, 2002 until the effective date of this amendatory Act of the 93rd General Assembly, the rate is $3 per person admitted. Beginning on the effective date of this amendatory Act, the rate is $2 per person for the first 1,500,000 persons admitted by a licensee per year and $3 per person for all persons admitted by that licensee in excess of 1,500,000 per year. This admission tax is imposed upon the licensed owner conducting gambling.

(1) The admission tax shall be paid for each admission.

(2) (Blank).

(3) The riverboat licensee may issue tax-free passes to actual and necessary officials and employees of the licensee or other persons actually working on the riverboat.

(4) The number and issuance of tax-free passes is subject to the rules of the Board, and a list of all persons to whom the tax-free passes are issued shall be filed with the Board.

(b) From the tax imposed under subsection (a), a municipality shall receive from the State $1 for each person embarking on a riverboat docked within the municipality, and a county shall receive $1 for each person embarking on a riverboat docked within the county but outside the boundaries of any municipality. The municipality's or county's share shall be collected by the Board on behalf of the State and remitted quarterly by the State, subject to appropriation, to the treasurer of the unit of local government for deposit in the general fund.

(c) The licensed owner shall pay the entire admission tax to the Board. Such payments shall be made daily. Accompanying each payment shall be a return on forms provided by the Board which shall include other information regarding admissions as the Board may require. Failure to submit either the payment or the return within the specified time may result in suspension or revocation of the owners license.

(d) The Board shall administer and collect the admission tax imposed by this Section, to the extent practicable, in a manner consistent with the provisions of Sections 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9 and 10 of the Retailers' Occupation Tax Act and Section 3-7 of the Uniform Penalty and Interest Act.

(Source: P.A. 91-40, eff. 6-25-99; 92-595, eff. 6-28-02.)

(230 ILCS 10/13) (from Ch. 120, par. 2413)

Sec. 13. Wagering tax; rate; distribution.

(a) Until January 1, 1998, a tax is imposed on the adjusted gross receipts received from gambling games authorized under this Act at the rate of 20%.

From January 1, 1998 until July 1, 2002, a privilege tax is imposed on persons engaged in the business of conducting riverboat gambling operations, based on the adjusted gross receipts received by a licensed owner from gambling games authorized under this Act at the following rates:

15% of annual adjusted gross receipts up to and including $25,000,000;

20% of annual adjusted gross receipts in excess of $25,000,000 but not exceeding $50,000,000;

25% of annual adjusted gross receipts in excess of $50,000,000 but not exceeding $75,000,000;

30% of annual adjusted gross receipts in excess of $75,000,000 but not exceeding $100,000,000;

35% of annual adjusted gross receipts in excess of $100,000,000.

From ~~Beginning~~ July 1, 2002 until the effective date of this amendatory Act of the 93rd General Assembly, a privilege tax is imposed on persons engaged in the business of conducting riverboat gambling operations, based on the adjusted gross receipts received by a licensed owner from gambling games authorized under this Act at the following rates:

15% of annual adjusted gross receipts up to and including $25,000,000;

22.5% of annual adjusted gross receipts in excess of $25,000,000 but not exceeding $50,000,000;

27.5% of annual adjusted gross receipts in excess of $50,000,000 but not exceeding $75,000,000;

32.5% of annual adjusted gross receipts in excess of $75,000,000 but not exceeding $100,000,000;

37.5% of annual adjusted gross receipts in excess of $100,000,000 but not exceeding $150,000,000;

45% of annual adjusted gross receipts in excess of $150,000,000 but not exceeding $200,000,000;

50% of annual adjusted gross receipts in excess of $200,000,000.

Beginning on the effective date of this amendatory Act of the 93rd General Assembly, a privilege tax is imposed on persons engaged in the business of conducting riverboat gambling operations, based on the adjusted gross receipts received by a licensed owner from gambling games authorized under this Act, and on persons conducting electronic gaming, based on the adjusted gross receipts received by an electronic gaming licensee from electronic gambling, at the following rates:

15% of annual adjusted gross receipts up to and including $25,000,000;

20% of annual adjusted gross receipts in excess of $25,000,000 but not exceeding $50,000,000;

25% of annual adjusted gross receipts in excess of $50,000,000 but not exceeding $75,000,000;

30% of annual adjusted gross receipts in excess of $75,000,000 but not exceeding $100,000,000;

35% of annual adjusted gross receipts in excess of $100,000,000 but not exceeding $400,000,000;

40% of annual adjusted gross receipts in excess of $400,000,000 but not exceeding $450,000,000;

45% of annual adjusted gross receipts in excess of $450,000,000 but not exceeding $500,000,000;

50% of annual adjusted gross receipts in excess of $500,000,000.

For the purpose of calculating the privilege tax under this subsection (a), the annual adjusted gross receipts of an owners licensee for any year shall be reduced by an amount equal to the amount of any payment made by the owners licensee in that year to (i) an Illinois not-for-profit organization, pursuant to an agreement, funded solely by a licensed owner for the primary benefit of educational, economic development, or environmental programs within this State or (ii) a county government, pursuant to an agreement between a licensed owner and a county government. In no event shall a reduction in the wagering tax imposed under this Section reduce the taxes owed by a licensee under this Section to less than zero.

The taxes imposed by this Section shall be paid by the licensed owner or electronic gaming licensee to the Board not later than 3:00 o'clock p.m. of the day after the day when the wagers were made.

(b) Until January 1, 1998, 25% of the tax revenue deposited in the State Gaming Fund under this Section shall be paid, subject to appropriation by the General Assembly, to the unit of local government which is designated as the home dock of the riverboat. Except as otherwise provided in this subsection (b), beginning January 1, 1998, from the tax revenue from riverboat gambling deposited in the State Gaming Fund under this Section, an amount equal to 5% of adjusted gross receipts generated by a riverboat shall be paid monthly, subject to appropriation by the General Assembly, to the unit of local government that is designated as the home dock of the riverboat.

For calendar year 2003 and each year thereafter, if the adjusted gross receipts of a riverboat from riverboat gambling are greater than they were in calendar year 2002, the amount paid to the unit of local government under this subsection (b) shall not exceed that amount paid in calendar year 2002. For calendar year 2003 and each year thereafter, if the adjusted gross receipts of a riverboat from riverboat gambling are greater than they were in calendar year 2002, then the difference between 5% of those adjusted gross receipts and the amount paid under this subsection (b) to the unit of local government that is designated as the home dock of the riverboat in calendar year 2002 shall be paid as follows:

25% shall be paid, subject to appropriation by the General Assembly, to the county in which the licensee's home dock is located; and

75% shall be paid, subject to appropriation by the General Assembly, into the Local Government

Riverboat Gaming Distributive Fund pursuant to Section 13.3.

(b-5) Beginning on the effective date of this amendatory Act of the 93rd General Assembly, after the payments required under subsection (b) have been made, from the tax revenue from electronic gaming deposited into the State Gaming Fund under this Section, an amount equal to 1% of the adjusted gross receipts generated by each electronic gaming licensee shall be paid monthly, subject to appropriation, to the municipality in which the electronic gaming facility is located. If an electronic gaming facility is not located within a municipality, then an amount equal to 1% of the adjusted gross receipts generated by the electronic gaming licensee shall be paid monthly, subject to appropriation, to the county in which the electronic gaming facility is located.

(b-10) Beginning on the effective date of this amendatory Act of the 93rd General Assembly, after the payments required under subsections (b) and (b-5) have been made, from the tax revenue deposited into the State Gaming Fund under this Section, $25,000,000 shall be paid each year, in equal monthly installments, subject to appropriation, into the Intercity Development Fund.

(b-15) Beginning on the effective date of this amendatory Act of the 93rd General Assembly, after the payments required under subsections (b), (b-5), and (b-10) have been made, the first $5,000,000 of tax revenue derived from electronic gaming shall be paid to the Board and distributed by the Board to the Department of Human Services to be used for compulsive gambling programs.

(c) Appropriations, as approved by the General Assembly, may be made from the State Gaming Fund to the Department of Revenue and the Department of State Police for the administration and enforcement of this Act.

(c-5) (Blank). ~~After the payments required under subsections (b) and (c) have been made, an amount equal to 15% of the adjusted gross receipts of a riverboat (1) that relocates pursuant to Section 11.2, or (2) for which an owners license is initially issued after the effective date of this amendatory Act of 1999, whichever comes first, shall be paid from the State Gaming Fund into the Horse Racing Equity Fund.~~

(c-10) (Blank). ~~Each year the General Assembly shall appropriate from the General Revenue Fund to the Education Assistance Fund an amount equal to the amount paid into the Horse Racing Equity Fund pursuant to subsection (c-5) in the prior calendar year.~~

(c-15) After the payments required under subsections (b), (b-5), (b-10), (b-15), and ~~,~~ (c)~~, and (c-5)~~ have been made, an amount equal to 2% of the adjusted gross receipts of a riverboat (1) that relocates pursuant to Section 11.2, or (2) for which an owners license is initially issued after the effective date of this amendatory Act of 1999, whichever comes first, shall be paid, subject to appropriation from the General Assembly, from the State Gaming Fund to each home rule county with a population of over 3,000,000 inhabitants for the purpose of enhancing the county's criminal justice system.

(c-20) Each year the General Assembly shall appropriate from the General Revenue Fund to the Education Assistance Fund an amount equal to the amount paid to each home rule county with a population of over 3,000,000 inhabitants pursuant to subsection (c-15) in the prior calendar year.

(c-25) After the payments required under subsections (b), (b-5), (b-10), (b-15), (c), ~~(c-5)~~ and (c-15) have been made, an amount equal to 2% of the adjusted gross receipts of a riverboat (1) that relocates pursuant to Section 11.2, or (2) for which an owners license is initially issued after the effective date of this amendatory Act of 1999, whichever comes first, shall be paid from the State Gaming Fund into the State Universities Athletic Capital Improvement Fund.

(d) From time to time, the Board shall transfer the remainder of the funds generated by this Act into the Education Assistance Fund, created by Public Act 86-0018, of the State of Illinois.

(e) Nothing in this Act shall prohibit the unit of local government designated as the home dock of the riverboat from entering into agreements with other units of local government in this State or in other states to share its portion of the tax revenue.

(f) To the extent practicable, the Board shall administer and collect the wagering taxes imposed by this Section in a manner consistent with the provisions of Sections 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9, and 10 of the Retailers' Occupation Tax Act and Section 3-7 of the Uniform Penalty and Interest Act.

(Source: P.A. 91-40, eff. 6-25-99; 92-595, eff. 6-28-02.)

(230 ILCS 10/13.2 new)

Sec. 13.2. Licensee assessment. All owners licensees licensed to conduct riverboat gambling operations on the effective date of this amendatory Act of the 93rd General Assembly shall be required to pay an aggregate amount of $130,000,000 to the Gaming Board by July 1, 2003. The Board shall deposit all moneys received under this Section into the State Gaming Fund. Each owners licensee shall pay a pro rata share based on its adjusted gross receipts from calendar year 2002 as determined by the Board.

(230 ILCS 10/13.3 new)

Sec. 13.3. Revenue sharing; Local Government Riverboat Gaming Distributive Fund.

(a) Beginning July 1, 2003, as soon as may be after the first day of each month, the Board shall certify to the Treasurer the amount deposited during the preceding month into the Local Government Riverboat Gaming Distributive Fund, which is hereby created as a special fund in the State Treasury. The Department of Revenue shall administer the Fund and allocate moneys from the Fund to the counties of this State as provided in this Section.

(b) As soon as may be after the first day of each month, the Department of Revenue shall allocate among the counties of this State the moneys contained in the Local Government Riverboat Gaming Distributive Fund. The Department shall certify the allocations to the State Comptroller, who shall pay over to each county the respective amounts allocated to them. The amount of such funds allocable to each county shall be in proportion to the number of individual residents of the county to the total population of all counties as determined by the latest federal census of the county.

(c) The amounts allocated and paid to a county pursuant to the provisions of this Section may be used for any general corporate purpose authorized for that county.

(230 ILCS 10/14) (from Ch. 120, par. 2414)

Sec. 14. Licensees - Records - Reports - Supervision.

(a) ~~A~~ Licensed owners and electronic gaming licensees ~~owner~~ shall keep their ~~his~~ books and records so as to clearly show the following:

(1) The amount received daily from admission fees.

(2) The total amount of gross receipts.

(3) The total amount of the adjusted gross receipts.

(b) ~~The~~ Licensed owners and electronic gaming licensees ~~owner~~ shall furnish to the Board reports and information as the Board may require with respect to its activities on forms designed and supplied for such purpose by the Board.

(c) The books and records kept by a licensed owner or electronic gaming licensee as provided by this Section are public records and the examination, publication, and dissemination of the books and records are governed by the provisions of The Freedom of Information Act.

(Source: P.A. 86-1029.)

(230 ILCS 10/18) (from Ch. 120, par. 2418)

Sec. 18. Prohibited Activities - Penalty.

(a) A person is guilty of a Class A misdemeanor for doing any of the following:

(1) Conducting gambling where wagering is used or to be used without a license issued by the Board.

(2) Conducting gambling where wagering is permitted other than in the manner specified by Section 11.

(b) A person is guilty of a Class B misdemeanor for doing any of the following:

(1) permitting a person under 21 years to make a wager; or

(2) violating paragraph (12) of subsection (a) of Section 11 of this Act.

(c) A person wagering or accepting a wager at any location outside the riverboat or electronic gaming facility in violation of paragraph ~~is subject to the penalties in paragraphs~~ (1) or (2) of subsection (a) of Section 28-1 of the Criminal Code of 1961 is subject to the penalties provided in that Section.

(d) A person commits a Class 4 felony and, in addition, shall be barred for life from gambling operations ~~riverboats~~ under the jurisdiction of the Board, if the person does any of the following:

(1) Offers, promises, or gives anything of value or benefit to a person who is connected with a riverboat owner or electronic gaming licensee including, but not limited to, an officer or employee of a licensed owner or electronic gaming licensee or holder of an occupational license pursuant to an agreement or arrangement or with the intent that the promise or thing of value or benefit will influence the actions of the person to whom the offer, promise, or gift was made in order to affect or attempt to affect the outcome of a gambling game, or to influence official action of a member of the Board.

(2) Solicits or knowingly accepts or receives a promise of anything of value or benefit while the person is connected with a riverboat or electronic gaming facility, including, but not limited to, an officer or employee of a licensed owner or electronic gaming licensee, or the holder of an occupational license, pursuant to an understanding or arrangement or with the intent that the promise or thing of value or benefit will influence the actions of the person to affect or attempt to affect the outcome of a gambling game, or to influence official action of a member of the Board.

(3) Uses or possesses with the intent to use a device to assist:

(i) In projecting the outcome of the game.

(ii) In keeping track of the cards played.

(iii) In analyzing the probability of the occurrence of an event relating to the gambling game.

(iv) In analyzing the strategy for playing or betting to be used in the game except as permitted by the Board.

(4) Cheats at a gambling game.

(5) Manufactures, sells, or distributes any cards, chips, dice, game or device which is intended to be used to violate any provision of this Act.

(6) Alters or misrepresents the outcome of a gambling game on which wagers have been made after the outcome is made sure but before it is revealed to the players.

(7) Places a bet after acquiring knowledge, not available to all players, of the outcome of the gambling game which is subject of the bet or to aid a person in acquiring the knowledge for the purpose of placing a bet contingent on that outcome.

(8) Claims, collects, or takes, or attempts to claim, collect, or take, money or anything of value in or from the gambling games, with intent to defraud, without having made a wager contingent on winning a gambling game, or claims, collects, or takes an amount of money or thing of value of greater value than the amount won.

(9) Uses counterfeit chips or tokens in a gambling game.

(10) Possesses any key or device designed for the purpose of opening, entering, or affecting the operation of a gambling game, drop box, or an electronic or mechanical device connected with the gambling game or for removing coins, tokens, chips or other contents of a gambling game. This paragraph (10) does not apply to a gambling licensee or employee of a gambling licensee acting in furtherance of the employee's employment.

(e) The possession of more than one of the devices described in subsection (d), paragraphs (3), (5) or (10) permits a rebuttable presumption that the possessor intended to use the devices for cheating.

An action to prosecute any crime occurring on a riverboat shall be tried in the county of the dock at which the riverboat is based.

(Source: P.A. 91-40, eff. 6-25-99.)

(230 ILCS 10/19) (from Ch. 120, par. 2419)

Sec. 19. Forfeiture of property.

(a) Except as provided in subsection (b), any riverboat or electronic gaming facility used for the conduct of gambling games in violation of this Act shall be considered a gambling place in violation of Section 28-3 of the Criminal Code of 1961, as now or hereafter amended. Every gambling device found on a riverboat or at an electronic gaming facility operating gambling games in violation of this Act and every slot machine found at an electronic gaming facility operating gambling games in violation of this Act shall be subject to seizure, confiscation and destruction as provided in Section 28-5 of the Criminal Code of 1961, as now or hereafter amended.

(b) It is not a violation of this Act for a riverboat or other watercraft which is licensed for gaming by a contiguous state to dock on the shores of this State if the municipality having jurisdiction of the shores, or the county in the case of unincorporated areas, has granted permission for docking and no gaming is conducted on the riverboat or other watercraft while it is docked on the shores of this State. No gambling device shall be subject to seizure, confiscation or destruction if the gambling device is located on a riverboat or other watercraft which is licensed for gaming by a contiguous state and which is docked on the shores of this State if the municipality having jurisdiction of the shores, or the county in the case of unincorporated areas, has granted permission for docking and no gaming is conducted on the riverboat or other watercraft while it is docked on the shores of this State.

(Source: P.A. 86-1029.)

(230 ILCS 10/20) (from Ch. 120, par. 2420)

Sec. 20. Prohibited activities - civil penalties. Any person who conducts a gambling operation without first obtaining a license to do so, or who continues to conduct such games after revocation of his license, or any licensee who conducts or allows to be conducted any unauthorized gambling games on a riverboat or at an electronic gaming facility where it is authorized to conduct its ~~riverboat~~ gambling operation, in addition to other penalties provided, shall be subject to a civil penalty equal to the amount of gross receipts derived from wagering on the gambling games, whether unauthorized or authorized, conducted on that day as well as confiscation and forfeiture of all gambling game equipment used in the conduct of unauthorized

gambling games.
(Source: P.A. 86-1029.)

Section 85. The Illinois Pull Tabs and Jar Games Act is amended by changing Sections 1.1, 4, and 5 as follows:

(230 ILCS 20/1.1) (from Ch. 120, par. 1051.1)

Sec. 1.1. Definitions. As used in this Act:

"Pull tabs" and "jar games" means a game using single-folded or banded tickets or a card, the face of which is initially covered or otherwise hidden from view in order to conceal a number, symbol or set of symbols, some of which are winners. Players with winning tickets receive a prize stated on a promotional display or "flare". Pull tabs also means a game in which prizes are won by pulling a tab from a board thereby revealing a number which corresponds to the number for a given prize.

Except in the case of bingo event games, each winning pull tab or slip shall be predetermined. The right to participate in such games shall not cost more than $2. Except for prizes awarded as part of a progressive game, no single prize shall exceed $500. There shall be no more than 6,000 tickets in a game.

"Pull tabs and jar games", as used in this Act, does not include the following: numbers, policy, bolita or similar games, dice, slot machines, bookmaking and wagering pools with respect to a sporting event, or that game commonly known as punch boards, or any other game or activity not expressly defined in this Section.

"Organization" means a corporation, agency, partnership, association, firm or other entity consisting of 2 or more persons joined by a common interest or purpose.

"Non-profit organization" means an organization or institution organized and conducted on a not-for-profit basis with no personal profit inuring to anyone as a result of the operation.

"Charitable organization" means an organization or institution organized and operated to benefit an indefinite number of the public.

"Educational organization" means an organization or institution organized and operated to provide systematic instruction in useful branches of learning by methods common to schools and institutions of learning which compare favorably in their scope and intensity with the course of study presented in tax-supported schools.

"Religious organization" means any church, congregation, society, or organization founded for the purpose of religious worship.

"Fraternal organization" means an organization of persons, including but not limited to ethnic organizations, having a common interest, organized and operated exclusively to promote the welfare of its members and to benefit the general public on a continuing and consistent basis.

"Veterans' organization" means an organization comprised of members of which substantially all are individuals who are veterans or spouses, widows, or widowers of veterans, the primary purpose of which is to promote the welfare of its members and to provide assistance to the general public in such a way as to confer a public benefit.

"Labor organization" means an organization composed of labor unions or workers organized with the objective of betterment of the conditions of those engaged in such pursuit and the development of a higher degree of efficiency in their respective occupations.

"Youth athletic organization" means an organization having as its exclusive purpose the promotion and provision of athletic activities for youth aged 18 and under.

"Senior citizens organization" means an organization or association comprised of members of which substantially all are individuals who are senior citizens, as defined in the Illinois Act on the Aging, the primary purpose of which is to promote the welfare of its members.

"Progressive game" means a pull tab game that has a portion of its predetermined prize payout designated to a progressive jackpot that, if not won, is carried forward and added to the jackpot of subsequent games until won.

"Bingo event game" means a pull tab game played with pull tab tickets where the winner has not been designated in advance by the manufacturer, but is determined by chance.
(Source: P.A. 90-536, eff. 1-1-98.)

(230 ILCS 20/4) (from Ch. 120, par. 1054)

Sec. 4. The conducting of pull tabs and jar games is subject to the following restrictions:

(1) The entire net proceeds of any pull tabs or jar games, except as otherwise approved in this Act, must be exclusively devoted to the lawful purposes of the organization permitted to conduct such drawings.

(2) No person except a bona fide member or employee of the sponsoring organization may participate in the management or operation of such pull tabs or jar games; however, nothing herein shall conflict with

pull tabs and jar games conducted under the provisions of the Charitable Games Act.

(3) No person may receive any remuneration or profit for participating in the management or operation of such pull tabs or jar games; however, nothing herein shall conflict with pull tabs and jar games conducted under the provisions of the Charitable Games Act.

(4) The price paid for a single chance or right to participate in a game licensed under this Act shall not exceed $2. ~~The aggregate value of all prizes or merchandise awarded in any single day of pull tabs and jar games shall not exceed $5,000, except that in adjoining counties having 200,000 to 275,000 inhabitants each, and in counties which are adjacent to either of such adjoining counties and are adjacent to total of not more than 2 counties in this State, the value of all prizes or merchandise awarded may not exceed $5,000 in a single day.~~

(5) No person under the age of 18 years shall play or participate in games under this Act. A person under the age of 18 years may be within the area where pull tabs and jar games are being conducted only when accompanied by his parent or guardian.

(6) Pull tabs and jar games shall be conducted only on premises owned or occupied by licensed organizations and used by its members for general activities, or on premises owned or rented for conducting the game of bingo, or as permitted in subsection (4) of Section 3.

(Source: P.A. 90-536, eff. 1-1-98; 90-808, eff. 12-1-98.)

(230 ILCS 20/5) (from Ch. 120, par. 1055)

Sec. 5. There shall be paid to the Department of Revenue 5% of the gross proceeds of any pull tabs and jar games conducted under this Act. Such payments shall be made 4 times per year, between the first and the 20th day of April, July, October and January. Payment must be made by money order or certified check. Accompanying each payment shall be a report, on forms provided by the Department of Revenue, listing the number of drawings conducted, the gross income derived therefrom and such other information as the Department of Revenue may require. Failure to submit either the payment or the report within the specified time shall result in automatic revocation of the license. All payments made to the Department of Revenue under this Act shall be deposited as follows:

(a) 50% shall be deposited in the Common School Fund; and

(b) 50% shall be deposited in the Illinois Gaming Law Enforcement Fund. Of the monies deposited in the Illinois Gaming Law Enforcement Fund under this Section, the General Assembly shall appropriate two-thirds to the Department of Revenue, Department of State Police and the Office of the Attorney General for State law enforcement purposes, and one-third shall be appropriated to the Department of Revenue for the purpose of distribution in the form of grants to counties or municipalities for law enforcement purposes. The amounts of grants to counties or municipalities shall bear the same ratio as the number of licenses issued in counties or municipalities bears to the total number of licenses issued in the State. In computing the number of licenses issued in a county, licenses issued for locations within a municipality's boundaries shall be excluded.

The Department of Revenue shall license suppliers and manufacturers of pull tabs and jar games at an annual fee of $5,000. Suppliers and manufacturers shall meet the requirements and qualifications established by rule by the Department. Licensed manufacturers shall sell pull tabs and jar games only to licensed suppliers. Licensed suppliers shall buy pull tabs and jar games only from licensed manufacturers and shall sell pull tabs and jar games only to licensed organizations. Licensed organizations shall buy pull tabs and jar games only from licensed suppliers.

The Department of Revenue shall adopt by rule minimum quality production standards for pull tabs and jar games. In determining such standards, the Department shall consider the standards adopted by the National Association of Gambling Regulatory Agencies and the National Association of Fundraising Ticket Manufacturers. ~~Such standards shall include the name of the supplier which shall appear in plain view to the casual observer on the face side of each pull tab ticket and on each jar game ticket.~~ The pull tab ticket shall contain the name of the game, the selling price of the ticket, the amount of the prize and the serial number of the ticket. The back side of a pull tab ticket shall contain a series of perforated tabs ~~marked "open here"~~. The logo of the manufacturer shall be clearly visible on each jar game ticket.

The Department of Revenue shall adopt rules necessary to provide for the proper accounting and control of activities under this Act, to ensure that the proper taxes are paid, that the proceeds from the activities under this Act are used lawfully, and to prevent illegal activity associated with the use of pull tabs and jar games.

The provisions of Section 2a of the Retailers' Occupation Tax Act pertaining to the furnishing of a bond or other security are incorporated by reference into this Act and are applicable to licensees under this Act as a precondition of obtaining a license under this Act. The provisions of Sections 4, 5, 5a, 5b, 5c, 5d, 5e, 5f,

5g, 5h, 5i, 5j, 6, 6a, 6b, 6c, 8, 9, 10, 11 and 12 of the Retailers' Occupation Tax Act, and Section 3-7 of the Uniform Penalty and Interest Act, which are not inconsistent with this Act shall apply, as far as practicable, to the subject matter of this Act to the same extent as if such provisions were included in this Act. For the purposes of this Act, references in such incorporated Sections of the Retailers' Occupation Tax Act to retailers, sellers or persons engaged in the business of selling tangible personal property means persons engaged in conducting pull tabs and jar games and references in such incorporated Sections of the Retailers' Occupation Tax Act to sales of tangible personal property mean the conducting of pull tabs and jar games and the making of charges for participating in such drawings.

(Source: P.A. 87-205; 87-895.)

Section 90. The Criminal Code of 1961 is amended by changing Sections 28-1, 28-5 and 28-7 as follows:

(720 ILCS 5/28-1) (from Ch. 38, par. 28-1)

Sec. 28-1. Gambling.

(a) A person commits gambling when he:

(1) Plays a game of chance or skill for money or other thing of value, unless excepted in subsection (b) of this Section; or

(2) Makes a wager upon the result of any game, contest, or any political nomination, appointment or election; or

(3) Operates, keeps, owns, uses, purchases, exhibits, rents, sells, bargains for the sale or lease of, manufactures or distributes any gambling device; or

(4) Contracts to have or give himself or another the option to buy or sell, or contracts to buy or sell, at a future time, any grain or other commodity whatsoever, or any stock or security of any company, where it is at the time of making such contract intended by both parties thereto that the contract to buy or sell, or the option, whenever exercised, or the contract resulting therefrom, shall be settled, not by the receipt or delivery of such property, but by the payment only of differences in prices thereof; however, the issuance, purchase, sale, exercise, endorsement or guarantee, by or through a person registered with the Secretary of State pursuant to Section 8 of the Illinois Securities Law of 1953, or by or through a person exempt from such registration under said Section 8, of a put, call, or other option to buy or sell securities which have been registered with the Secretary of State or which are exempt from such registration under Section 3 of the Illinois Securities Law of 1953 is not gambling within the meaning of this paragraph (4); or

(5) Knowingly owns or possesses any book, instrument or apparatus by means of which bets or wagers have been, or are, recorded or registered, or knowingly possesses any money which he has received in the course of a bet or wager; or

(6) Sells pools upon the result of any game or contest of skill or chance, political nomination, appointment or election; or

(7) Sets up or promotes any lottery or sells, offers to sell or transfers any ticket or share for any lottery; or

(8) Sets up or promotes any policy game or sells, offers to sell or knowingly possesses or transfers any policy ticket, slip, record, document or other similar device; or

(9) Knowingly drafts, prints or publishes any lottery ticket or share, or any policy ticket, slip, record, document or similar device, except for such activity related to lotteries, bingo games and raffles authorized by and conducted in accordance with the laws of Illinois or any other state or foreign government; or

(10) Knowingly advertises any lottery or policy game, except for such activity related to lotteries, bingo games and raffles authorized by and conducted in accordance with the laws of Illinois or any other state; or

(11) Knowingly transmits information as to wagers, betting odds, or changes in betting odds by telephone, telegraph, radio, semaphore or similar means; or knowingly installs or maintains equipment for the transmission or receipt of such information; except that nothing in this subdivision (11) prohibits transmission or receipt of such information for use in news reporting of sporting events or contests; or

(12) Knowingly establishes, maintains, or operates an Internet site that permits a person to play a game of chance or skill for money or other thing of value by means of the Internet or to make a wager upon the result of any game, contest, political nomination, appointment, or election by means of the Internet.

(b) Participants in any of the following activities shall not be convicted of gambling therefor:

(1) Agreements to compensate for loss caused by the happening of chance including

without limitation contracts of indemnity or guaranty and life or health or accident insurance;

(2) Offers of prizes, award or compensation to the actual contestants in any bona fide contest for the determination of skill, speed, strength or endurance or to the owners of animals or vehicles entered in such contest;

(3) Pari-mutuel betting as authorized by the law of this State;

(4) Manufacture of gambling devices, including the acquisition of essential parts therefor and the assembly thereof, for transportation in interstate or foreign commerce to any place outside this State when such transportation is not prohibited by any applicable Federal law;

(5) The game commonly known as "bingo", when conducted in accordance with the Bingo License and Tax Act;

(6) Lotteries when conducted by the State of Illinois in accordance with the Illinois Lottery Law;

(7) Possession of an antique slot machine that is neither used nor intended to be used in the operation or promotion of any unlawful gambling activity or enterprise. For the purpose of this subparagraph (b)(7), an antique slot machine is one manufactured 25 years ago or earlier;

(8) Raffles when conducted in accordance with the Raffles Act;

(9) Charitable games when conducted in accordance with the Charitable Games Act;

(10) Pull tabs and jar games when conducted under the Illinois Pull Tabs and Jar Games Act; or

(11) Gambling games ~~conducted on riverboats~~ when authorized by the Riverboat Gambling Act.

(c) Sentence.

Gambling under subsection (a)(1) or (a)(2) of this Section is a Class A misdemeanor. Gambling under any of subsections (a)(3) through (a)(11) of this Section is a Class A misdemeanor. A second or subsequent conviction under any of subsections (a)(3) through (a)(11), is a Class 4 felony. Gambling under subsection (a)(12) of this Section is a Class A misdemeanor. A second or subsequent conviction under subsection (a)(12) is a Class 4 felony.

(d) Circumstantial evidence.

In prosecutions under subsection (a)(1) through (a)(12) of this Section circumstantial evidence shall have the same validity and weight as in any criminal prosecution.

(Source: P.A. 91-257, eff. 1-1-00.)

(720 ILCS 5/28-5) (from Ch. 38, par. 28-5)

Sec. 28-5. Seizure of gambling devices and gambling funds.

(a) Every device designed for gambling which is incapable of lawful use or every device used unlawfully for gambling shall be considered a "gambling device", and shall be subject to seizure, confiscation and destruction by the Department of State Police or by any municipal, or other local authority, within whose jurisdiction the same may be found. As used in this Section, a "gambling device" includes any slot machine, and includes any machine or device constructed for the reception of money or other thing of value and so constructed as to return, or to cause someone to return, on chance to the player thereof money, property or a right to receive money or property. With the exception of any device designed for gambling which is incapable of lawful use, no gambling device shall be forfeited or destroyed unless an individual with a property interest in said device knows of the unlawful use of the device.

(b) Every gambling device shall be seized and forfeited to the county wherein such seizure occurs. Any money or other thing of value integrally related to acts of gambling shall be seized and forfeited to the county wherein such seizure occurs.

(c) If, within 60 days after any seizure pursuant to subparagraph (b) of this Section, a person having any property interest in the seized property is charged with an offense, the court which renders judgment upon such charge shall, within 30 days after such judgment, conduct a forfeiture hearing to determine whether such property was a gambling device at the time of seizure. Such hearing shall be commenced by a written petition by the State, including material allegations of fact, the name and address of every person determined by the State to have any property interest in the seized property, a representation that written notice of the date, time and place of such hearing has been mailed to every such person by certified mail at least 10 days before such date, and a request for forfeiture. Every such person may appear as a party and present evidence at such hearing. The quantum of proof required shall be a preponderance of the evidence, and the burden of proof shall be on the State. If the court determines that the seized property was a gambling device at the time of seizure, an order of forfeiture and disposition of the seized property shall be entered: a gambling device shall be received by the State's Attorney, who shall effect its destruction, except that valuable parts thereof may be liquidated and the resultant money shall be deposited in the general fund

of the county wherein such seizure occurred; money and other things of value shall be received by the State's Attorney and, upon liquidation, shall be deposited in the general fund of the county wherein such seizure occurred. However, in the event that a defendant raises the defense that the seized slot machine is an antique slot machine described in subparagraph (b) (7) of Section 28-1 of this Code and therefore he is exempt from the charge of a gambling activity participant, the seized antique slot machine shall not be destroyed or otherwise altered until a final determination is made by the Court as to whether it is such an antique slot machine. Upon a final determination by the Court of this question in favor of the defendant, such slot machine shall be immediately returned to the defendant. Such order of forfeiture and disposition shall, for the purposes of appeal, be a final order and judgment in a civil proceeding.

(d) If a seizure pursuant to subparagraph (b) of this Section is not followed by a charge pursuant to subparagraph (c) of this Section, or if the prosecution of such charge is permanently terminated or indefinitely discontinued without any judgment of conviction or acquittal (1) the State's Attorney shall commence an in rem proceeding for the forfeiture and destruction of a gambling device, or for the forfeiture and deposit in the general fund of the county of any seized money or other things of value, or both, in the circuit court and (2) any person having any property interest in such seized gambling device, money or other thing of value may commence separate civil proceedings in the manner provided by law.

(e) Any gambling device displayed for sale to a riverboat gambling operation or used to train occupational licensees of a riverboat gambling operation as authorized under the Riverboat Gambling Act is exempt from seizure under this Section.

(f) Any gambling equipment, devices and supplies provided by a licensed supplier in accordance with the Riverboat Gambling Act which are removed from a ~~the~~ riverboat or electronic gaming facility for repair are exempt from seizure under this Section.

(Source: P.A. 87-826.)

(720 ILCS 5/28-7) (from Ch. 38, par. 28-7)

Sec. 28-7. Gambling contracts void.

(a) All promises, notes, bills, bonds, covenants, contracts, agreements, judgments, mortgages, or other securities or conveyances made, given, granted, drawn, or entered into, or executed by any person whatsoever, where the whole or any part of the consideration thereof is for any money or thing of value, won or obtained in violation of any Section of this Article are null and void.

(b) Any obligation void under this Section may be set aside and vacated by any court of competent jurisdiction, upon a complaint filed for that purpose, by the person so granting, giving, entering into, or executing the same, or by his executors or administrators, or by any creditor, heir, legatee, purchaser or other person interested therein; or if a judgment, the same may be set aside on motion of any person stated above, on due notice thereof given.

(c) No assignment of any obligation void under this Section may in any manner affect the defense of the person giving, granting, drawing, entering into or executing such obligation, or the remedies of any person interested therein.

(d) This Section shall not prevent a licensed owner of a riverboat gambling operation or an electronic gaming licensee under the Riverboat Gambling Act and the Illinois Horse Racing Act of 1975 from instituting a cause of action to collect any amount due and owing under an extension of credit to a ~~riverboat~~ gambling patron as authorized under Section 11.1 of the Riverboat Gambling Act.

(Source: P.A. 87-826.)

(230 ILCS 5/54 rep.)

Section 95. The Illinois Horse Racing Act is amended by repealing Section 54.

Section 100. "An Act in relation to gambling, amending named Acts", approved June 25, 1999, Public Act 91-40, is amended by changing Section 30 as follows:

(P.A. 91-40, Sec. 30)

Sec. 30. Severability. If any provision of this Act (Public Act 91-40) or the application thereof to any person or circumstance is held invalid, that invalidity does not affect the other provisions or applications of the Act which can be given effect without the invalid application or provision, and to this end the provisions of this Act are severable. This severability applies without regard to whether the action challenging the validity was brought before the effective date of this amendatory Act of the 93rd General Assembly.

~~Inseverability. The provisions of this Act are mutually dependent and inseverable. If any provision is held invalid other than as applied to a particular person or circumstance, then this entire Act is invalid.~~

(Source: P.A. 91-40, eff. 6-25-99.)

Section 105. The State Finance Act is amended by adding Sections 5.595 and 5.596 as follows:

(30 ILCS 105/5.595 new)
Sec. 5.595. The Intercity Development Fund.
(30 ILCS 105/5.596 new)
Sec. 5.596. The Local Government Riverboat Gaming Distributive Fund.
Section 999. Effective date. This Act takes effect upon becoming law.".

AMENDMENT NO. 2. Amend House Bill 146, AS AMENDED, in Section 75, Sec. 26, subsection (g), paragraph (13), by replacing the sentence that begins "An organization licensee shall" and the sentence that begins "For the calendar year in which" with the following:
"For the calendar year in which an organization licensee that is eligible to receive a payment under this paragraph (13) begins conducting electronic gaming pursuant to an electronic gaming license, the amount of that payment shall be reduced by a percentage equal to the percentage of the year remaining after the organization licensee begins conducting electronic gaming pursuant to its electronic gaming license. An organization licensee shall no longer be able to receive payments under this paragraph (13) beginning on the January 1 first occurring after the licensee begins conducting electronic gaming pursuant to an electronic gaming license issued under Section 7.4 of the Riverboat Gambling Act."; and
in Section 75, Sec. 34.2, subsection (b), in the sentence that begins "Notwithstanding any provision of this Act" by replacing "2 or more existing" with "2 or more former or existing"; and
in Section 75, Sec. 34.2, subsection (b), in the sentence that begins "Notwithstanding any provision of this Act" by replacing "rights, benefits, and powers under this Act" with "rights, benefits, powers, and obligations under this Act"; and
in Section 75, Sec. 34.2, subsection (b), in the sentence that begins "Such multiple rights" by replacing "rights, benefits, and powers" with "rights, benefits, powers, and obligations"; and
in Section 75, Sec. 56, subsection (b), in the sentence that begins "Of the moneys" by replacing "48%" with "42%"; and
in Section 80, Sec. 11, in the sentence that begins "Notwithstanding any provision" by replacing "up to 15% of its slot machines" with "a number of its slot machines that is no greater than 15% of its total gaming positions".

Floor Amendment No. 3 remained in the Committee on Rules.

There being no further amendments, the foregoing Amendments numbered 1 and 2 were ordered engrossed; and the bill, as amended, was held on the order of Second Reading.

HOUSE BILL 147. Having been printed, was taken up and read by title a second time.
The following amendment was offered in the Committee on Gaming, adopted and printed:

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend House Bill 147 by replacing the title with the following:
"AN ACT in relation to gambling."; and
by replacing everything after the enacting clause with the following:
"Section 1. Short title. This Act may be cited as the Video Gaming Act.
Section 5. Definitions. As used in this Act:
"Board" means the Illinois Gaming Board.
"Credit" means 5, 10, or 25 cents either won or purchased by a player.
"Distributor" means an individual, partnership, or corporation licensed under this Act to buy, sell, lease, or distribute video gaming terminals or major components or parts of video gaming terminals to or from terminal operators.
"Terminal operator" means an individual, partnership or corporation that is licensed under this Act and that owns, services, and maintains video gaming terminals for placement in licensed establishments, licensed fraternal establishments, or licensed veterans establishments.
"Licensed technician" means an individual who is licensed under this Act to repair, service, and maintain video gaming terminals.
"Manufacturer" means an individual, partnership, or corporation that is licensed under this Act and that manufactures or assembles video gaming terminals.

"Supplier" means an individual, partnership, or corporation that is licensed under this Act to supply major components or parts to video gaming terminals to licensed terminal operators.

"Net terminal income" means money put into a video gaming terminal minus credits paid out to players.

"Video gaming terminal" means any electronic video game machine that, upon insertion of cash, is available to play or simulate the play of a video game, including but not limited to video poker, line up, and blackjack, authorized by the Board utilizing a video display and microprocessors in which the player may receive free games or credits that can be redeemed for cash. The term does not include a machine that directly dispenses coins, cash, or tokens or is for amusement purposes only.

"Licensed establishment" means any licensed retail establishment where alcoholic liquor is drawn, poured, mixed, or otherwise served for consumption on the premises.

"Licensed fraternal establishment" means the location where a qualified fraternal organization that derives its charter from a national fraternal organization regularly meets.

"Licensed veterans establishment" means the location where a qualified veterans organization that derives its charter from a national veterans organization regularly meets.

"Licensed truck stop establishment" means a facility that is at least a 3-acre facility with a convenience store and with separate diesel islands for fueling commercial motor vehicles and parking spaces for commercial motor vehicles as defined in Section 18b-101 of the Illinois Vehicle Code.

Section 15. Minimum requirements for licensing and registration. Every video gaming terminal offered for play shall first be tested and approved pursuant to the rules of the Board, and each video gaming terminal offered in this State for play shall conform to an approved model. The Board may contract with an independent outside vendor for the examination of video gaming machines and associated equipment as required by this Section. Each approved model shall, at a minimum, meet the following criteria:

(1) It must conform to all requirements of federal law and regulations, including FCC Class A Emissions Standards.

(2) It must theoretically pay out a mathematically demonstrable percentage during the expected lifetime of the machine of all amounts played, which must not be less than 80%. Video gaming terminals that may be affected by skill must meet this standard when using a method of play that will provide the greatest return to the player over a period of continuous play.

(3) It must use a random selection process to determine the outcome of each play of a game. The random selection process must meet 99% confidence limits using a standard chi-squared test for (randomness) goodness of fit.

(4) It must display an accurate representation of the game outcome.

(5) It must not automatically alter pay tables or any function of the video gaming terminal based on internal computation of hold percentage or have any means of manipulation that affects the random selection process or probabilities of winning a game.

(6) It must not be adversely affected by static discharge or other electromagnetic interference.

(7) It must be capable of detecting and displaying the following conditions during idle states or on demand: power reset; door open; and door just closed.

(8) It must have the capacity to display complete play history (outcome, intermediate play steps, credits available, bets placed, credits paid, and credits cashed out) for the most recent game played and 10 games prior thereto.

(9) The theoretical payback percentage of a video gaming terminal must not be capable of being changed without making a hardware or software change in the video gaming terminal.

(10) Video gaming terminals must be designed so that replacement of parts or modules required for normal maintenance does not necessitate replacement of the electromechanical meters.

(11) It must have nonresettable meters housed in a locked area of the terminal that keep a permanent record of all cash inserted into the machine, all winnings made by the terminal printer, credits played in for video gaming terminals, and credits won by video gaming players. The video gaming terminal must provide the means for on-demand display of stored information as determined by the Board.

(12) Electronically stored meter information required by this Section must be preserved for a minimum of 180 days after a power loss to the service.

(13) It must have one or more mechanisms that accept coins or cash in the form of bills. The mechanisms shall be designed to prevent obtaining credits without paying by stringing, slamming, drilling, or other means.

(14) It shall have accounting software that keeps an electronic record which includes, but is not limited to, the following: total cash inserted into the video gaming terminal; the value of winning tickets claimed by players; the total credits played; and the total credits awarded by a video gaming terminal.

(15) It shall be linked by a central communications system to provide auditing program information as approved by the Board. In no event may the communications system approved by the Board limit participation to only one manufacturer of video gaming terminals by either the cost in implementing the necessary program modifications to communicate or the inability to communicate with the central communications system.

(16) It shall be able to receive and broadcast amber alert messages.

Section 20. Direct dispensing of receipt tickets only. A video gaming terminal may not directly dispense coins, cash, tokens, or any other article of exchange or value except for receipt tickets. Tickets shall be dispensed by pressing the ticket dispensing button on the video gaming terminal at the end of one's turn or play. The ticket shall indicate the total amount of credits and the cash award, the time of day in a 24-hour format showing hours and minutes, the date, the terminal serial number, the sequential number of the ticket, and an encrypted validation number from which the validity of the prize may be determined. The player shall turn in this ticket to the appropriate person at the licensed establishment, licensed truck stop establishment, licensed fraternal establishment, or licensed veterans establishment to receive the cash award. The cost of the credit shall be 5 cents, 10 cents, or 25 cents, and the maximum wager played per hand shall not exceed $2. No cash award for the maximum wager on any individual hand shall exceed $500.

Section 25. Restriction of licensees.

(a) Manufacturer. A person may not be licensed as a manufacturer of a video gaming terminal in Illinois unless the person has a valid manufacturer's license issued under this Act. A manufacturer may only sell video gaming terminals for use in Illinois to persons having a valid distributor's license.

(b) Distributor. A person may not sell, service, distribute, or lease or market a video gaming terminal in Illinois unless the person has a valid distributor's license issued under this Act. A distributor may only sell video gaming terminals for use in Illinois to persons having a valid distributor's or terminal operator's license.

(c) Terminal operator. A person may not own, service, maintain, lease, or place a video gaming terminal unless he has a valid terminal operator's license issued under this Act. A terminal operator may only place video gaming terminals for use in Illinois in licensed establishments, licensed truck stop establishments, licensed fraternal establishments, and licensed veterans establishments. No terminal operator may give anything of value, including but not limited to a loan or financing arrangement, to a licensed establishment, licensed truck stop establishment, licensed fraternal establishment, or licensed veterans establishment as any incentive or inducement to locate video terminals in that establishment. Of the after-tax profits from a video gaming terminal, 50% shall be paid to the terminal operator and 50% shall be paid to the licensed establishment, licensed truck stop establishment, licensed fraternal establishment, or licensed veterans establishment. A terminal operator shall be entitled to access all information recorded by the operator's machines pursuant to item (17) of Section 15. No terminal operator may own or have a substantial interest in more than 5% of the video gaming terminals licensed in this State.

(d) Licensed technician. A person may not service, maintain, or repair a video gaming terminal in this State unless he or she (1) has a valid technician's license issued under this Act, (2) is a terminal operator, or (3) is employed by a terminal operator, distributor, or manufacturer.

(e) Licensed establishment. A valid liquor license shall be prima facie evidence of compliance with the licensing requirements of this Act to operate video gaming terminals. No video gaming terminal may be placed in any licensed veterans establishment or licensed fraternal establishment unless the owner or agent of the owner of the licensed veterans establishment or licensed fraternal establishment has entered into a written use agreement with the terminal operator for placement of the terminals. A copy of the use agreement shall be on file in the terminal operator's place of business and available for inspection by individuals authorized by the Board. A licensed establishment may operate up to 3 video gaming terminals on its premises at any time, unless the Board authorizes a greater number. A licensed truck stop establishment, licensed veterans establishment, or licensed fraternal establishment may operate up to 5 video gaming terminals on its premises at any time, unless the Board authorizes a greater number.

(f) Residency requirement. Each licensed distributor and terminal operator must be an Illinois resident. However, if an out of state distributor or terminal operator has performed its respective business within Illinois for at least 48 months prior to the effective date of this Act, the out of state person may be eligible for licensing under this Act, upon application to and approval of the Board.

(g) Financial interest restrictions. As used in this Act, "substantial interest" in an organization, association, or business means:

(A) When, with respect to a sole proprietorship, an individual or his or her marital community

owns, operates, manages, or conducts, directly or indirectly, the organization, association, or business, or any part thereof; or

(B) When, with respect to a partnership, the individual or his or her marital community shares in any of the profits, or potential profits, of the partnership activities; or

(C) When, with respect to a corporation, an individual or his or her spouse is an officer or director, or the individual or his or her marital community is a holder, directly or beneficially, of 5% or more of any class of stock of the corporation; or

(D) When, with respect to an organization not covered in (A), (B) or (C) above, an individual or his or her spouse is an officer or manages the business affairs, or the individual or his or her marital community is the owner of or otherwise controls 10% or more of the assets of the organization; or

(E) When an individual or his or her marital community furnishes 5% or more of the capital, whether in cash, goods, or services, for the operation of any business, association, or organization during any calendar year.

(h) Location restriction. A licensed establishment, licensed truck stop establishment, licensed fraternal establishment, or licensed veterans establishment that is located within 500 feet of a race track licensed under the Illinois Horse Racing Act of 1975 or within 1,000 feet of the home dock of a riverboat licensed under the Riverboat Gambling Act is ineligible to operate a video gaming terminal.

Section 27. Prohibition of video gaming by political subdivision. A municipality may pass an ordinance prohibiting video gaming within the corporate limits of the municipality. A county board may, for the unincorporated area of the county, pass an ordinance prohibiting video gaming within the unincorporated area of the county.

Section 30. Multiple types of licenses prohibited. A video gaming terminal manufacturer may not be licensed as a video gaming terminal distributor or operator or own, manage, or control a licensed establishment, licensed truck stop establishment, licensed fraternal establishment, or licensed veterans establishment, and shall be licensed only to sell to distributors. A video gaming terminal distributor may not be licensed as a video gaming terminal manufacturer or operator or own, manage, or control a licensed establishment, licensed truck stop establishment, licensed fraternal establishment, or licensed veterans establishment, and shall only contract with a licensed terminal operator. A video gaming terminal operator may not be licensed as a video gaming terminal manufacturer or distributor or own, manage, or control a licensed establishment, licensed truck stop establishment, licensed fraternal establishment, or licensed veterans establishment, and shall be licensed only to contract with licensed distributors and licensed establishments, licensed truck stop establishments, licensed fraternal establishments, and licensed veterans establishments. An owner or manager of a licensed establishment, licensed truck stop establishment, licensed fraternal establishment, or licensed veterans establishment may not be licensed as a video gaming terminal manufacturer, distributor, or operator, and shall only contract with a licensed operator to place and service this equipment.

Section 35. Display of license; confiscation; violation as felony. Each video gaming terminal shall be licensed by the Board before placement or operation on the premises of a licensed establishment, licensed truck stop establishment, licensed fraternal establishment, or licensed veterans establishment. The license of each video gaming terminal shall be maintained at the location where the video gaming terminal is operated. Failure to do so is a petty offense with a fine not to exceed $100. Any licensed establishment, licensed truck stop establishment, licensed fraternal establishment, or licensed veterans establishment used for the conduct of gambling games in violation of this Act shall be considered a gambling place in violation of Section 28-3 of the Criminal Code of 1961. Every gambling device found in a licensed establishment, licensed truck stop establishment, licensed fraternal establishment, or licensed veterans establishment operating gambling games in violation of this Act shall be subject to seizure, confiscation, and destruction as provided in Section 28-5 of the Criminal Code of 1961. Any license issued under the Liquor Control Act of 1934 to any owner or operator of a licensed establishment, licensed truck stop establishment, licensed fraternal establishment, or licensed veterans establishment that operates or permits the operation of a video gaming terminal within its establishment in violation of this Act shall be immediately revoked. No person may own, operate, have in his or her possession or custody or under his or her control, or permit to be kept in any place under his or her possession or control, any device that awards credits and contains a circuit, meter, or switch capable of removing and recording the removal of credits when the award of credits is dependent upon chance. A violation of this Section is a Class 4 felony. All devices that are owned, operated, or possessed in violation of this Section are hereby declared to be public nuisances and shall be subject to seizure, confiscation, and destruction as provided in Section 28-5 of the Criminal Code of 1961. The provisions of this Section do not apply to devices or electronic video game terminals licensed pursuant

to this Act.

Section 40. Video gaming terminal use by minors prohibited. No licensee shall cause or permit any person under the age of 21 years to use or play a video gaming terminal. Any licensee who knowingly permits a person under the age of 21 years to use or play a video gaming terminal is guilty of a business offense and shall be fined an amount not to exceed $5,000.

Section 45. Issuance of license.

(a) The burden is upon each applicant to demonstrate his suitability for licensure. Each video gaming terminal manufacturer, distributor, operator, licensed establishment, licensed truck stop establishment, licensed fraternal establishment, and licensed veterans establishment shall be licensed by the Board. The Board may not issue a license under this Act to any person who, within 10 years of the date of the application, has been convicted of a felony under the laws of this State, any other state, or the United States, or to any firm or corporation in which such a person is an officer, director, or managerial employee.

(b) A non-refundable application fee shall be paid at the time an application for a license is filed with the Board in the following amounts:

(1) Manufacturer.....	$ 5,000
(2) Distributor.....	$ 5,000
(3) Terminal operator.....	$ 5,000
(4) Supplier.....	$ 2,500
(5) Technician.....	$ 100

(c) Any application not approved within 90 days of receipt by the Board shall be deemed approved.

(d) Each licensed distributor, terminal operator, or person with a substantial interest in a distributor or terminal operator must have resided in Illinois for at least 24 months prior to application unless he or she has performed his or her respective business in Illinois for at least 48 months prior to the effective date of this Act.

The Board shall establish an annual fee for each license not to exceed the following:

(1) Manufacturer.....	$10,000
(2) Distributor.....	$10,000
(3) Terminal operator.....	$ 5,000
(4) Supplier.....	$ 2,000
(5) Technician.....	$ 100
(6) Licensed establishment, licensed truck stop establishment, licensed fraternal establishment, or licensed veterans establishment.....	$ 100
(7) Video gaming terminal.....	$ 100

Section 50. Distribution of license fees.

(a) All fees collected under Section 45 shall be deposited in the General Revenue Fund.

(b) Fees collected under Section 45 shall be used as follows:

(1) Twenty-five percent shall be paid to programs for the treatment of compulsive gambling.

(2) Seventy-five percent shall be used for the administration of this Act.

(c) All licenses issued by the Board under this Act are renewable annually unless sooner cancelled or terminated. No license issued under this Act is transferable or assignable.

Section 55. Precondition for licensed establishment. In all cases of application for a licensed establishment, to operate a video gaming terminal, each licensed truck stop establishment, licensed fraternal establishment, or licensed veterans establishment shall possess a valid liquor license issued by the Illinois Liquor Control Commission in effect at the time of application and at all times thereafter during which a video gaming terminal is made available to the public for play at that location.

Section 57. Insurance. Each licensed establishment, licensed truck stop establishment, licensed fraternal establishment, and licensed veterans establishment shall maintain insurance on any gaming device on its premises in an amount set by the Board.

Section 58. Location of terminals. Video gaming terminals must be located in an area that is within the view of at least one employee of the establishment in which they are located.

Section 60. Imposition and distribution of tax.

(a) A tax of 25% is imposed on net terminal income and shall be collected by the Board.

(b) Of the tax collected under this Section, 80% shall be deposited in the State Gaming Fund and 20% shall be deposited into the Local Government Video Gaming Distributive Fund.

(c) Revenues generated from the play of video gaming terminals shall be deposited by the terminal operator, who is responsible for tax payments, in a specially created, separate bank account maintained by the video gaming terminal operator to allow for electronic fund transfers of moneys for tax payment.

(d) Each licensed establishment, licensed truck stop establishment, licensed fraternal establishment, and licensed veterans establishment shall maintain an adequate video gaming fund, with the amount to be determined by the Board.

Section 65. Fees. A non-home rule unit of government may not impose any fee for the operation of a video gaming terminal in excess of $25 per year.

Section 70. Referendum. Upon the filing in the office of the clerk, at least 90 days before an election in any municipality or county, as the case may be, of a petition directed to such clerk, containing the signatures of not less than 25% of the legal voters of that municipality or county, the clerk shall certify such proposition to the proper election officials, who shall submit the proposition at such election to the voters of such municipality or county. The proposition shall be in the following form:

Shall video gaming be prohibited in .....? YES / NO

If a majority of the voters voting upon such last mentioned proposition in any municipality or county vote "YES", such video gaming shall be prohibited in such municipality or county. The petition mentioned in this Section shall be a public document and shall be subject to inspection by the public.

Section 75. Revenue sharing; Local Government Video Gaming Distributive Fund.

(a) Beginning July 1, 2003, as soon as may be after the first day of each month, the Department of Revenue shall certify to the Treasurer an amount equal to 25% of the net revenue realized from the tax imposed by Section 60 during the preceding month. Net revenue realized for a month shall be defined as the revenue from the tax imposed by Section 60 during the month. Upon receipt of such certification, the Treasurer shall transfer from the General Revenue Fund to a special fund in the State treasury, to be known as the Local Government Video Gaming Distributive Fund, the amount shown on such certification.

All amounts paid into the Local Government Video Gaming Distributive Fund and allocated in accordance with this Section are appropriated on a continuing basis.

(b) As soon as may be after the first day of each month, the Department of Revenue shall allocate among those municipalities and counties of this State that have not prohibited video gaming pursuant to Section 27 the amount available in the Local Government Video Gaming Distributive Fund, as provided in Section 60. The Department shall then certify such allocations to the State Comptroller, who shall pay over to those eligible municipalities and counties the respective amounts allocated to them. The amount of such funds allocable to each such municipality and county shall be in proportion to the number of individual residents of such municipality or county to the total population of those eligible municipalities and counties determined in each case on the basis of the latest census of the municipality or county conducted by the federal government and certified by the Secretary of State and for annexations to municipalities, the latest federal, State, or municipal census of the annexed area which has been certified by the Department of Revenue. For the purpose of this Section, the number of individual residents of a county shall be reduced by the number of individuals residing therein in municipalities, but the number of individual residents of the municipality shall reflect the latest census of the municipality.

(c) The amounts allocated and paid to a municipality or county of this State pursuant to the provisions of this Section may be used for any general corporate purpose authorized for that municipality or county.

(d) Upon determination by the Department that an amount has been paid pursuant to this Section in excess of the amount to which the county or municipality receiving such payment was entitled, the county or municipality shall, upon demand by the Department, repay such amount. If such repayment is not made within a reasonable time, the Department shall withhold from future payments an amount equal to such overpayment. The Department shall redistribute the amount of such payment to the county or municipality entitled thereto.

Section 185. The Riverboat Gambling Act is amended by changing Section 5 as follows:

(230 ILCS 10/5) (from Ch. 120, par. 2405)

Sec. 5. Gaming Board. (a) (1) There is hereby established within the Department of Revenue an

Illinois Gaming Board which shall have the powers and duties specified in this Act, and all other powers necessary and proper to fully and effectively execute this Act for the purpose of administering, regulating, and enforcing the system of riverboat gambling established by this Act. Its jurisdiction shall extend under this Act to every person, association, corporation, partnership and trust involved in riverboat gambling operations in the State of Illinois.

(2) The Board shall consist of 5 members to be appointed by the Governor with the advice and consent of the Senate, one of whom shall be designated by the Governor to be chairman. Each member shall have a reasonable knowledge of the practice, procedure and principles of gambling operations. Each member shall either be a resident of Illinois or shall certify that he will become a resident of Illinois before taking office. At least one member shall be experienced in law enforcement and criminal investigation, at least one member shall be a certified public accountant experienced in accounting and auditing, and at least one member shall be a lawyer licensed to practice law in Illinois.

(3) The terms of office of the Board members shall be 3 years, except that the terms of office of the initial Board members appointed pursuant to this Act will commence from the effective date of this Act and run as follows: one for a term ending July 1, 1991, 2 for a term ending July 1, 1992, and 2 for a term ending July 1, 1993. Upon the expiration of the foregoing terms, the successors of such members shall serve a term for 3 years and until their successors are appointed and qualified for like terms. Vacancies in the Board shall be filled for the unexpired term in like manner as original appointments. Each member of the Board shall be eligible for reappointment at the discretion of the Governor with the advice and consent of the Senate.

(4) Each member of the Board shall receive $300 for each day the Board meets and for each day the member conducts any hearing pursuant to this Act. Each member of the Board shall also be reimbursed for all actual and necessary expenses and disbursements incurred in the execution of official duties.

(5) No person shall be appointed a member of the Board or continue to be a member of the Board who is, or whose spouse, child or parent is, a member of the board of directors of, or a person financially interested in, any gambling operation subject to the jurisdiction of this Board, or any race track, race meeting, racing association or the operations thereof subject to the jurisdiction of the Illinois Racing Board. No Board member shall hold any other public office for which he shall receive compensation other than necessary travel or other incidental expenses. No person shall be a member of the Board who is not of good moral character or who has been convicted of, or is under indictment for, a felony under the laws of Illinois or any other state, or the United States.

(6) Any member of the Board may be removed by the Governor for neglect of duty, misfeasance, malfeasance, or nonfeasance in office.

(7) Before entering upon the discharge of the duties of his office, each member of the Board shall take an oath that he will faithfully execute the duties of his office according to the laws of the State and the rules and regulations adopted therewith and shall give bond to the State of Illinois, approved by the Governor, in the sum of $25,000. Every such bond, when duly executed and approved, shall be recorded in the office of the Secretary of State. Whenever the Governor determines that the bond of any member of the Board has become or is likely to become invalid or insufficient, he shall require such member forthwith to renew his bond, which is to be approved by the Governor. Any member of the Board who fails to take oath and give bond within 30 days from the date of his appointment, or who fails to renew his bond within 30 days after it is demanded by the Governor, shall be guilty of neglect of duty and may be removed by the Governor. The cost of any bond given by any member of the Board under this Section shall be taken to be a part of the necessary expenses of the Board.

(8) Upon the request of the Board, the Department shall employ such personnel as may be necessary to carry out the functions of the Board. No person shall be employed to serve the Board who is, or whose spouse, parent or child is, an official of, or has a financial interest in or financial relation with, any operator engaged in gambling operations within this State or any organization engaged in conducting horse racing within this State. Any employee violating these prohibitions shall be subject to termination of employment.

(9) An Administrator shall perform any and all duties that the Board shall assign him. The salary of the Administrator shall be determined by the Board and approved by the Director of the Department and, in addition, he shall be reimbursed for all actual and necessary expenses incurred by him in discharge of his official duties. The Administrator shall keep records of all proceedings of the Board and shall preserve all records, books, documents and other papers belonging to the Board or entrusted to its care. The Administrator shall devote his full time to the duties of the office and shall not hold any other office or employment.

(b) The Board shall have general responsibility for the implementation of this Act. Its duties include,

without limitation, the following:

(1) To decide promptly and in reasonable order all license applications. Any party aggrieved by an action of the Board denying, suspending, revoking, restricting or refusing to renew a license may request a hearing before the Board. A request for a hearing must be made to the Board in writing within 5 days after service of notice of the action of the Board. Notice of the action of the Board shall be served either by personal delivery or by certified mail, postage prepaid, to the aggrieved party. Notice served by certified mail shall be deemed complete on the business day following the date of such mailing. The Board shall conduct all requested hearings promptly and in reasonable order;

(2) To conduct all hearings pertaining to civil violations of this Act or rules and regulations promulgated hereunder;

(3) To promulgate such rules and regulations as in its judgment may be necessary to protect or enhance the credibility and integrity of gambling operations authorized by this Act and the regulatory process hereunder;

(4) To provide for the establishment and collection of all license and registration fees and taxes imposed by this Act and the rules and regulations issued pursuant hereto. All such fees and taxes shall be deposited into the State Gaming Fund;

(5) To provide for the levy and collection of penalties and fines for the violation of provisions of this Act and the rules and regulations promulgated hereunder. All such fines and penalties shall be deposited into the Education Assistance Fund, created by Public Act 86-0018, of the State of Illinois;

(6) To be present through its inspectors and agents any time gambling operations are conducted on any riverboat for the purpose of certifying the revenue thereof, receiving complaints from the public, and conducting such other investigations into the conduct of the gambling games and the maintenance of the equipment as from time to time the Board may deem necessary and proper;

(7) To review and rule upon any complaint by a licensee regarding any investigative procedures of the State which are unnecessarily disruptive of gambling operations. The need to inspect and investigate shall be presumed at all times. The disruption of a licensee's operations shall be proved by clear and convincing evidence, and establish that: (A) the procedures had no reasonable law enforcement purposes, and (B) the procedures were so disruptive as to unreasonably inhibit gambling operations;

(8) To hold at least one meeting each quarter of the fiscal year. In addition, special meetings may be called by the Chairman or any 2 Board members upon 72 hours written notice to each member. All Board meetings shall be subject to the Open Meetings Act. Three members of the Board shall constitute a quorum, and 3 votes shall be required for any final determination by the Board. The Board shall keep a complete and accurate record of all its meetings. A majority of the members of the Board shall constitute a quorum for the transaction of any business, for the performance of any duty, or for the exercise of any power which this Act requires the Board members to transact, perform or exercise en banc, except that, upon order of the Board, one of the Board members or an administrative law judge designated by the Board may conduct any hearing provided for under this Act or by Board rule and may recommend findings and decisions to the Board. The Board member or administrative law judge conducting such hearing shall have all powers and rights granted to the Board in this Act. The record made at the time of the hearing shall be reviewed by the Board, or a majority thereof, and the findings and decision of the majority of the Board shall constitute the order of the Board in such case;

(9) To maintain records which are separate and distinct from the records of any other State board or commission. Such records shall be available for public inspection and shall accurately reflect all Board proceedings;

(10) To file a written annual report with the Governor on or before March 1 each year and such additional reports as the Governor may request. The annual report shall include a statement of receipts and disbursements by the Board, actions taken by the Board, and any additional information and recommendations which the Board may deem valuable or which the Governor may request;

(11) (Blank); ~~and~~

(12) To assume responsibility for the administration and enforcement of the Bingo License and Tax Act, the Charitable Games Act, and the Pull Tabs and Jar Games Act if such responsibility is delegated to it by the Director of Revenue; and~~.~~

(13) To assume responsibility for administration and enforcement of the Video Gaming Act.

(c) The Board shall have jurisdiction over and shall supervise all gambling operations governed by this Act. The Board shall have all powers necessary and proper to fully and effectively execute the provisions of this Act, including, but not limited to, the following:

(1) To investigate applicants and determine the eligibility of applicants for licenses and to select

among competing applicants the applicants which best serve the interests of the citizens of Illinois.

(2) To have jurisdiction and supervision over all riverboat gambling operations in this State and all persons on riverboats where gambling operations are conducted.

(3) To promulgate rules and regulations for the purpose of administering the provisions of this Act and to prescribe rules, regulations and conditions under which all riverboat gambling in the State shall be conducted. Such rules and regulations are to provide for the prevention of practices detrimental to the public interest and for the best interests of riverboat gambling, including rules and regulations regarding the inspection of such riverboats and the review of any permits or licenses necessary to operate a riverboat under any laws or regulations applicable to riverboats, and to impose penalties for violations thereof.

(4) To enter the office, riverboats, facilities, or other places of business of a licensee, where evidence of the compliance or noncompliance with the provisions of this Act is likely to be found.

(5) To investigate alleged violations of this Act or the rules of the Board and to take appropriate disciplinary action against a licensee or a holder of an occupational license for a violation, or institute appropriate legal action for enforcement, or both.

(6) To adopt standards for the licensing of all persons under this Act, as well as for electronic or mechanical gambling games, and to establish fees for such licenses.

(7) To adopt appropriate standards for all riverboats and facilities.

(8) To require that the records, including financial or other statements of any licensee under this Act, shall be kept in such manner as prescribed by the Board and that any such licensee involved in the ownership or management of gambling operations submit to the Board an annual balance sheet and profit and loss statement, list of the stockholders or other persons having a 1% or greater beneficial interest in the gambling activities of each licensee, and any other information the Board deems necessary in order to effectively administer this Act and all rules, regulations, orders and final decisions promulgated under this Act.

(9) To conduct hearings, issue subpoenas for the attendance of witnesses and subpoenas duces tecum for the production of books, records and other pertinent documents in accordance with the Illinois Administrative Procedure Act, and to administer oaths and affirmations to the witnesses, when, in the judgment of the Board, it is necessary to administer or enforce this Act or the Board rules.

(10) To prescribe a form to be used by any licensee involved in the ownership or management of gambling operations as an application for employment for their employees.

(11) To revoke or suspend licenses, as the Board may see fit and in compliance with applicable laws of the State regarding administrative procedures, and to review applications for the renewal of licenses. The Board may suspend an owners license, without notice or hearing upon a determination that the safety or health of patrons or employees is jeopardized by continuing a riverboat's operation. The suspension may remain in effect until the Board determines that the cause for suspension has been abated. The Board may revoke the owners license upon a determination that the owner has not made satisfactory progress toward abating the hazard.

(12) To eject or exclude or authorize the ejection or exclusion of, any person from riverboat gambling facilities where such person is in violation of this Act, rules and regulations thereunder, or final orders of the Board, or where such person's conduct or reputation is such that his presence within the riverboat gambling facilities may, in the opinion of the Board, call into question the honesty and integrity of the gambling operations or interfere with orderly conduct thereof; provided that the propriety of such ejection or exclusion is subject to subsequent hearing by the Board.

(13) To require all licensees of gambling operations to utilize a cashless wagering system whereby all players' money is converted to tokens, electronic cards, or chips which shall be used only for wagering in the gambling establishment.

(14) (Blank).

(15) To suspend, revoke or restrict licenses, to require the removal of a licensee or an employee of a licensee for a violation of this Act or a Board rule or for engaging in a fraudulent practice, and to impose civil penalties of up to $5,000 against individuals and up to $10,000 or an amount equal to the daily gross receipts, whichever is larger, against licensees for each violation of any provision of the Act, any rules adopted by the Board, any order of the Board or any other action which, in the Board's discretion, is a detriment or impediment to riverboat gambling operations.

(16) To hire employees to gather information, conduct investigations and carry out any other tasks contemplated under this Act.

(17) To establish minimum levels of insurance to be maintained by licensees.

(18) To authorize a licensee to sell or serve alcoholic liquors, wine or beer as defined in the Liquor Control Act of 1934 on board a riverboat and to have exclusive authority to establish the hours for sale and consumption of alcoholic liquor on board a riverboat, notwithstanding any provision of the Liquor Control Act of 1934 or any local ordinance, and regardless of whether the riverboat makes excursions. The establishment of the hours for sale and consumption of alcoholic liquor on board a riverboat is an exclusive power and function of the State. A home rule unit may not establish the hours for sale and consumption of alcoholic liquor on board a riverboat. This amendatory Act of 1991 is a denial and limitation of home rule powers and functions under subsection (h) of Section 6 of Article VII of the Illinois Constitution.

(19) After consultation with the U.S. Army Corps of Engineers, to establish binding emergency orders upon the concurrence of a majority of the members of the Board regarding the navigability of water, relative to excursions, in the event of extreme weather conditions, acts of God or other extreme circumstances.

(20) To delegate the execution of any of its powers under this Act for the purpose of administering and enforcing this Act and its rules and regulations hereunder.

(21) To take any other action as may be reasonable or appropriate to enforce this Act and rules and regulations hereunder.

(d) The Board may seek and shall receive the cooperation of the Department of State Police in conducting background investigations of applicants and in fulfilling its responsibilities under this Section. Costs incurred by the Department of State Police as a result of such cooperation shall be paid by the Board in conformance with the requirements of Section 2605-400 of the Department of State Police Law (20 ILCS 2605/2605-400).

(e) The Board must authorize to each investigator and to any other employee of the Board exercising the powers of a peace officer a distinct badge that, on its face, (i) clearly states that the badge is authorized by the Board and (ii) contains a unique identifying number. No other badge shall be authorized by the Board. (Source: P.A. 91-40, eff. 1-1-00; 91-239, eff. 1-1-00; 91-883, eff. 1-1-01.)

Section 190. The Criminal Code of 1961 is amended by changing Sections 28-1, 28-1.1, and 28-3 as follows:

(720 ILCS 5/28-1) (from Ch. 38, par. 28-1)

Sec. 28-1. Gambling. (a) A person commits gambling when he:

(1) Plays a game of chance or skill for money or other thing of value, unless excepted in subsection (b) of this Section; or

(2) Makes a wager upon the result of any game, contest, or any political nomination, appointment or election; or

(3) Operates, keeps, owns, uses, purchases, exhibits, rents, sells, bargains for the sale or lease of, manufactures or distributes any gambling device; or

(4) Contracts to have or give himself or another the option to buy or sell, or contracts to buy or sell, at a future time, any grain or other commodity whatsoever, or any stock or security of any company, where it is at the time of making such contract intended by both parties thereto that the contract to buy or sell, or the option, whenever exercised, or the contract resulting therefrom, shall be settled, not by the receipt or delivery of such property, but by the payment only of differences in prices thereof; however, the issuance, purchase, sale, exercise, endorsement or guarantee, by or through a person registered with the Secretary of State pursuant to Section 8 of the Illinois Securities Law of 1953, or by or through a person exempt from such registration under said Section 8, of a put, call, or other option to buy or sell securities which have been registered with the Secretary of State or which are exempt from such registration under Section 3 of the Illinois Securities Law of 1953 is not gambling within the meaning of this paragraph (4); or

(5) Knowingly owns or possesses any book, instrument or apparatus by means of which bets or wagers have been, or are, recorded or registered, or knowingly possesses any money which he has received in the course of a bet or wager; or

(6) Sells pools upon the result of any game or contest of skill or chance, political nomination, appointment or election; or

(7) Sets up or promotes any lottery or sells, offers to sell or transfers any ticket or share for any lottery; or

(8) Sets up or promotes any policy game or sells, offers to sell or knowingly possesses or transfers any policy ticket, slip, record, document or other similar device; or

(9) Knowingly drafts, prints or publishes any lottery ticket or share, or any policy ticket, slip, record,

document or similar device, except for such activity related to lotteries, bingo games and raffles authorized by and conducted in accordance with the laws of Illinois or any other state or foreign government; or

(10) Knowingly advertises any lottery or policy game, except for such activity related to lotteries, bingo games and raffles authorized by and conducted in accordance with the laws of Illinois or any other state; or

(11) Knowingly transmits information as to wagers, betting odds, or changes in betting odds by telephone, telegraph, radio, semaphore or similar means; or knowingly installs or maintains equipment for the transmission or receipt of such information; except that nothing in this subdivision (11) prohibits transmission or receipt of such information for use in news reporting of sporting events or contests; or

(12) Knowingly establishes, maintains, or operates an Internet site that permits a person to play a game of chance or skill for money or other thing of value by means of the Internet or to make a wager upon the result of any game, contest, political nomination, appointment, or election by means of the Internet.

(b) Participants in any of the following activities shall not be convicted of gambling therefor:

(1) Agreements to compensate for loss caused by the happening of chance including without limitation contracts of indemnity or guaranty and life or health or accident insurance;

(2) Offers of prizes, award or compensation to the actual contestants in any bona fide contest for the determination of skill, speed, strength or endurance or to the owners of animals or vehicles entered in such contest;

(3) Pari-mutuel betting as authorized by the law of this State;

(4) Manufacture of gambling devices, including the acquisition of essential parts therefor and the assembly thereof, for transportation in interstate or foreign commerce to any place outside this State when such transportation is not prohibited by any applicable Federal law; or the manufacture, distribution, or possession of video gaming terminals, as defined in the Video Gaming Act, by manufacturers, distributors, and terminal operators licensed to do so under the Video Gaming Act;

(5) The game commonly known as "bingo", when conducted in accordance with the Bingo License and Tax Act;

(6) Lotteries when conducted by the State of Illinois in accordance with the Illinois Lottery Law;

(7) Possession of an antique slot machine that is neither used nor intended to be used in the operation or promotion of any unlawful gambling activity or enterprise. For the purpose of this subparagraph (b)(7), an antique slot machine is one manufactured 25 years ago or earlier;

(8) Raffles when conducted in accordance with the Raffles Act;

(9) Charitable games when conducted in accordance with the Charitable Games Act;

(10) Pull tabs and jar games when conducted under the Illinois Pull Tabs and Jar Games Act; ~~or~~

(11) Gambling games conducted on riverboats when authorized by the Riverboat Gambling Act; or~~.~~

(12) Video gaming terminal games at a licensed establishment, licensed truck stop establishment, licensed fraternal establishment, or licensed veterans establishment when conducted in accordance with the Video Gaming Act.

(c) Sentence.

Gambling under subsection (a)(1) or (a)(2) of this Section is a Class A misdemeanor. Gambling under any of subsections (a)(3) through (a)(11) of this Section is a Class A misdemeanor. A second or subsequent conviction under any of subsections (a)(3) through (a)(11), is a Class 4 felony. Gambling under subsection (a)(12) of this Section is a Class A misdemeanor. A second or subsequent conviction under subsection (a)(12) is a Class 4 felony.

(d) Circumstantial evidence.

In prosecutions under subsection (a)(1) through (a)(12) of this Section circumstantial evidence shall have the same validity and weight as in any criminal prosecution. (Source: P.A. 91-257, eff. 1-1-00.)

(720 ILCS 5/28-1.1) (from Ch. 38, par. 28-1.1)

Sec. 28-1.1. Syndicated gambling. (a) Declaration of Purpose. Recognizing the close relationship between professional gambling and other organized crime, it is declared to be the policy of the legislature to restrain persons from engaging in the business of gambling for profit in this State. This Section shall be liberally construed and administered with a view to carrying out this policy.

(b) A person commits syndicated gambling when he operates a "policy game" or engages in the business of bookmaking.

(c) A person "operates a policy game" when he knowingly uses any premises or property for the purpose of receiving or knowingly does receive from what is commonly called "policy":

(1) money from a person other than the better or player whose bets or plays are represented by such money; or

(2) written "policy game" records, made or used over any period of time, from a person other than the better or player whose bets or plays are represented by such written record.

(d) A person engages in bookmaking when he receives or accepts more than five bets or wagers upon the result of any trials or contests of skill, speed or power of endurance or upon any lot, chance, casualty, unknown or contingent event whatsoever, which bets or wagers shall be of such size that the total of the amounts of money paid or promised to be paid to such bookmaker on account thereof shall exceed $2,000. Bookmaking is the receiving or accepting of such bets or wagers regardless of the form or manner in which the bookmaker records them.

(e) Participants in any of the following activities shall not be convicted of syndicated gambling:

(1) Agreements to compensate for loss caused by the happening of chance including without limitation contracts of indemnity or guaranty and life or health or accident insurance; and

(2) Offers of prizes, award or compensation to the actual contestants in any bona fide contest for the determination of skill, speed, strength or endurance or to the owners of animals or vehicles entered in such contest; and

(3) Pari-mutuel betting as authorized by law of this State; and

(4) Manufacture of gambling devices, including the acquisition of essential parts therefor and the assembly thereof, for transportation in interstate or foreign commerce to any place outside this State when such transportation is not prohibited by any applicable Federal law; and

(5) Raffles when conducted in accordance with the Raffles Act; and

(6) Gambling games conducted on riverboats when authorized by the Riverboat Gambling Act; and-

(7) Video gaming terminal games at a licensed establishment, licensed truck stop establishment, licensed fraternal establishment, or licensed veterans establishment when conducted in accordance with the Video Gaming Act.

(f) Sentence. Syndicated gambling is a Class 3 felony. (Source: P.A. 86-1029; 87-435.)

(720 ILCS 5/28-3) (from Ch. 38, par. 28-3)

Sec. 28-3. Keeping a Gambling Place. A "gambling place" is any real estate, vehicle, boat or any other property whatsoever used for the purposes of gambling other than gambling conducted in the manner authorized by the Riverboat Gambling Act or the Video Gaming Act. Any person who knowingly permits any premises or property owned or occupied by him or under his control to be used as a gambling place commits a Class A misdemeanor. Each subsequent offense is a Class 4 felony. When any premises is determined by the circuit court to be a gambling place:

(a) Such premises is a public nuisance and may be proceeded against as such, and

(b) All licenses, permits or certificates issued by the State of Illinois or any subdivision or public agency thereof authorizing the serving of food or liquor on such premises shall be void; and no license, permit or certificate so cancelled shall be reissued for such premises for a period of 60 days thereafter; nor shall any person convicted of keeping a gambling place be reissued such license for one year from his conviction and, after a second conviction of keeping a gambling place, any such person shall not be reissued such license, and

(c) Such premises of any person who knowingly permits thereon a violation of any Section of this Article shall be held liable for, and may be sold to pay any unsatisfied judgment that may be recovered and any unsatisfied fine that may be levied under any Section of this Article. (Source: P.A. 86-1029.)

Section 195. The State Finance Act is amended by adding Section 5.595 as follows:

(30 ILCS 105/5.595 new)

Sec. 5.595. The Local Government Video Gaming Distributive Fund. Section 999. Effective date. This Act takes effect upon becoming law.".

There being no further amendments, the foregoing Amendment No. 1 was ordered engrossed; and the bill, as amended, was held on the order of Second Reading.

HOUSE BILL 148. Having been printed, was taken up and read by title a second time.

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

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend House Bill 148 by replacing everything after the enacting clause with

the following:

"Section 5. The Riverboat Gambling Act is amended by changing Sections 7 and 13 as follows:

(230 ILCS 10/7) (from Ch. 120, par. 2407)

Sec. 7. Owners Licenses. (a) The Board shall issue owners licenses to persons, firms or corporations which apply for such licenses upon payment to the Board of the non-refundable license fee set by the Board, upon payment of a $25,000 license fee for the first year of operation and a $5,000 license fee for each succeeding year and upon a determination by the Board that the applicant is eligible for an owners license pursuant to this Act and the rules of the Board. A person, firm or corporation is ineligible to receive an owners license if:

(1) the person has been convicted of a felony under the laws of this State, any other state, or the United States;

(2) the person has been convicted of any violation of Article 28 of the Criminal Code of 1961, or substantially similar laws of any other jurisdiction;

(3) the person has submitted an application for a license under this Act which contains false information;

(4) the person is a member of the Board;

(5) a person defined in (1), (2), (3) or (4) is an officer, director or managerial employee of the firm or corporation;

(6) the firm or corporation employs a person defined in (1), (2), (3) or (4) who participates in the management or operation of gambling operations authorized under this Act;

(7) (blank); or

(8) a license of the person, firm or corporation issued under this Act, or a license to own or operate gambling facilities in any other jurisdiction, has been revoked.

(b) In determining whether to grant an owners license to an applicant, the Board shall consider:

(1) the character, reputation, experience and financial integrity of the applicants and of any other or separate person that either:

(A) controls, directly or indirectly, such applicant, or

(B) is controlled, directly or indirectly, by such applicant or by a person which controls, directly or indirectly, such applicant;

(2) the facilities or proposed facilities for the conduct of riverboat gambling;

(3) the highest prospective total revenue to be derived by the State from the conduct of riverboat gambling;

(4) the good faith affirmative action plan of each applicant to recruit, train and upgrade minorities in all employment classifications;

(5) the financial ability of the applicant to purchase and maintain adequate liability and casualty insurance;

(6) whether the applicant has adequate capitalization to provide and maintain, for the duration of a license, a riverboat; and

(7) the extent to which the applicant exceeds or meets other standards for the issuance of an owners license which the Board may adopt by rule.

(c) Each owners license shall specify the place where riverboats shall operate and dock.

(d) Each applicant shall submit with his application, on forms provided by the Board, 2 sets of his fingerprints.

(e) In addition to any licenses authorized under subsections (e-5) and (e-10), the Board may issue up to 10 licenses authorizing the holders of such licenses to own riverboats. In the application for an owners license, the applicant shall state the dock at which the riverboat is based and the water on which the riverboat will be located. The Board shall issue 5 licenses to become effective not earlier than January 1, 1991. Three of such licenses shall authorize riverboat gambling on the Mississippi River, one of which shall authorize riverboat gambling from a home dock in the city of East St. Louis, and one of which shall authorize riverboat gambling on the Mississippi River or in a municipality that (1) borders on the Mississippi River or is within 5 miles of the city limits of a municipality that borders on the Mississippi River and (2) on the effective date of this amendatory Act of the 92nd General Assembly has a riverboat conducting riverboat gambling operations pursuant to a license issued under this Act. One other license shall authorize riverboat gambling on the Illinois River south of Marshall County. The Board shall issue one additional license to become effective not earlier than March 1, 1992, which shall authorize riverboat gambling on the Des Plaines River in Will County. The Board may issue 4 additional licenses to become effective not earlier than March 1, 1992. In determining the water upon which riverboats will operate, the

Board shall consider the economic benefit which riverboat gambling confers on the State, and shall seek to assure that all regions of the State share in the economic benefits of riverboat gambling.

In granting all licenses, the Board may give favorable consideration to economically depressed areas of the State, to applicants presenting plans which provide for significant economic development over a large geographic area, and to applicants who currently operate non-gambling riverboats in Illinois. The Board shall review all applications for owners licenses, and shall inform each applicant of the Board's decision.

(e-5) In addition to licenses authorized under subsections (e) and (e-10), the Board may issue one owners license authorizing the conduct of riverboat gambling operations from a home dock in a municipality with a population of more than 500,000 inhabitants. An owners license issued under this subsection (e-5) shall be issued only to the governing board of the municipality in which its home dock is located. No such license may be awarded to any other person or entity. If a license is issued to the governing board of a municipality pursuant to this subsection (e-5), that governing board shall conduct an auction and grant the opportunity to manage the riverboat gambling operations authorized by that license to the highest qualified bidder.

(e-10) In addition to licenses authorized under subsections (e) and (e-5), the Board may issue one owners license authorizing the conduct of riverboat gambling operations from a home dock located outside of the City of Chicago, but in Cook County and in one of the following townships: Bloom, Thornton, Rich, Orland, Calumet, Worth, Palos, Bremen, or Lemont Township.

(e-15) The Board may revoke the owners license of a licensee which fails to begin conducting gambling within 15 months of receipt of the Board's approval of the application if the Board determines that license revocation is in the best interests of the State.

(f) ~~The first 10~~ Owners licenses issued under this Act shall permit the holder to own up to 2 riverboats and equipment thereon for a period of 3 years after the effective date of the license. Holders of ~~the first 10~~ owners licenses must pay the annual license fee for each of the 3 years during which they are authorized to own riverboats.

(g) Upon the termination, expiration, or revocation of each owners license ~~of the first 10 licenses~~, which shall be issued for a 3 year period, all licenses are renewable annually upon payment of the fee and a determination by the Board that the licensee continues to meet all of the requirements of this Act and the Board's rules. However, for licenses renewed on or after May 1, 1998, renewal shall be for a period of 4 years, unless the Board sets a shorter period.

(h) An owners license shall entitle the licensee to own up to 2 riverboats. A licensee, other than a licensee that receives its owners license under subsection (e-5), shall limit the number of gambling participants to 2,000 ~~1,200~~ for any such owners license. A licensee that receives its owners license under subsection (e-5) shall limit the number of gambling participants to the number set by the Board, which may not exceed 4,000 participants at one time. In setting the number of participants that a licensee that receives its license under subsection (e-5) may admit, the Board shall consider the best interests of the riverboat gambling industry. A licensee may operate both of its riverboats concurrently, provided that the total number of gambling participants on both riverboats does not exceed 1,200. Riverboats licensed to operate on the Mississippi River and the Illinois River south of Marshall County shall have an authorized capacity of at least 500 persons. Any other riverboat licensed under this Act shall have an authorized capacity of at least 400 persons.

(i) A licensed owner is authorized to apply to the Board for and, if approved therefor, to receive all licenses from the Board necessary for the operation of a riverboat, including a liquor license, a license to prepare and serve food for human consumption, and other necessary licenses. All use, occupation and excise taxes which apply to the sale of food and beverages in this State and all taxes imposed on the sale or use of tangible personal property apply to such sales aboard the riverboat.

(j) The Board may issue a license authorizing a riverboat to dock in a municipality or approve a relocation under Section 11.2 only if, prior to the issuance of the license or approval, the governing body of the municipality in which the riverboat will dock has by a majority vote approved the docking of riverboats in the municipality. The Board may issue a license authorizing a riverboat to dock in areas of a county outside any municipality or approve a relocation under Section 11.2 only if, prior to the issuance of the license or approval, the governing body of the county has by a majority vote approved of the docking of riverboats within such areas. (Source: P.A. 91-40, eff. 6-25-99; 92-600, eff. 6-28-02.)

(230 ILCS 10/13) (from Ch. 120, par. 2413)

Sec. 13. Wagering tax; rate; distribution. (a) Until January 1, 1998, a tax is imposed on the adjusted gross receipts received from gambling games authorized under this Act at the rate of 20%.

From January 1, 1998 until July 1, 2002, a privilege tax is imposed on persons engaged in the business

of conducting riverboat gambling operations, based on the adjusted gross receipts received by a licensed owner from gambling games authorized under this Act at the following rates:

15% of annual adjusted gross receipts up to and including $25,000,000;

20% of annual adjusted gross receipts in excess of $25,000,000 but not exceeding $50,000,000;

25% of annual adjusted gross receipts in excess of $50,000,000 but not exceeding $75,000,000;

30% of annual adjusted gross receipts in excess of $75,000,000 but not exceeding $100,000,000;

35% of annual adjusted gross receipts in excess of $100,000,000.

Beginning July 1, 2002, a privilege tax is imposed on persons engaged in the business of conducting riverboat gambling operations, based on the adjusted gross receipts received by a licensed owner from gambling games authorized under this Act at the following rates:

15% of annual adjusted gross receipts up to and including $25,000,000;

22.5% of annual adjusted gross receipts in excess of $25,000,000 but not exceeding $50,000,000;

27.5% of annual adjusted gross receipts in excess of $50,000,000 but not exceeding $75,000,000;

32.5% of annual adjusted gross receipts in excess of $75,000,000 but not exceeding $100,000,000;

37.5% of annual adjusted gross receipts in excess of $100,000,000 but not exceeding $150,000,000;

45% of annual adjusted gross receipts in excess of $150,000,000 but not exceeding $200,000,000;

50% of annual adjusted gross receipts in excess of $200,000,000.

The taxes imposed by this Section shall be paid by the licensed owner to the Board not later than 3:00 o'clock p.m. of the day after the day when the wagers were made.

(b) Until January 1, 1998, 25% of the tax revenue deposited in the State Gaming Fund under this Section shall be paid, subject to appropriation by the General Assembly, to the unit of local government which is designated as the home dock of the riverboat. Beginning January 1, 1998, from the tax revenue deposited in the State Gaming Fund under this Section, an amount equal to 5% of adjusted gross receipts generated by a riverboat, other than a riverboat authorized under subsection (e-10) of Section 7, shall be paid monthly, subject to appropriation by the General Assembly, to the unit of local government that is designated as the home dock of the riverboat.

(b-5) From the tax revenue deposited into the State Gaming Fund under this Section, payments shall be made, subject to appropriation by the General Assembly, as provided in this subsection (b-5).

An amount equal to 3% of the adjusted gross receipts generated by a riverboat authorized under subsection (e-10) of Section 7 shall be paid to the municipality in which the riverboat docks and to any other municipalities or townships that enter into an intergovernmental agreement with the municipality in which the riverboat docks to share that revenue and shall be divided according to the terms of that intergovernmental agreement.

An amount equal to 0.5% of the adjusted gross receipts generated by a riverboat authorized under subsection (e-10) of Section 7 shall be divided equally and paid to the townships enumerated in subsection (e-10) of Section 7.

An amount equal to 1% of the adjusted gross receipts generated by a riverboat authorized under subsection (e-10) of Section 7 shall be divided among the school districts in the townships enumerated in subsection (e-10) of Section 7 in inverse proportion to the per-student expenditures of each of those school districts.

An amount equal to 0.5% of the adjusted gross receipts generated by a riverboat authorized under subsection (e-10) of Section 7 shall be paid into the South Suburban Assistance Fund, which is hereby created in the State Treasury. The South Suburban Assistance Fund shall be administered by the Department of Commerce and Community affairs, or its successor agency, and moneys in the Fund shall be used to aid economically distressed communities in the townships enumerated in subsection (e-10) of Section 7.

(c) Appropriations, as approved by the General Assembly, may be made from the State Gaming Fund to the Department of Revenue and the Department of State Police for the administration and enforcement of this Act.

(c-5) (Blank). ~~After the payments required under subsections (b) and (c) have been made, an amount equal to 15% of the adjusted gross receipts of a riverboat (1) that relocates pursuant to Section 11.2, or (2) for which an owners license is initially issued after the effective date of this amendatory Act of 1999, whichever comes first, shall be paid from the State Gaming Fund into the Horse Racing Equity Fund.~~

(c-10) (Blank). ~~Each year the General Assembly shall appropriate from the General Revenue Fund to the Education Assistance Fund an amount equal to the amount paid into the Horse Racing Equity Fund pursuant to subsection (c-5) in the prior calendar year.~~

(c-15) After the payments required under subsections (b), (c), and (c-5) have been made, an amount

equal to 2% of the adjusted gross receipts of a licensee, other than a licensee that receives an owners license under subsection (e-5) or (e-10) of Section 7, ~~riverboat~~ (1) that relocates pursuant to Section 11.2, or (2) for which an owners license is initially issued after the effective date of this amendatory Act of 1999, whichever comes first, shall be paid, subject to appropriation from the General Assembly, from the State Gaming Fund to each home rule county with a population of over 3,000,000 inhabitants for the purpose of enhancing the county's criminal justice system.

(c-20) Each year the General Assembly shall appropriate from the General Revenue Fund to the Education Assistance Fund an amount equal to the amount paid to each home rule county with a population of over 3,000,000 inhabitants pursuant to subsection (c-15) in the prior calendar year.

(c-25) After the payments required under subsections (b), (c), (c-5) and (c-15) have been made, an amount equal to 2% of the adjusted gross receipts of a licensee, other than a licensee that receives an owners license under subsection (e-5) or (e-10) of Section 7, ~~riverboat~~ (1) that relocates pursuant to Section 11.2, or (2) for which an owners license is initially issued after the effective date of this amendatory Act of 1999, whichever comes first, shall be paid from the State Gaming Fund into the State Universities Athletic Capital Improvement Fund.

(d) From time to time, the Board shall transfer the remainder of the funds generated by this Act into the Education Assistance Fund, created by Public Act 86-0018, of the State of Illinois.

(e) Nothing in this Act shall prohibit the unit of local government designated as the home dock of the riverboat from entering into agreements with other units of local government in this State or in other states to share its portion of the tax revenue.

(f) To the extent practicable, the Board shall administer and collect the wagering taxes imposed by this Section in a manner consistent with the provisions of Sections 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9, and 10 of the Retailers' Occupation Tax Act and Section 3-7 of the Uniform Penalty and Interest Act. (Source: P.A. 91-40, eff. 6-25-99; 92-595, eff. 6-28-02.)

Section 95. The State Finance Act is amended by adding Section 5.595 as follows:

(30 ILCS 105/5.595 new)

Sec. 5.595. The South Suburban Assistance Fund. Section 99. Effective date. This Act takes effect upon becoming law.".

There being no further amendments, the foregoing Amendment No. 1 was ordered engrossed; and the bill, as amended, was held on the order of Second Reading.

HOUSE BILL 2501. Having been printed, was taken up and read by title a second time.

Floor Amendments numbered 1 and 2 remained in the Committee on Rules.

There being no further amendments, the bill was held on the order of Second Reading.

Having been printed, the following bills were taken up, read by title a second time and held on the order of Second Reading: HOUSE BILLS 2662, 2665, 2666, 2667, 2670, 2675, 2676, 2677, 2679, 2683, 2684, 2687, 2689, 2690, 2692, 2694, 2695, 2699, 2703, 2706, 2707, 2709, 2710, 2711, 2712, 2713, 2715, 2717, 2720, 2722, 2723, 2724, 2725, 2727, 2728, 2729, 2731, 2732, 2733, 2734, 2736, 2737, 2738, 2748, 2752, 2754, 2755, 2757, 2760, 2764, 3148, 3149, 3240, 3241, 3243, 3248, 3249, 3253, 3254, 3256, 3257, 3258, 3263 and 3265.

HOUSE BILL 3186. Having been printed, was taken up and read by title a second time.

The following amendment was offered in the Committee on Appropriations-Higher Education, adopted and printed:

AMENDMENT NO. _1___. Amend House Bill 3186 by replacing the title with the following:

"AN ACT making appropriations."; and

by replacing everything after the enacting clause with the following:

"Section 5. The amount of $2, or so much of that amount as may be necessary, is appropriated from the

General Revenue Fund to the Board of Trustees of Northern Illinois University to meet the ordinary and contingent expenses of the University.

Section 99. Effective date. This Act takes effect on July 1, 2003.".

There being no further amendments, the foregoing Amendment No. 1 was ordered engrossed; and the bill, as amended, was held on the order of Second Reading.

HOUSE BILL 3435. Having been printed, was taken up and read by title a second time.

The following amendment was offered in the Committee on Appropriations-Higher Education, adopted and printed:

AMENDMENT NO. __1__. Amend House Bill 3435 by replacing the title with the following:

"AN ACT making appropriations."; and

by replacing everything after the enacting clause with the following:

"Section 5. The amount of $2, or so much of that amount as may be necessary, is appropriated from the General Revenue Fund to the Board of Trustees of Eastern Illinois University to meet the ordinary and contingent expenses of the University.

Section 99. Effective date. This Act takes effect on July 1, 2003.".

There being no further amendments, the foregoing Amendment No. 1 was ordered engrossed; and the bill, as amended, was held on the order of Second Reading.

HOUSE BILL 3638. Having been printed, was taken up and read by title a second time.

Floor Amendment No. 1 remained in the Committee on Rules.

There being no further amendments, the bill was held on the order of Second Reading.

SENATE BILLS ON SECOND READING

Having been printed, the following bill was taken up, read by title a second time and held on the order of Second Reading: SENATE BILL 4.

SENATE BILL 22. Having been printed, was taken up and read by title a second time.

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

AMENDMENT NO. 1

AMENDMENT NO. 1____. Amend Senate Bill 22 by replacing everything after the enacting clause with the following:

"Section 5. The School Code is amended by changing Section 2-3.12 as follows:

(105 ILCS 5/2-3.12) (from Ch. 122, par. 2-3.12)

Sec. 2-3.12. School building code. To prepare for school boards with the advice of the Department of Public Health, the Capital Development Board, and the State Fire Marshal a school building code that will conserve the health and safety and general welfare of the pupils and school personnel and others who use public school facilities.

The document known as "Efficient and Adequate Standards for the Construction of Schools" applies only to temporary school facilities, new school buildings, and additions to existing schools whose construction contracts are awarded after July 1, 1965. On or before July 1, 1967, each school board shall have its school district buildings that were constructed prior to January 1, 1955, surveyed by an architect or engineer licensed in the State ~~of Illinois~~ as to minimum standards necessary to conserve the health and safety of the pupils enrolled in the school buildings of the district. Buildings constructed between January 1, 1955 and July 1, 1965, not owned by the State of Illinois, shall be surveyed by an architect or engineer

licensed in the State of Illinois beginning 10 years after acceptance of the completed building by the school board. Buildings constructed between January 1, 1955 and July 1, 1955 and previously exempt under the provisions of Section 35-27 shall be surveyed prior to July 1, 1977 by an architect or engineer licensed in the State of Illinois. The architect or engineer, using the document known as "Building Specifications for Health and Safety in Public Schools" as a guide, shall make a report of the findings of the survey to the school board, giving priority in that report to fire safety problems and recommendations thereon if any such problems exist. The school board of each district so surveyed and receiving a report of needed recommendations to be made to improve standards of safety and health of the pupils enrolled has until July 1, 1970, or in case of buildings not owned by the State of Illinois and completed between January 1, 1955 and July 1, 1965 or in the case of buildings previously exempt under the provisions of Section 35-27 has a period of 3 years after the survey is commenced, to effectuate those recommendations, giving first attention to the recommendations in the survey report having priority status, and is authorized to levy the tax provided for in Section 17-2.11, according to the provisions of that Section, to make such improvements. School boards unable to effectuate those recommendations prior to July 1, 1970, on July 1, 1980 in the case of buildings previously exempt under the provisions of Section 35-27, may petition the State Superintendent of Education upon the recommendation of the Regional Superintendent for an extension of time. The extension of time may be granted by the State Superintendent of Education for a period of one year, but may be extended from year to year provided substantial progress, in the opinion of the State Superintendent of Education, is being made toward compliance. However, for fire protection issues, only one one-year extension may be made, and no other provision of this Code or an applicable code may supersede this requirement. For routine inspections, fire officials shall provide written notice to the principal of the school to schedule a mutually agreed upon time for the fire safety check. However, no more than 2 routine inspections may be made in a calendar year.

Within 2 years after the effective date of this amendatory Act of 1983, and every 10 years thereafter, or at such other times as the State Board of Education deems necessary or the regional superintendent so orders, each school board subject to the provisions of this Section shall again survey its school buildings and effectuate any recommendations in accordance with the procedures set forth herein. An architect or engineer licensed in the State of Illinois is required to conduct the surveys under the provisions of this Section and shall make a report of the findings of the survey titled "safety survey report" to the school board. The school board shall approve the safety survey report, including any recommendations to effectuate compliance with the code, and submit it to the Regional Superintendent. The Regional Superintendent shall render a decision regarding approval or denial and submit the safety survey report to the State Superintendent of Education. The State Superintendent of Education shall approve or deny the report including recommendations to effectuate compliance with the code and, if approved, issue a certificate of approval. Upon receipt of the certificate of approval, the Regional Superintendent shall issue an order to effect any approved recommendations included in the report. Items in the report shall be prioritized. Urgent items shall be considered as those items related to life safety problems that present an immediate hazard to the safety of students. Required items shall be considered as those items that are necessary for a safe environment but present less of an immediate hazard to the safety of students. Urgent and required items shall reference a specific rule in the code authorized by this Section that is currently being violated or will be violated within the next 12 months if the violation is not remedied. The school board of each district so surveyed and receiving a report of needed recommendations to be made to maintain standards of safety and health of the pupils enrolled shall effectuate the correction of urgent items as soon as achievable to ensure the safety of the students, but in no case more than one year after the date of the State Superintendent of Education's approval of the recommendation. Required items shall be corrected in a timely manner, but in no case more than 5 years from the date of the State Superintendent of Education's approval of the recommendation. Once each year the school board shall submit a report of progress on completion of any recommendations to effectuate compliance with the code. For each year that the school board does not effectuate any or all approved recommendations, it shall petition the Regional Superintendent and the State Superintendent of Education detailing what work was completed in the previous year and a work plan for completion of the remaining work. If in the judgement of the Regional Superintendent and the State Superintendent of Education substantial progress has been made and just cause has been shown by the school board, the petition for a one year extension of time may be approved.

As soon as practicable, but not later than 2 years after the effective date of this amendatory Act of 1992, the State Board of Education shall combine the document known as "Efficient and Adequate Standards for the Construction of Schools" with the document known as "Building Specifications for Health and Safety in Public Schools" together with any modifications or additions that may be deemed necessary. The

combined document shall be known as the "Health/Life Safety Code for Public Schools" and shall be the governing code for all facilities that house public school students or are otherwise used for public school purposes, whether such facilities are permanent or temporary and whether they are owned, leased, rented, or otherwise used by the district. Facilities owned by a school district but that are not used to house public school students or are not used for public school purposes shall be governed by separate provisions within the code authorized by this Section.

The 10 year survey cycle specified in this Section shall continue to apply based upon the standards contained in the "Health/Life Safety Code for Public Schools", which shall specify building standards for buildings that are constructed prior to the effective date of this amendatory Act of 1992 and for buildings that are constructed after that date.

The "Health/Life Safety Code for Public Schools" shall be the governing code for public schools; however, the provisions of this Section shall not preclude inspection of school premises and buildings pursuant to Section 9 of the Fire Investigation Act, provided that the provisions of the "Health/Life Safety Code for Public Schools", or such predecessor document authorized by this Section as may be applicable are used, and provided that those inspections are coordinated with the Regional Superintendent having jurisdiction over the public school facility. Nothing in this Section shall be construed to prohibit a local fire department, fire protection district, or the Office of the State Fire Marshal from conducting a fire safety check in a public school. Upon being notified by a fire official that corrective action must be taken to resolve a violation, the school board shall take corrective action within one year. However, violations that present imminent danger must be addressed immediately.

Any agency having jurisdiction beyond the scope of the applicable document authorized by this Section may issue a lawful order to a school board to effectuate recommendations, and the school board receiving the order shall certify to the Regional Superintendent and the State Superintendent of Education when it has complied with the order.

The State Board of Education is authorized to adopt any rules that are necessary relating to the administration and enforcement of the provisions of this Section. The code authorized by this Section shall apply only to those school districts having a population of less than 500,000 inhabitants. (Source: P.A. 92-593, eff. 1-1-03.)".

There being no further amendments, the foregoing Amendment No. 1 was adopted and the bill, as amended, was held on the order of Second Reading.

SENATE BILL 157. Having been printed, was taken up and read by title a second time.

Floor Amendment No. 1 remained in the Committee on Rules.

There being no further amendments, the bill was held on the order of Second Reading.

Having been printed, the following bill was taken up, read by title a second time and held on the order of Second Reading: SENATE BILL 179.

SENATE BILL 227. Having been printed, was taken up and read by title a second time.

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

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend Senate Bill 227 by deleting lines 8 through 31 on page 1 and all of pages 2 through 10.

There being no further amendments, the foregoing Amendment No. 1 was adopted and the bill, as amended, was held on the order of Second Reading.

Having been printed, the following bills were taken up, read by title a second time and held on the order of Second Reading: SENATE BILL 243.

SENATE BILL 275. Having been printed, was taken up and read by title a second time.

Floor Amendment No. 1 remained in the Committee on Rules.

There being no further amendments, the bill was held on the order of Second Reading.

SENATE BILL 362. Having been printed, was taken up and read by title a second time.
The following amendment was offered in the Committee on Revenue, adopted and printed:

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend Senate Bill 362, by replacing everything after the enacting clause with the following:

"Section 5. The State Treasurer Act is amended by changing Section 16.5 as follows:

(15 ILCS 505/16.5)

Sec. 16.5. College Savings Pool. The State Treasurer may establish and administer a College Savings Pool to supplement and enhance the investment opportunities otherwise available to persons seeking to finance the costs of higher education. The State Treasurer, in administering the College Savings Pool, may receive moneys paid into the pool by a participant and may serve as the fiscal agent of that participant for the purpose of holding and investing those moneys.

"Participant", as used in this Section, means any person who makes investments in the pool. "Designated beneficiary", as used in this Section, means any person on whose behalf an account is established in the College Savings Pool by a participant. Both in-state and out-of-state persons may be participants and designated beneficiaries in the College Savings Pool.

New accounts in the College Savings Pool shall be processed through participating financial institutions. "Participating financial institution", as used in this Section, means any financial institution insured by the Federal Deposit Insurance Corporation and lawfully doing business in the State of Illinois and any credit union approved by the State Treasurer and lawfully doing business in the State of Illinois that agrees to process new accounts in the College Savings Pool. Participating financial institutions may charge a processing fee to participants to open an account in the pool that shall not exceed $30 until the year 2001. Beginning in 2001 and every year thereafter, the maximum fee limit shall be adjusted by the Treasurer based on the Consumer Price Index for the North Central Region as published by the United States Department of Labor, Bureau of Labor Statistics for the immediately preceding calendar year. Every contribution received by a financial institution for investment in the College Savings Pool shall be transferred from the financial institution to a location selected by the State Treasurer within one business day following the day that the funds must be made available in accordance with federal law. All communications from the State Treasurer to participants shall reference the participating financial institution at which the account was processed.

The Treasurer may invest the moneys in the College Savings Pool in the same manner, in the same types of investments, and subject to the same limitations provided for the investment of moneys by the Illinois State Board of Investment. To enhance the safety and liquidity of the College Savings Pool, to ensure the diversification of the investment portfolio of the pool, and in an effort to keep investment dollars in the State of Illinois, the State Treasurer shall make a percentage of each account available for investment in participating financial institutions doing business in the State. The State Treasurer shall deposit with the participating financial institution at which the account was processed the following percentage of each account at a prevailing rate offered by the institution, provided that the deposit is federally insured or fully collateralized and the institution accepts the deposit: 10% of the total amount of each account for which the current age of the beneficiary is less than 7 years of age, 20% of the total amount of each account for which the beneficiary is at least 7 years of age and less than 12 years of age, and 50% of the total amount of each account for which the current age of the beneficiary is at least 12 years of age. The State Treasurer shall adjust each account at least annually to ensure compliance with this Section. The Treasurer shall develop, publish, and implement an investment policy covering the investment of the moneys in the College Savings Pool. The policy shall be published (i) at least once each year in at least one newspaper of general circulation in both Springfield and Chicago and (ii) each year as part of the audit of the College Savings

Pool by the Auditor General, which shall be distributed to all participants. The Treasurer shall notify all participants in writing, and the Treasurer shall publish in a newspaper of general circulation in both Chicago and Springfield, any changes to the previously published investment policy at least 30 calendar days before implementing the policy. Any investment policy adopted by the Treasurer shall be reviewed and updated if necessary within 90 days following the date that the State Treasurer takes office.

Participants shall be required to use moneys distributed from the College Savings Pool for qualified expenses at eligible educational institutions. "Qualified expenses", as used in this Section, means the following: (i) tuition, fees, and the costs of books, supplies, and equipment required for enrollment or attendance at an eligible educational institution and (ii) certain room and board expenses incurred while attending an eligible educational institution at least half-time. "Eligible educational institutions", as used in this Section, means public and private colleges, junior colleges, graduate schools, and certain vocational institutions that are described in Section 481 of the Higher Education Act of 1965 (20 U.S.C. 1088) and that are eligible to participate in Department of Education student aid programs. A student shall be considered to be enrolled at least half-time if the student is enrolled for at least half the full-time academic work load for the course of study the student is pursuing as determined under the standards of the institution at which the student is enrolled. Distributions made from the pool for qualified expenses shall be made directly to the eligible educational institution, directly to a vendor, or in the form of a check payable to both the beneficiary and the institution or vendor. Any moneys that are distributed in any other manner or that are used for expenses other than qualified expenses at an eligible educational institution shall be subject to a penalty of 10% of the earnings unless the beneficiary dies, becomes disabled, or receives a scholarship that equals or exceeds the distribution. Penalties shall be withheld at the time the distribution is made.

The Treasurer shall limit the contributions that may be made on behalf of a designated beneficiary based on an actuarial estimate of what is required to pay tuition, fees, and room and board for 5 undergraduate years at the highest cost eligible educational institution. The contributions made on behalf of a beneficiary who is also a beneficiary under the Illinois Prepaid Tuition Program shall be further restricted to ensure that the contributions in both programs combined do not exceed the limit established for the College Savings Pool. The Treasurer shall provide the Illinois Student Assistance Commission each year at a time designated by the Commission, an electronic report of all participant accounts in the Treasurer's College Savings Pool, listing total contributions and disbursements from each individual account during the previous calendar year. As soon thereafter as is possible following receipt of the Treasurer's report, the Illinois Student Assistance Commission shall, in turn, provide the Treasurer with an electronic report listing those College Savings Pool participants who also participate in the State's prepaid tuition program, administered by the Commission. The Commission shall be responsible for filing any combined tax reports regarding State qualified savings programs required by the United States Internal Revenue Service. The Treasurer shall work with the Illinois Student Assistance Commission to coordinate the marketing of the College Savings Pool and the Illinois Prepaid Tuition Program when considered beneficial by the Treasurer and the Director of the Illinois Student Assistance Commission. The Treasurer's office shall not publicize or otherwise market the College Savings Pool or accept any moneys into the College Savings Pool prior to March 1, 2000. The Treasurer shall provide a separate accounting for each designated beneficiary to each participant, the Illinois Student Assistance Commission, and the participating financial institution at which the account was processed. No interest in the program may be pledged as security for a loan.

The assets of the College Savings Pool and its income and operation shall be exempt from all taxation by the State of Illinois and any of its subdivisions. The accrued earnings on investments in the Pool once disbursed on behalf of a designated beneficiary shall be similarly exempt from all taxation by the State of Illinois and its subdivisions, so long as they are used for qualified expenses. Contributions to a College Savings Pool account during the taxable year may be deducted from adjusted gross income as provided in Section 203 of the Illinois Income Tax Act. The provisions of this paragraph are exempt from Section 250 of the Illinois Income Tax Act.

The Treasurer shall adopt rules he or she considers necessary for the efficient administration of the College Savings Pool. The rules shall provide whatever additional parameters and restrictions are necessary to ensure that the College Savings Pool meets all of the requirements for a qualified state tuition program under Section 529 of the Internal Revenue Code (26 U.S.C. 529). The rules shall provide for the administration expenses of the pool to be paid from its earnings and for the investment earnings in excess of the expenses and all moneys collected as penalties to be credited or paid monthly to the several participants in the pool in a manner which equitably reflects the differing amounts of their respective investments in the pool and the differing periods of time for which those amounts were in the custody of

the pool. Also, the rules shall require the maintenance of records that enable the Treasurer's office to produce a report for each account in the pool at least annually that documents the account balance and investment earnings. Notice of any proposed amendments to the rules and regulations shall be provided to all participants prior to adoption. Amendments to rules and regulations shall apply only to contributions made after the adoption of the amendment.

Upon creating the College Savings Pool, the State Treasurer shall give bond with 2 or more sufficient sureties, payable to and for the benefit of the participants in the College Savings Pool, in the penal sum of $1,000,000, conditioned upon the faithful discharge of his or her duties in relation to the College Savings Pool.

~~No contributions to the College Savings Pool authorized by this Section shall be considered in evaluating the financial situation of the designated beneficiary or be deemed a financial resource of or a form of financial aid or assistance to the designated beneficiary, for purposes of determining eligibility for any scholarship, grant, or monetary assistance awarded by the Illinois Student Assistance Commission, the State, or any agency thereof; nor shall contributions to the College Savings Pool reduce the amount of any scholarship, grant, or monetary assistance that the designated beneficiary is eligible to be awarded by the Illinois Student Assistance Commission, the State, or any agency thereof in accordance with the provisions of any State law.~~ (Source: P.A. 91-607, eff. 1-1-00; 91-829, eff. 1-1-01; 92-16, eff. 6-28-01; 92-439, eff. 8-17-01; 92-626, eff. 7-11-02.)

Section 10. 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 (30% of the adjusted basis of the qualified property) 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~~

(D-16) If the taxpayer reports a capital gain or loss on the taxpayer's federal income tax return for the taxable year based on a sale or transfer 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.~~;~~

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

(D-20) ~~(D-15)~~ For taxable years beginning on or after January 1, 2002 and ending on or before December 31, 2002, 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, 2003, 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 is administered by a state that does not permit a sales load exceeding 4% and that exempts from its income tax moneys distributed from a qualified tuition program administered by the State of Illinois, an amount equal to the amount excluded from gross income under Section 529(c)(3)(B);

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. 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. 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, and conducts substantially all of its operations in an Enterprise Zone or zones;

(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, 2002, 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, 2003, 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). 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 (30% of the adjusted basis of the qualified property) 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 (30% of the adjusted basis of the qualified property) was taken in any year under subsection (k) of Section 168 of the Internal Revenue Code, but not including the bonus depreciation deduction; and

(2) "x" equals "y" multiplied by 30 and then divided by 70 (or "y" multiplied by 0.429).

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 (30% of the adjusted basis of the qualified property) taken on that property on the taxpayer's federal income tax return under subsection (k) of Section 168 of the Internal Revenue Code; ~~and~~

(AA) If the taxpayer reports a capital gain or loss on the taxpayer's federal income tax return for the taxable year based on a sale or transfer 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.

The taxpayer is allowed to take the deduction under this subparagraph only once with respect to any one piece of property; and

(BB) ~~(Z)~~ Any amount included in adjusted gross income, other than salary, received by a driver in a ridesharing arrangement using a motor vehicle.

(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 (l) of Section 201;

(E-10) For taxable years 2001 and thereafter, an amount equal to the bonus depreciation deduction (30% of the adjusted basis of the qualified property) 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

(E-11) If the taxpayer reports a capital gain or loss on the taxpayer's federal income tax return for the taxable year based on a sale or transfer 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.;

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

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 and conducts substantially all of its operations in an Enterprise Zone or zones;

(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. 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. 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;

(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 Community Affairs under Section 11 of the Illinois Enterprise Zone Act;

(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; 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, 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;

(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) 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;

(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 (30% of the adjusted basis of the qualified property) 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 (30% of the adjusted basis of the qualified property) was taken in any year under subsection (k) of Section 168 of the Internal Revenue Code, but not including the bonus depreciation deduction; and

(2) "x" equals "y" multiplied by 30 and then divided by 70 (or "y" multiplied by 0.429).

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 (30% of the adjusted basis of the qualified property) taken on that property on the taxpayer's federal income tax return under subsection (k) of Section 168 of the Internal Revenue Code; and

(U) If the taxpayer reports a capital gain or loss on the taxpayer's federal income tax return for the taxable year based on a sale or transfer 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.

The taxpayer is allowed to take the deduction under this subparagraph only once with respect to any one piece of property.

(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 (30% of the adjusted basis of the qualified property) 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 reports a capital gain or loss on the taxpayer's federal income tax return for the taxable year based on a sale or transfer 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.~~;~~

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

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 and conducts substantially all of its operations in an Enterprise Zone or Zones;

(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 (30% of the adjusted basis of the qualified property) 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 (30% of the adjusted basis of the qualified property) was taken in any year under subsection (k) of Section 168 of the Internal Revenue Code, but not including the bonus depreciation deduction; and

(2) "x" equals "y" multiplied by 30 and then divided by 70 (or "y" multiplied by 0.429).

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 (30% of the adjusted basis of the qualified property) taken on that property on the taxpayer's federal income tax return under subsection (k) of Section 168 of the Internal Revenue Code; and

(S) If the taxpayer reports a capital gain or loss on the taxpayer's federal income tax return for the taxable year based on a sale or transfer 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.

The taxpayer is allowed to take the deduction under this subparagraph only once with respect to any one piece of property.

(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 (30% of the adjusted basis of the qualified property) 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

(D-6) If the taxpayer reports a capital gain or loss on the taxpayer's federal income tax return for the taxable year based on a sale or transfer 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.~~;~~

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

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;

(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, and conducts substantially all of its operations in an Enterprise Zone or Zones;

(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 (30% of the adjusted basis of the qualified property) 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 (30% of the adjusted basis of the qualified property) was taken in any year under subsection (k) of Section 168 of the Internal Revenue Code, but not including the bonus depreciation deduction; and

(2) "x" equals "y" multiplied by 30 and then divided by 70 (or "y" multiplied by 0.429).

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 (30% of the adjusted basis of the qualified property) taken on that property on the taxpayer's federal income tax return under subsection (k) of Section 168 of the Internal Revenue Code; and

(P) If the taxpayer reports a capital gain or loss on the taxpayer's federal income tax return for the taxable year based on a sale or transfer 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.

The taxpayer is allowed to take the deduction under this subparagraph only once with respect to any one piece of property.

(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.

(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. 91-192, eff. 7-20-99; 91-205, eff. 7-20-99; 91-357, eff. 7-29-99; 91-541, eff. 8-13-99; 91-676, eff. 12-23-99; 91-845, eff. 6-22-00; 91-913, eff. 1-1-01; 92-16, eff. 6-28-01; 92-244, eff. 8-3-01; 92-439, eff. 8-17-01; 92-603, eff. 6-28-02; 92-626, eff. 7-11-02; 92-651, eff. 7-11-02; 92-846, eff. 8-23-02; revised 11-15-02.)

(110 ILCS 920/9 rep.)

Section 15. The Baccalaureate Savings Act is amended by repealing Section 9.

(110 ILCS 979/70 rep.)

Section 20. The Illinois Prepaid Tuition Act is amended by repealing Section 70.

Section 99. Effective date. This Act takes effect upon becoming law, except that Sections 5, 15, and 20 take effect on January 1, 2004.".

Floor Amendment No. 2 remained in the Committee on Rules.

There being no further amendments, the foregoing Amendment No. 1 was adopted and the bill, as amended, was held on the order of Second Reading.

SENATE BILL 428. Having been printed, was taken up and read by title a second time.

The following amendment was offered in the Committee on Elections & Campaign Reform, adopted and printed:

AMENDMENT NO. 1

AMENDMENT NO. 1____. Amend Senate Bill 428 by replacing everything after the enacting clause with the following:

"Section 5. The Election Code is amended by changing Sections 2A-12, 4-6.2, 4-33, 5-16.2, 5-43, 6-50.2, 6-79, 7-7, 7-8, 7-10, 7-10.2, 7-17, 7-34, 7-41, 8-8.1, 9-1.5, 9-10, 9-21, 10-5.1, 13-1.1, 14-3.2, 16-3, 17-23, 17-29, 19-2.1, 19-2.2, 19-4, 19-10 24B-2, 24B-6, 24B-8, 24B-9, 24B-9.1, 24B-10, 24B-10.1, 24B-15, and 24B-18 and by adding Article 18A and Sections 1A-16, 1A-20, 9-1.14, 23-15.1, and 24A-22 as follows:

(10 ILCS 5/1A-16 new)

Sec. 1A-16. Voter registration information; internet posting; processing of voter registration forms; content of such forms. Notwithstanding any law to the contrary, the following provisions shall apply to voter registration under this Code.

(a) Voter registration information; Internet posting of voter registration form. Within 30 days after the effective date of this amendatory Act of the 93rd General Assembly, the State Board of Elections shall post on its World Wide Web site the following information:

(1) A comprehensive list of the names, addresses, phone numbers, and websites, if applicable, of all county clerks, election officials, and boards of election commissioners in Illinois.

(2) A schedule of upcoming elections and the deadline for voter registration.

(3) A downloadable, printable voter registration form, in English and in Spanish versions, that a person may complete and mail or submit to the State Board of Elections or the appropriate county clerk, election official, or board of election commissioners.

Any forms described under paragraph (3) must state the following:

If you do not have a driver's license or social security number, and this form is submitted by mail, and you have never registered to vote in the jurisdiction you are now registering in, then you must send, with this application, either (i) a copy of a current and valid photo identification, or (ii) a copy of a current utility bill, bank statement, government check, paycheck, or other government document that shows the name and address of the voter. If you do not provide the information required above, then you will be required to provide election officials with either (i) or (ii) described above the first time you vote at a voting place or by absentee ballot.

(b) Processing of registration forms by the State Board of Elections. The State Board of Elections shall accept all completed voter registration forms described in subsection (a)(3) that are:

(1) postmarked on or before the day that voter registration is closed under the Election Code;

(2) not postmarked, but arrives no later than 5 days after the close of registration;

(3) submitted in-person by a person using the form on or before the day that voter registration is closed under the Election Code; or

(4) submitted in-person by a person who submits one or more forms on behalf of one or more persons who used the form on or before the day that voter registration is closed under the Election Code.

Upon the receipt of a registration form, the State Board of Elections shall mark the date on which the form was received and review the form to determine whether the person submitting the form has properly completed it and is legally qualified to register as a voter based on the supplied information. After reviewing the form, the State Board of Elections shall (1) indicate on the form whether the form has been accepted or rejected, (2) mail a notice to applicant, and (3) indicate on the form the date on which the notice was mailed.

If the State Board of Elections determines that the person submitting the form has not properly completed the form or is not legally qualified to register, then the notice shall indicate that the form has been rejected and shall state the reason for rejection.

If the State Board of Elections determines that the person submitting the form has properly completed

the form and is legally qualified to register, then the notice shall indicate that the application has been accepted. A notice of acceptance or a notice of rejection shall be sent as soon as practicable, but in no case later than 5 business days after it is received by the Board. The State Board of Elections shall add any person who properly completed the form and is legally qualified to register to the State voter registration database described in Sections 4-33, 5-43, and 6-79 of the Election Code. The State Board of Elections shall transmit a copy of any notice of acceptance and a copy of all information submitted by the applicant to the registered voter's county clerk or board of election commissioners, as the case may be, on the same day the notice is sent to the voter.

A notice of acceptance shall be sent by first-class mail to the registered voter with instructions on the envelope that it be returned if not deliverable at the address shown on the envelope. A notice of acceptance shall indicate the effective date of the applicant's registration, the date of the next regularly scheduled election in which the person is eligible to vote a full ballot, and, to the extent practicable, the person's precinct and polling place. If a notice of acceptance is returned undelivered, then the State Board of Elections shall put the person on a list of inactive registered voters on the State voter registration database.

(c) Processing of registration forms by county clerks and boards of election commissioners. The county clerk or board of election commissioners shall promulgate procedures for processing the voter registration form. Those procedures need only be reasonably similar to the process set forth in subsection (b).

(d) Contents of the voter registration form. The State Board shall create a voter registration form, which must contain the following content:

(1) Instructions for completing the form.

(2) A summary of the qualifications to register to vote in Illinois.

(3) Instructions for mailing in or submitting the form in person.

(4) The phone number for the State Board of Elections should a person submitting the form have questions.

(5) A box for the person to check that explains one of 3 reasons for submitting the form:

(a) new registration;

(b) change of address; or

(c) change of name.

(6) a box for the person to check yes or no that asks, "Are you a citizen of the United States?", a box for the person to check yes or no that asks, "Will you be 18 years of age on or before election day?", and a statement of "If you checked 'no' in response to either of these questions, then do not complete this form.".

(7) A space for the person to fill in his or her day-time telephone number.

(8) Spaces for the person to fill in his or her first, middle, and last names, street address (principal place of residence), county, city, state, and zip code.

(9) Spaces for the person to fill in his or her mailing address, city, state, and zip code if different from his or her principal place of residence.

(10) A space for the person to fill in his or her Illinois driver's license number if the person has a driver's license.

(11) A space for a person without a driver's license to fill in the last four digits of his or her social security number if the person has a social security number card.

(12) A space for the person to fill in the last 4 digits of his or her Social Security number.

(13) A space for the person to fill in his or her Illinois driver's license number or State identification number.

(14) A space for the person to fill the name appearing on his or her last voter registration, the street address of his or her last registration, including the city, county, state, and zip code.

(15) A space where the person swears or affirms the following under penalty of perjury with his or her signature:

(a) "I am a citizen of the United States.";

(b) "I will be at least 18 years old on or before the next election.";

(c) "I will have lived in the State of Illinois and in my election precinct at least 30 days as of the date of the next election."; and

"All of the above information is true. I understand that if the information is not true, then I can be convicted for perjury and ordered to pay up to $5,000 and be imprisoned for 2 to 5 years."

(d) Compliance with federal law; rulemaking authority. The voter registration form described in this Section shall be consistent with the form prescribed by the Federal Election Commission under the National Voter Registration Act of 1993, P.L. 103-31, as amended from time to time, and the Help America

Vote Act of 2002, P.L. 107-252, in all relevant respects. The State Board of Elections shall periodically update the form based on changes to federal or State law. The State Board of Elections shall promulgate any rules necessary for the implementation of this Section; provided that the rules comport with the letter and spirit of the National Voter Registration Act of 1993 and Help America Vote Act of 2002 and maximize the opportunity for a person to register to vote.

(e) Forms available in paper form. The State Board of Elections shall make the voter registration form available in regular paper stock and form in sufficient quantities for the general public, Secretary of State, county clerks, boards of election commissioners, designated agencies of the State of Illinois, and any other person or entity designated to have these forms by the Election Code. The State Board of Elections, county clerks, boards of election commissioners, or other designated agencies of the State of Illinois required to have these forms under the Election Code shall provide a member of the public with any number of forms that he or she may request. Nothing in this Section shall permit the State Board of Elections, county clerk, board of election commissioners, or other appropriate election official who may accept a voter registration form to refuse to accept a voter registration form because the form is printed on photocopier or regular paper stock and form.

(f) Internet voter registration study. The State Board of Elections shall investigate the feasibility of offering voter registration on its website and consider voter registration methods of other states in an effort to maximize the opportunity for all Illinois citizens to register to vote. The State Board of Elections shall assemble its findings in a report and submit it to the General Assembly no later than January 1, 2006. The report shall contain legislative recommendations to the General Assembly on improving voter registration in Illinois.

(10 ILCS 5/1A-20 new)

Sec. 1A-20. Help Illinois Vote Fund. The Help Illinois Vote Fund is created as a special fund in the State treasury. All federal funds received by the State from the implementation of the federal Help America Vote Act of 2002 shall be deposited into the Help Illinois Vote Fund. Moneys from any other source may be deposited into the Help Illinois Vote Fund. The Help Illinois Vote Fund shall be appropriated solely to the State Board of Elections for use in the performance of activities and programs authorized or mandated by or in accordance with the federal Help America Vote Act of 2002.

(10 ILCS 5/2A-12) (from Ch. 46, par. 2A-12)

Sec. 2A-12. Board of Review - Time of Election. A member of the Board of Review in any county which elects members of a Board of Review shall be elected, at each general election which immediately precedes the expiration of the term of any incumbent member, to succeed each member whose term ends before the following general election, except that members of the Cook County Board of Review shall be elected as provided in subsection (c) of Section 5-5 of the Property Tax Code. (Source: P.A. 80-936.)

(10 ILCS 5/4-6.2) (from Ch. 46, par. 4-6.2)

Sec. 4-6.2. (a) The county clerk shall appoint all municipal and township or road district clerks or their duly authorized deputies as deputy registrars who may accept the registration of all qualified residents of their respective municipalities, townships and road districts. A deputy registrar serving as such by virtue of his status as a municipal clerk, or a duly authorized deputy of a municipal clerk, of a municipality the territory of which lies in more than one county may accept the registration of any qualified resident of the municipality, regardless of which county the resident, municipal clerk or the duly authorized deputy of the municipal clerk lives in.

The county clerk shall appoint all precinct committeepersons in the county as deputy registrars who may accept the registration of any qualified resident of the county, except during the 27 days preceding an election.

The election authority shall appoint as deputy registrars a reasonable number of employees of the Secretary of State located at driver's license examination stations and designated to the election authority by the Secretary of State who may accept the registration of any qualified residents of the county at any such driver's license examination stations. The appointment of employees of the Secretary of State as deputy registrars shall be made in the manner provided in Section 2-105 of the Illinois Vehicle Code.

The county clerk shall appoint each of the following named persons as deputy registrars upon the written request of such persons:

1. The chief librarian, or a qualified person designated by the chief librarian, of any public library situated within the election jurisdiction, who may accept the registrations of any qualified resident of the county, at such library.

2. The principal, or a qualified person designated by the principal, of any high school, elementary school, or vocational school situated within the election jurisdiction, who may accept the registrations of

any qualified resident of the county, at such school. The county clerk shall notify every principal and vice-principal of each high school, elementary school, and vocational school situated within the election jurisdiction of their eligibility to serve as deputy registrars and offer training courses for service as deputy registrars at conveniently located facilities at least 4 months prior to every election.

3. The president, or a qualified person designated by the president, of any university, college, community college, academy or other institution of learning situated within the election jurisdiction, who may accept the registrations of any resident of the county, at such university, college, community college, academy or institution.

4. A duly elected or appointed official of a bona fide labor organization, or a reasonable number of qualified members designated by such official, who may accept the registrations of any qualified resident of the county.

5. A duly elected or appointed official of a bonafide State civic organization, as defined and determined by rule of the State Board of Elections, or qualified members designated by such official, who may accept the registration of any qualified resident of the county. In determining the number of deputy registrars that shall be appointed, the county clerk shall consider the population of the jurisdiction, the size of the organization, the geographic size of the jurisdiction, convenience for the public, the existing number of deputy registrars in the jurisdiction and their location, the registration activities of the organization and the need to appoint deputy registrars to assist and facilitate the registration of non-English speaking individuals. In no event shall a county clerk fix an arbitrary number applicable to every civic organization requesting appointment of its members as deputy registrars. The State Board of Elections shall by rule provide for certification of bonafide State civic organizations. Such appointments shall be made for a period not to exceed 2 years, terminating on the first business day of the month following the month of the general election, and shall be valid for all periods of voter registration as provided by this Code during the terms of such appointments.

6. The Director of the Illinois Department of Public Aid, or a reasonable number of employees designated by the Director and located at public aid offices, who may accept the registration of any qualified resident of the county at any such public aid office.

7. The Director of the Illinois Department of Employment Security, or a reasonable number of employees designated by the Director and located at unemployment offices, who may accept the registration of any qualified resident of the county at any such unemployment office.

8. The president of any corporation as defined by the Business Corporation Act of 1983, or a reasonable number of employees designated by such president, who may accept the registrations of any qualified resident of the county.

If the request to be appointed as deputy registrar is denied, the county clerk shall, within 10 days after the date the request is submitted, provide the affected individual or organization with written notice setting forth the specific reasons or criteria relied upon to deny the request to be appointed as deputy registrar.

The county clerk may appoint as many additional deputy registrars as he considers necessary. The county clerk shall appoint such additional deputy registrars in such manner that the convenience of the public is served, giving due consideration to both population concentration and area. Some of the additional deputy registrars shall be selected so that there are an equal number from each of the 2 major political parties in the election jurisdiction. The county clerk, in appointing an additional deputy registrar, shall make the appointment from a list of applicants submitted by the Chairman of the County Central Committee of the applicant's political party. A Chairman of a County Central Committee shall submit a list of applicants to the county clerk by November 30 of each year. The county clerk may require a Chairman of a County Central Committee to furnish a supplemental list of applicants.

Deputy registrars may accept registrations at any time other than the 27 day period preceding an election. All persons appointed as deputy registrars shall be registered voters within the county and shall take and subscribe to the following oath or affirmation:

"I do solemnly swear (or affirm, as the case may be) that I will support the Constitution of the United States, and the Constitution of the State of Illinois, and that I will faithfully discharge the duties of the office of deputy registrar to the best of my ability and that I will register no person nor cause the registration of any person except upon his personal application before me.

.....

(Signature Deputy Registrar)"

This oath shall be administered by the county clerk, or by one of his deputies, or by any person qualified to take acknowledgement of deeds and shall immediately thereafter be filed with the county clerk.

Appointments of deputy registrars under this Section, except precinct committeemen, shall be for 2-year

terms, commencing on December 1 following the general election of each even-numbered year; except that the terms of the initial appointments shall be until December 1st following the next general election. Appointments of precinct committeemen shall be for 2-year terms commencing on the date of the county convention following the general primary at which they were elected. The county clerk shall issue a certificate of appointment to each deputy registrar, and shall maintain in his office for public inspection a list of the names of all appointees.

(b) The county clerk shall be responsible for training all deputy registrars appointed pursuant to subsection (a), at times and locations reasonably convenient for both the county clerk and such appointees. The county clerk shall be responsible for certifying and supervising all deputy registrars appointed pursuant to subsection (a). Deputy registrars appointed under subsection (a) shall be subject to removal for cause.

(c) Completed registration materials under the control of deputy registrars, appointed pursuant to subsection (a), shall be returned to the proper election authority within 7 days, except that completed registration materials received by the deputy registrars during the period between the 35th and 28th day preceding an election shall be returned by the deputy registrars to the proper election authority within 48 hours after receipt thereof. The completed registration materials received by the deputy registrars on the 28th day preceding an election shall be returned by the deputy registrars within 24 hours after receipt thereof. Unused materials shall be returned by deputy registrars appointed pursuant to paragraph 4 of subsection (a), not later than the next working day following the close of registration.

(d) The county clerk or board of election commissioners, as the case may be, must provide any additional forms requested by any deputy registrar regardless of the number of unaccounted registration forms the deputy registrar may have in his or her possession. ~~The county clerk shall not be required to provide additional forms to any deputy registrar having more than 200 registration forms unaccounted for during the preceding 12 month period.~~

(e) No deputy registrar shall engage in any electioneering or the promotion of any cause during the performance of his or her duties.

(f) The county clerk shall not be criminally or civilly liable for the acts or omissions of any deputy registrar. Such deputy registrars shall not be deemed to be employees of the county clerk. (Source: P.A. 92-816, eff. 8-21-02.)

(10 ILCS 5/4-33)

Sec. 4-33. Computerization of voter records. (a) The State Board of Elections shall design a registration record card that, except as otherwise provided in this Section, shall be used in duplicate by all election authorities in the State adopting a computer-based voter registration file as provided in this Section. The Board shall prescribe the form and specifications, including but not limited to the weight of paper, color, and print of the cards. The cards shall contain boxes or spaces for the information required under Sections 4-8 and 4-21; provided that the cards shall also contain a box or space for the applicant's social security number, which shall be required to the extent allowed by law but in no case shall the applicant provide fewer than the last 4 digits of the social security number, ~~and~~ a box for the applicant's telephone number, if available, and a box for the applicant's driver's license number, if any.

(b) The election authority may develop and implement a system to prepare, use, and maintain a computer-based voter registration file that includes a computer-stored image of the signature of each voter. The computer-based voter registration file may be used for all purposes for which the original registration cards are to be used, provided that a system for the storage of at least one copy of the original registration cards remains in effect. The electronic file shall be the master file.

(c) Any system created, used, and maintained under subsection (b) of this Section shall meet the following standards:

(1) Access to any computer-based voter registration file shall be limited to those persons authorized by the election authority, and each access to the computer-based voter registration file, other than an access solely for inquiry, shall be recorded.

(2) No copy, summary, list, abstract, or index of any computer-based voter registration file that includes any computer-stored image of the signature of any registered voter shall be made available to the public outside of the offices of the election authority.

(3) Any copy, summary, list, abstract, or index of any computer-based voter registration file that includes a computer-stored image of the signature of a registered voter shall be produced in such a manner that it cannot be reproduced.

(4) Each person desiring to vote shall sign an application for a ballot, and the signature comparison authorized in Articles 17 and 18 of this Code may be made to a copy of the computer-stored image of the signature of the registered voter.

(5) Any voter list produced from a computer-based voter registration file that includes computer-stored images of the signatures of registered voters and is used in a polling place during an election shall be preserved by the election authority in secure storage until the end of the second calendar year following the election in which it was used.

(d) Before the first election in which the election authority elects to use a voter list produced from the computer-stored images of the signatures of registered voters in a computer-based voter registration file for signature comparison in a polling place, the State Board of Elections shall certify that the system used by the election authority complies with the standards set forth in this Section. The State Board of Elections may request a sample poll list intended to be used in a polling place to test the accuracy of the list and the adequacy of the computer-stored images of the signatures of the registered voters.

(e) With respect to a jurisdiction that has copied all of its voter signatures into a computer-based registration file, all references in this Act or any other Act to the use, other than storage, of paper-based voter registration records shall be deemed to refer to their computer-based equivalents.

(f) Nothing in this Section prevents an election authority from submitting to the State Board of Elections a duplicate copy of some, as the State Board of Elections shall determine, or all of the data contained in each voter registration record that is part of the electronic master file. The duplicate copy of the registration record shall be maintained by the State Board of Elections under the same terms and limitations applicable to the election authority and shall be of equal legal dignity with the original registration record maintained by the election authority as proof of any fact contained in the voter registration record. (Source: P.A. 91-73, eff. 7-9-99.)

(10 ILCS 5/5-16.2) (from Ch. 46, par. 5-16.2)

Sec. 5-16.2. (a) The county clerk shall appoint all municipal and township clerks or their duly authorized deputies as deputy registrars who may accept the registration of all qualified residents of their respective counties. A deputy registrar serving as such by virtue of his status as a municipal clerk, or a duly authorized deputy of a municipal clerk, of a municipality the territory of which lies in more than one county may accept the registration of any qualified resident of any county in which the municipality is located, regardless of which county the resident, municipal clerk or the duly authorized deputy of the municipal clerk lives in.

The county clerk shall appoint all precinct committeepersons in the county as deputy registrars who may accept the registration of any qualified resident of the county, except during the 27 days preceding an election.

The election authority shall appoint as deputy registrars a reasonable number of employees of the Secretary of State located at driver's license examination stations and designated to the election authority by the Secretary of State who may accept the registration of any qualified residents of the county at any such driver's license examination stations. The appointment of employees of the Secretary of State as deputy registrars shall be made in the manner provided in Section 2-105 of the Illinois Vehicle Code.

The county clerk shall appoint each of the following named persons as deputy registrars upon the written request of such persons:

1. The chief librarian, or a qualified person designated by the chief librarian, of any public library situated within the election jurisdiction, who may accept the registrations of any qualified resident of the county, at such library.

2. The principal, or a qualified person designated by the principal, of any high school, elementary school, or vocational school situated within the election jurisdiction, who may accept the registrations of any resident of the county, at such school. The county clerk shall notify every principal and vice-principal of each high school, elementary school, and vocational school situated within the election jurisdiction of their eligibility to serve as deputy registrars and offer training courses for service as deputy registrars at conveniently located facilities at least 4 months prior to every election.

3. The president, or a qualified person designated by the president, of any university, college, community college, academy or other institution of learning situated within the election jurisdiction, who may accept the registrations of any resident of the county, at such university, college, community college, academy or institution.

4. A duly elected or appointed official of a bona fide labor organization, or a reasonable number of qualified members designated by such official, who may accept the registrations of any qualified resident of the county.

5. A duly elected or appointed official of a bona fide State civic organization, as defined and determined by rule of the State Board of Elections, or qualified members designated by such official, who may accept the registration of any qualified resident of the county. In determining the number of

deputy registrars that shall be appointed, the county clerk shall consider the population of the jurisdiction, the size of the organization, the geographic size of the jurisdiction, convenience for the public, the existing number of deputy registrars in the jurisdiction and their location, the registration activities of the organization and the need to appoint deputy registrars to assist and facilitate the registration of non-English speaking individuals. In no event shall a county clerk fix an arbitrary number applicable to every civic organization requesting appointment of its members as deputy registrars. The State Board of Elections shall by rule provide for certification of bona fide State civic organizations. Such appointments shall be made for a period not to exceed 2 years, terminating on the first business day of the month following the month of the general election, and shall be valid for all periods of voter registration as provided by this Code during the terms of such appointments.

6. The Director of the Illinois Department of Public Aid, or a reasonable number of employees designated by the Director and located at public aid offices, who may accept the registration of any qualified resident of the county at any such public aid office.

7. The Director of the Illinois Department of Employment Security, or a reasonable number of employees designated by the Director and located at unemployment offices, who may accept the registration of any qualified resident of the county at any such unemployment office.

8. The president of any corporation as defined by the Business Corporation Act of 1983, or a reasonable number of employees designated by such president, who may accept the registrations of any qualified resident of the county.

If the request to be appointed as deputy registrar is denied, the county clerk shall, within 10 days after the date the request is submitted, provide the affected individual or organization with written notice setting forth the specific reasons or criteria relied upon to deny the request to be appointed as deputy registrar.

The county clerk may appoint as many additional deputy registrars as he considers necessary. The county clerk shall appoint such additional deputy registrars in such manner that the convenience of the public is served, giving due consideration to both population concentration and area. Some of the additional deputy registrars shall be selected so that there are an equal number from each of the 2 major political parties in the election jurisdiction. The county clerk, in appointing an additional deputy registrar, shall make the appointment from a list of applicants submitted by the Chairman of the County Central Committee of the applicant's political party. A Chairman of a County Central Committee shall submit a list of applicants to the county clerk by November 30 of each year. The county clerk may require a Chairman of a County Central Committee to furnish a supplemental list of applicants.

Deputy registrars may accept registrations at any time other than the 27 day period preceding an election. All persons appointed as deputy registrars shall be registered voters within the county and shall take and subscribe to the following oath or affirmation:

"I do solemnly swear (or affirm, as the case may be) that I will support the Constitution of the United States, and the Constitution of the State of Illinois, and that I will faithfully discharge the duties of the office of deputy registrar to the best of my ability and that I will register no person nor cause the registration of any person except upon his personal application before me.

.....

(Signature of Deputy Registrar)"

This oath shall be administered by the county clerk, or by one of his deputies, or by any person qualified to take acknowledgement of deeds and shall immediately thereafter be filed with the county clerk.

Appointments of deputy registrars under this Section, except precinct committeemen, shall be for 2-year terms, commencing on December 1 following the general election of each even-numbered year, except that the terms of the initial appointments shall be until December 1st following the next general election. Appointments of precinct committeemen shall be for 2-year terms commencing on the date of the county convention following the general primary at which they were elected. The county clerk shall issue a certificate of appointment to each deputy registrar, and shall maintain in his office for public inspection a list of the names of all appointees.

(b) The county clerk shall be responsible for training all deputy registrars appointed pursuant to subsection (a), at times and locations reasonably convenient for both the county clerk and such appointees. The county clerk shall be responsible for certifying and supervising all deputy registrars appointed pursuant to subsection (a). Deputy registrars appointed under subsection (a) shall be subject to removal for cause.

(c) Completed registration materials under the control of deputy registrars, appointed pursuant to subsection (a), shall be returned to the proper election authority within 7 days, except that completed registration materials received by the deputy registrars during the period between the 35th and 28th day preceding an election shall be returned by the deputy registrars to the proper election authority within 48

hours after receipt thereof. The completed registration materials received by the deputy registrars on the 28th day preceding an election shall be returned by the deputy registrars within 24 hours after receipt thereof. Unused materials shall be returned by deputy registrars appointed pursuant to paragraph 4 of subsection (a), not later than the next working day following the close of registration.

(d) The county clerk or board of election commissioners, as the case may be, must provide any additional forms requested by any deputy registrar regardless of the number of unaccounted registration forms the deputy registrar may have in his or her possession. ~~The county clerk shall not be required to provide additional forms to any deputy registrar having more than 200 registration forms unaccounted for during the preceding 12 month period.~~

(e) No deputy registrar shall engage in any electioneering or the promotion of any cause during the performance of his or her duties.

(f) The county clerk shall not be criminally or civilly liable for the acts or omissions of any deputy registrar. Such deputy registers shall not be deemed to be employees of the county clerk. (Source: P.A. 92-816, eff. 8-21-02.)

(10 ILCS 5/5-43)

Sec. 5-43. Computerization of voter records. (a) The State Board of Elections shall design a registration record card that, except as otherwise provided in this Section, shall be used in duplicate by all election authorities in the State adopting a computer-based voter registration file as provided in this Section. The Board shall prescribe the form and specifications, including but not limited to the weight of paper, color, and print of the cards. The cards shall contain boxes or spaces for the information required under Sections 5-7 and 5-28.1; provided that the cards shall also contain a box or space for the applicant's social security number, which shall be required to the extent allowed by law but in no case shall the applicant provide fewer than the last 4 digits of the social security number, ~~and~~ a box for the applicant's telephone number, if available, and a box for the applicant's driver's license number, if any.

(b) The election authority may develop and implement a system to prepare, use, and maintain a computer-based voter registration file that includes a computer-stored image of the signature of each voter. The computer-based voter registration file may be used for all purposes for which the original registration cards are to be used, provided that a system for the storage of at least one copy of the original registration cards remains in effect. The electronic file shall be the master file.

(c) Any system created, used, and maintained under subsection (b) of this Section shall meet the following standards:

(1) Access to any computer-based voter registration file shall be limited to those persons authorized by the election authority, and each access to the computer-based voter registration file, other than an access solely for inquiry, shall be recorded.

(2) No copy, summary, list, abstract, or index of any computer-based voter registration file that includes any computer-stored image of the signature of any registered voter shall be made available to the public outside of the offices of the election authority.

(3) Any copy, summary, list, abstract, or index of any computer-based voter registration file that includes a computer-stored image of the signature of a registered voter shall be produced in such a manner that it cannot be reproduced.

(4) Each person desiring to vote shall sign an application for a ballot, and the signature comparison authorized in Articles 17 and 18 of this Code may be made to a copy of the computer-stored image of the signature of the registered voter.

(5) Any voter list produced from a computer-based voter registration file that includes computer-stored images of the signatures of registered voters and is used in a polling place during an election shall be preserved by the election authority in secure storage until the end of the second calendar year following the election in which it was used.

(d) Before the first election in which the election authority elects to use a voter list produced from the computer-stored images of the signatures of registered voters in a computer-based voter registration file for signature comparison in a polling place, the State Board of Elections shall certify that the system used by the election authority complies with the standards set forth in this Section. The State Board of Elections may request a sample poll list intended to be used in a polling place to test the accuracy of the list and the adequacy of the computer-stored images of the signatures of the registered voters.

(e)

The motion prevailed and the amendments were adopted and ordered printed.

Floor Amendments numbered 2,3 and 4 remained in the Committee on Rules.

Floor Amendment No. 5 remained in the Committee on Elections & Campaign Reform.

There being no further amendments, the foregoing Amendment No. 1 was adopted and the bill, as amended, was held on the order of Second Reading.

SENATE BILL 459. Having been printed, was taken up and read by title a second time.

Floor Amendment No. 1 remained in the Committee on Rules.

There being no further amendments, the bill was held on the order of Second Reading.

SENATE BILL 526. Having been printed, was taken up and read by title a second time.

Floor Amendment No. 1 remained in the Committee on Rules.

There being no further amendments, the bill was held on the order of Second Reading.

SENATE BILL 685. Having been printed, was taken up and read by title a second time.

Floor Amendments numbered 1, 2, 3, 4, 5 and 6 remained in the Committee on Rules.

There being no further amendments, the bill was held on the order of Second Reading.

SENATE BILL 688. Having been printed, was taken up and read by title a second time.

The following amendment was offered in the Committee on Judiciary I - Civil Law, adopted and printed:

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend Senate Bill 688 as follows:

by inserting after the title the following:

"WHEREAS, It is the finding of the General Assembly that legislation is necessary to protect the safety and welfare of the people of the State of Illinois from the unauthorized practice of law by those persons or entities not licensed to practice law by the Illinois Supreme Court; and

WHEREAS, It is the finding of the General Assembly that the large volunteer membership bar associations incorporated as not-for-profit corporations under the laws of the State of Illinois have historically and properly been the organizations that have protected the public from the harm caused by the unauthorized practice of law; and

WHEREAS, By bringing actions in court to enjoin and otherwise prevent those not licensed by the Illinois Supreme Court from practicing law, these bar associations have acted on behalf of their volunteer lawyer members and to the benefit of the public; and

WHEREAS, Because of their size, they possess the diversity of membership to represent a broad spectrum of members and diversity of practice areas; and

WHEREAS, It is the intent of the General Assembly to ensure that bar associations incorporated as not-for-profit corporations under the laws of the State of Illinois with members of 20,000 or more licensed Illinois attorneys have legislative authority to continue to have legal standing to bring actions for the unauthorized practice of law and have remedies available under this Act in such actions; therefore"; and

by replacing everything after the enacting clause with the following:

"Section 5. The Attorney Act is amended by changing Section 1 as follows:

(705 ILCS 205/1) (from Ch. 13, par. 1)

Sec. 1. No person or entity shall be permitted to practice as an attorney or counselor at law within this State without having previously obtained a license for that purpose from the Supreme Court of this State.

No person or entity shall receive any compensation directly or indirectly for any legal services other than a regularly licensed attorney, nor may an unlicensed person or entity advertise or hold itself out to practice law, give legal advice, or own, conduct, or maintain a facility to practice law or give legal advice.

A license, as provided for herein, constitutes the person receiving the same an attorney and counselor at law, according to the law and customs thereof, for and during his good behavior in the practice and authorizes him to demand and receive fees for any services which he may render as an attorney and counselor at law in this State. No person shall be granted a license or renewal authorized by this Act who has defaulted on an educational loan guaranteed by the Illinois Student Assistance Commission; however, a license or renewal may be issued to the aforementioned persons who have established a satisfactory repayment record as determined by the Illinois Student Assistance Commission. No person shall be granted a license or renewal authorized by this Act who is more than 30 days delinquent in complying with a child support order; a license or renewal may be issued, however, if the person has established a satisfactory repayment record as determined (i) by the Illinois Department of Public Aid for cases being enforced under Article X of the Illinois Public Aid Code or (ii) in all other cases by order of court or by written agreement between the custodial parent and non-custodial parent. No person shall be refused a license under this Act on account of sex.

Any person or entity found by the court to provide legal services ~~practicing, charging or receiving fees for legal services~~ within this State~~, either directly or indirectly,~~ without being licensed to practice as herein required, is guilty of contempt of court and shall be punished accordingly~~, upon complaint being filed in any Circuit Court of this State. Such proceedings shall be conducted in the Courts of the respective counties where the alleged contempt has been committed in the same manner as in cases of indirect contempt and with the right of review by the parties thereto~~.

Any person or entity that suffers actual damage as a result of a violation of this Section committed by any other person or entity, or any Bar Association incorporated as a not-for-profit corporation under the laws of the State of Illinois with 20,000 or more members who are attorneys licensed to practice law by the Illinois Supreme Court, acting on behalf of its members, may bring an action against that person or entity. The remedies available for the unauthorized practice of law include, but are not limited to: (i) appropriate equitable relief; (ii) a civil penalty not to exceed $5,000 if the person or entity has previously been found by a court to have engaged in conduct described in the Act; (iii) actual damages; (iv) reasonable attorney's fees and costs if the person or entity is not licensed under the Real Estate License Act of 2000; (v) punitive damages if the conduct was willful, intentional, or done with reckless disregard to the rights of others and if the person or entity is not licensed under the Real Estate License Act of 2000; and (vi) other relief deemed necessary to remedy the wrongdoing.

An action under this Section may be commenced in the county in which the person or entity against which it is brought resides, has a principal place of business, or is doing business, or in the county in which the transaction or any substantial portion of the transaction occurred.

The provisions of this Act shall be in addition to other remedies permitted by law and shall not be construed to deprive courts of this State of their inherent right to punish for contempt or to restrain the unauthorized practice of law.

Nothing in this Act shall be construed to prohibit representation of a party by a person who is not an attorney in a proceeding before either panel of the Illinois Labor Relations Board under the Illinois Public Labor Relations Act, as now or hereafter amended, the Illinois Educational Labor Relations Board under the Illinois Educational Labor Relations Act, as now or hereafter amended, the State Civil Service Commission, the local Civil Service Commissions, or the University Civil Service Merit Board, to the extent allowed pursuant to rules and regulations promulgated by those Boards and Commissions.

If any provision of this Act or application thereof to any person or circumstance is held invalid, such invalidity does not affect other provisions or applications of this Act which can be given effect without the invalid application or provision, and to this end the provisions of this Act are declared to be severable. (Source: P.A. 91-798, eff. 7-9-00.)".

Floor Amendment No. 2 remained in the Committee on Rules.

There being no further amendments, the foregoing Amendment No. 1 was adopted and the bill, as amended, was held on the order of Second Reading.

SENATE BILL 703. Having been printed, was taken up and read by title a second time.

Floor Amendment No. 1 remained in the Committee on State Government Administration.

There being no further amendments, the bill was held on the order of Second Reading.

SENATE BILL 741. Having been printed, was taken up and read by title a second time.
The following amendment was offered in the Committee on Executive, adopted and printed:

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend Senate Bill 741 by replacing the title with the following:
"AN ACT relating to insurance."; and
by replacing everything after the enacting clause with the following:
"Section 5. The Illinois Insurance Code is amended by adding Section 155.39 as follows:
(215 ILCS 5/155.39 new)
Sec. 155.39. Vehicle protection products.
(a) As used in this Section:
"Administrator" means a third party other than the warrantor who is designated by the warrantor to be responsible for the administration of vehicle protection product warranties.
"Incidental costs" means expenses specified in the vehicle protection product warranty incurred by the warranty holder related to the failure of the vehicle protection product to perform as provided in the warranty. Incidental costs may include, without limitation, insurance policy deductibles, rental vehicle charges, the difference between the actual value of the stolen vehicle at the time of theft and the cost of a replacement vehicle, sales taxes, registration fees, transaction fees, and mechanical inspection fees.
"Vehicle protection product" means a vehicle protection device, system, or service that is (i) installed on or applied to a vehicle, (ii) is designed to prevent loss or damage to a vehicle from a specific cause, (iii) includes a written warranty by a warrantor that provides if the vehicle protection product fails to prevent loss or damage to a vehicle from a specific cause, that the warranty holder shall be paid specified incidental costs by the warrantor as a result of the failure of the vehicle protection product to perform pursuant to the terms of the warranty, and (iv) the warrantor's liability is covered by a warranty reimbursement insurance policy. The term "vehicle protection product" shall include, without limitation, alarm systems, body part marking products, steering locks, window etch products, pedal and ignition locks, fuel and ignition kill switches, and electronic, radio, and satellite tracking devices.
"Vehicle protection product warrantor" or "warrantor" means a person who is contractually obligated to the warranty holder under the terms of the vehicle protection product. Warrantor does not include an authorized insurer.
"Warranty reimbursement insurance policy" means a policy of insurance issued to the vehicle protection product warrantor to pay on behalf of the warrantor all covered contractual obligations incurred by the warrantor under the terms and conditions of the insured vehicle protection product warranties sold by the warrantor. The warranty reimbursement insurance policy shall be issued by an insurer authorized to do business in this State that has filed its policy form with the Department.
(b) No vehicle protection product sold or offered for sale in this State shall be subject to the provisions of this Code. Vehicle protection product warrantors and related vehicle protection product sellers and warranty administrators complying with this Section are not required to comply with and are not subject to any other provision of this Code. The vehicle protection products' written warranties are express warranties and not insurance.
(c) This Section applies to all vehicle protection products sold or offered for sale prior to, on, or after the effective date of this amendatory Act of the 93rd General Assembly. The enactment of this Section does not imply that vehicle protection products should have been subject to regulation under this Code prior to the enactment of this Section.
Section 99. Effective date. This Act takes effect upon becoming law.".

There being no further amendments, the foregoing Amendment No. 1 was adopted and the bill, as amended, was held on the order of Second Reading.

SENATE BILL 802. Having been printed, was taken up and read by title a second time.

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

AMENDMENT NO. 1

AMENDMENT NO. 1____. Amend Senate Bill 802 by replacing everything after the enacting clause with the following:

"Section 1. Short Title. This Act may be cited as the O'Hare Modernization Act.

Section 5. Findings and purposes.

(a) The Illinois General Assembly Finds and determines:

(1) The reliability and efficiency of the State and national air transportation systems significantly depend on the efficiency of the Chicago O'Hare International Airport. O'Hare has an essential role in air transportation for the State of Illinois. The reliability and efficiency of air transportation for residents and businesses in Illinois and other States depend on efficient air traffic operations at O'Hare.

(2) O'Hare cannot efficiently perform its role in the State and national air transportation systems unless it is reconfigured with multiple parallel runways.

(3) The O'Hare Modernization Program will enhance the economic welfare of the State of Illinois and its residents by creating thousands of jobs and business opportunities.

(4) O'Hare provides, and will continue to provide, unique air transportation functions that cannot be replaced by any other airport in Illinois.

(5) Public roadway access through the existing western boundary of O'Hare to passenger terminal and parking facilities located inside the boundary of O'Hare and reasonably accessible to that western access is an essential element of the O'Hare Modernization Program. That western access to O'Hare is needed to realize the full economic opportunities created by the O'Hare Modernization Program and to improve ground transportation in the O'Hare area. It is important to the State that the western access be constructed not later than the time existing runway 14R-32L is removed from service.

(6) For the reasons stated in paragraphs (1), (2), (3), (4), and (5), it is essential that the O'Hare Modernization Program be completed efficiently and without unnecessary delay.

(7) For the reasons stated in paragraphs (1), (2), (3), (4), and (5), it is essential that acquisition of property as required for the O'Hare Modernization Program be completed as expeditiously as practicable.

(8) The General Assembly recognizes that the planning, construction, and use of O'Hare and the planning, construction, and use of the O'Hare Modernization Program will be subject to intensive regulatory scrutiny by the United States and that no purpose would be served by duplicative or redundant regulation of the safety and impacts of the airport or the O'Hare Modernization Program.

(b) It is the intent of the General Assembly that all agencies of this State and its subdivisions shall facilitate the efficient and expeditious completion of the O'Hare Modernization Program to the extent not specifically prohibited by law, and that legal impediments to the completion of the project be eliminated.

Section 10. Definitions. As used in this Act:

"Airport property" means (i) any property or an interest in property that is, or hereafter becomes, part of O'Hare International Airport and (ii) any property or an interest in property that is not part of O'Hare International Airport, but that is acquired by the City of Chicago for purposes of air navigation or air safety in accordance with standards established by the Federal Aviation Administration. "Airport property", however, shall not include any substitute property acquired pursuant to Section 15 of this Act, including property acquired for cemetery purposes.

"O'Hare Modernization Program" means the plan for modernization of O'Hare International Airport by (1) construction and reconfiguration of runways, taxiways, and facilities for movement and servicing of aircraft; construction of western airport access and related roadways; construction and reconfiguration of roadways, terminals, passenger transportation facilities, parking facilities, and cargo facilities; construction of drainage and stormwater management facilities; and related projects, within the area bounded on the north by Touhy Avenue; on the east by the eastern boundary of O'Hare existing on January 1, 2003; on the southeast by the southeastern boundary of O'Hare existing on January 1, 2003; on the south between the eastern boundary of O'Hare and the Union Pacific Railroad by the southern boundary of O'Hare existing on January 1, 2003; on the south, between the Union Pacific Railroad and the west boundary of York Road by the Canadian Pacific railroad yard; and on the west by the west boundary of York Road; and (2) provision for air navigation and air safety outside that area in accordance with standards established by the Federal

Aviation Administration.

"O'Hare" means Chicago O'Hare International Airport.

"City" means the City of Chicago.

Section 15. Acquisition of property. In addition to any other powers the City may have, and notwithstanding any other law to the contrary, the City may acquire by gift, grant, lease, purchase, condemnation (including condemnation by quick take under Section 7-103 of the Code of Civil Procedure), or otherwise any right, title, or interest in any private property, property held in the name of or belonging to any public body or unit of government, or any property devoted to a public use, or any other rights or easements, including any property, rights, or easements owned by the State, units of local government, or school districts, including forest preserve districts, for purposes related to the O'Hare Modernization Program. The powers given to the City under this Section include the power to acquire, by condemnation or otherwise, any property used for cemetery purposes within or outside of the City, and to require that the cemetery be removed to a different location. The powers given to the City under this Section include the power to condemn or otherwise acquire (other than by condemnation by quick take under Section 7-103 of the Code of Civil Procedure), and to convey, substitute property when the City reasonably determines that monetary compensation will not be sufficient or practical just compensation for property acquired by the City in connection with the O'Hare Modernization Program. The acquisition of substitute property is declared to be for public use. Property acquired under this Section includes property that the City reasonably determines will be necessary for future use, regardless of whether final regulatory or funding decisions have been made.

Section 20. Condemnation by other governmental units. No airport property may be subject to taking by condemnation or otherwise by any unit of local government other than the City of Chicago, or by any agency, instrumentality, or political subdivision of the State.

Section 25. Jurisdiction over airport property. Airport property shall not be subject to the the laws of any unit of local government except as provided by ordinance of the City. Plans of all public agencies that may affect the O'Hare Modernization Program shall be consistent with the O'Hare Modernization Program, and to the extent that any plan of any public agency or unit or division of State or local government is inconsistent with the O'Hare Modernization Program, that plan is and shall be void and of no effect.

Section 30. Home Rule. It is declared to be the law of this State, pursuant to paragraph (h) of Section 6 of Article VII of the Illinois Constitution, that the regulation and supervision of the City of Chicago's implementation of the O'Hare Modernization Program is an exclusive State function that may not be exercised concurrently by any unit of local government.

Section 90. The Archeological and Paleontological Resources Protection Act is amended by adding Section 1.5 as follows:

(20 ILCS 3435/1.5 new)

Sec. 1.5. O'Hare Modernization. Nothing in this Act limits the authority of the City of Chicago to exercise its powers under the O'Hare Modernization Act or requires that City, or any person acting on behalf of that City, to obtain a permit under this Act when exercising powers under the O'Hare Modernization Act.

Section 91. The Human Skeletal Remains Protection Act is amended by adding Section 4.5 as follows:

(20 ILCS 3440/4.5 new)

Sec. 4.5. O'Hare Modernization. Nothing in this Act limits the authority of the City of Chicago to exercise its powers under the O'Hare Modernization Act or requires that City, or any person acting on behalf of that City, to obtain a permit under this Act when exercising powers under the O'Hare Modernization Act.

Section 92. The Illinois Municipal Code is amended by changing Sections 11-51-1, 11-102-2, and 11-102-4 as follows:

(65 ILCS 5/11-51-1) (from Ch. 24, par. 11-51-1)

Sec. 11-51-1. Cemetery removal. Whenever any cemetery is embraced within the limits of any city, village, or incorporated town, the corporate authorities thereof, if, in their opinion, any good cause exists why such cemetery should be removed, may cause the remains of all persons interred therein to be removed to some other suitable place. However, the corporate authorities shall first obtain the assent of the trustees or other persons having the control or ownership of such cemetery, or a majority thereof. When such cemetery is owned by one or more private parties, or private corporation or chartered society, the corporate authorities of such city may require the removal of such cemetery to be done at the expense of such private parties, or private corporation or chartered society, if such removal be based upon their application. Nothing in this Section limits the powers of the City of Chicago to acquire property under Section 15 of the

O'Hare Modernization Act. (Source: P.A. 87-1153.)

(65 ILCS 5/11-102-2) (from Ch. 24, par. 11-102-2)

Sec. 11-102-2. Every municipality specified in Section 11-102-1 may purchase, construct, reconstruct, expand and improve landing fields, landing strips, landing floats, hangers, terminal buildings and other structures relating thereto and may provide terminal facilities for public airports; may construct, reconstruct and improve causeways, roadways, and bridges for approaches to or connections with the landing fields, landing strips and landing floats; and may construct and maintain breakwaters for the protection of such airports with a water front. Before any work of construction is commenced in, over or upon any public waters of the state, the plans and specifications therefor shall be submitted to and approved by the Department of Transportation of the state. Submission to and approval by the Department of Transportation is not required for any work or construction undertaken as part of the O'Hare Modernization Program as defined in Section 10 of the O'Hare Modernization Act. (Source: P.A. 81-840.)

(65 ILCS 5/11-102-4) (from Ch. 24, par. 11-102-4)

Sec. 11-102-4. Every municipality specified in Section 11-102-1 may contract for the removal or relocation of all buildings, railways, mains, pipes, conduits, wires, poles, and all other structures, facilities and equipment which may interfere with the location, expansion or improvement of any public airport, or with the safe approach thereto or take-off therefrom by aircraft, and may acquire by gift, grant, lease, purchase, condemnation or otherwise any private property, public property or property devoted to any public use or rights or easements therein for any purpose authorized by this Section and Sections 11-102-1 through 11-102-3. Nothing in this Section limits the powers of the City of Chicago to acquire property under Section 15 of the O'Hare Modernization Act. (Source: Laws 1961, p. 576.)

Section 93. The Downstate Forest Preserve District Act is amended by changing Section 5e as follows:

(70 ILCS 805/5e) (from Ch. 96 1/2, par. 6308e)

Sec. 5e. Property owned by a forest preserve district shall not be subject to eminent domain or condemnation proceedings, except as otherwise provided in Section 15 of the O'Hare Modernization Act. (Source: P.A. 85-993.)

Section 93.5. The Vital Records Act is amended by changing Section 21 as follows:

(410 ILCS 535/21) (from Ch. 111 1/2, par. 73-21)

Sec. 21. (1) The funeral director or person acting as such who first assumes custody of a dead body or fetus shall make a written report to the registrar of the district in which death occurred or in which the body or fetus was found within 24 hours after taking custody of the body or fetus on a form prescribed and furnished by the State Registrar and in accordance with the rules promulgated by the State Registrar. Except as specified in paragraph (2) of this Section, the written report shall serve as a permit to transport, bury or entomb the body or fetus within this State, provided that the funeral director or person acting as such shall certify that the physician in charge of the patient's care for the illness or condition which resulted in death has been contacted and has affirmatively stated that he will sign the medical certificate of death or the fetal death certificate. If a funeral director fails to file written reports under this Section in a timely manner, the local registrar may suspend the funeral director's privilege of filing written reports by mail. In a county with a population greater than 3,000,000, if a funeral director or person acting as such inters or entombs a dead body without having previously certified that the physician in charge of the patient's care for the illness or condition that resulted in death has been contacted and has affirmatively stated that he or she will sign the medical certificate of death, then that funeral director or person acting as such is responsible for payment of the specific costs incurred by the county medical examiner in disinterring and reinterring or reentombing the dead body.

(2) The written report as specified in paragraph (1) of this Section shall not serve as a permit to:

(a) Remove body or fetus from this State;

(b) Cremate the body or fetus; or

(c) Make disposal of any body or fetus in any manner when death is subject to the coroner's or medical examiner's investigation.

(3) In accordance with the provisions of paragraph (2) of this Section the funeral director or person acting as such who first assumes custody of a dead body or fetus shall obtain a permit for disposition of such dead human body prior to final disposition or removal from the State of the body or fetus. Such permit shall be issued by the registrar of the district where death occurred or the body or fetus was found. No such permit shall be issued until a properly completed certificate of death has been filed with the registrar. The registrar shall insure the issuance of a permit for disposition within an expedited period of time to accommodate Sunday or holiday burials of decedents whose time of death and religious tenets or beliefs necessitate Sunday or holiday burials.

(4) A permit which accompanies a dead body or fetus brought into this State shall be authority for final disposition of the body or fetus in this State, except in municipalities where local ordinance requires the issuance of a local permit prior to disposition.

(5) A permit for disposition of a dead human body shall be required prior to disinterment of a dead body or fetus, and when the disinterred body is to be shipped by a common carrier. Such permit shall be issued to a licensed funeral director or person acting as such, upon proper application, by the local registrar of the district in which disinterment is to be made. In the case of disinterment, proper application shall include a statement providing the name and address of any surviving spouse of the deceased, or, if none, any surviving children of the deceased, or if no surviving spouse or children, a parent, brother, or sister of the deceased. The application shall indicate whether the applicant is one of these parties and, if so, whether the applicant is a surviving spouse or a surviving child. Prior to the issuance of a permit for disinterment, the local registrar shall, by certified mail, notify the surviving spouse, unless he or she is the applicant, or if there is no surviving spouse, all surviving children except for the applicant, of the application for the permit. The person or persons notified shall have 30 days from the mailing of the notice to object by obtaining an injunction enjoining the issuance of the permit. After the 30-day period has expired, the local registrar shall issue the permit unless he or she has been enjoined from doing so or there are other statutory grounds for refusal. The notice to the spouse or surviving children shall inform the person or persons being notified of the right to seek an injunction within 30 days. Notwithstanding any other provision of this subsection (5), a court may order issuance of a permit for disinterment without notice or prior to the expiration of the 30-day period where the petition is made by an agency of any governmental unit and good cause is shown for disinterment without notice or for the early order. Nothing in this subsection (5) limits the authority of the City of Chicago to exercise its powers under the O'Hare Modernization Act or requires that City, or any person acting on behalf of that City, to obtain a permit under this subsection (5) when exercising powers under the O'Hare Modernization Act. (Source: P.A. 88-261; 89-381, eff. 8-18-95.)

Section 94. The Illinois Aeronautics Act is amended by changing Sections 38.01 and 47 and by adding Section 47.1 as follows:

(620 ILCS 5/38.01) (from Ch. 15 1/2, par. 22.38a)

Sec. 38.01. Project applications.

(a) No municipality or political subdivision in this state, whether acting alone or jointly with another municipality or political subdivision or with the state, shall submit any project application under the provisions of the Airport and Airway Improvement Act of 1982, or any amendment thereof, unless the project and the project application have been first approved by the Department. No such municipality or political subdivision shall directly accept, receive, or disburse any funds granted by the United States under the Airport and Airway Improvement Act of 1982, but it shall designate the Department as its agent to accept, receive, and disburse such funds, provided, however, nothing in this Section shall be construed to prohibit any municipality or any political sub-division of more than 500,000 inhabitants from disbursing such funds through its corporate authorities. It shall enter into an agreement with the Department prescribing the terms and conditions of such agency in accordance with federal laws, rules and regulations and applicable laws of this state. This subsection (a) does not apply to any project application submitted in connection with the O'Hare Modernization Program as defined in Section 10 of the O'Hare Modernization Act.

(b) The City of Chicago may submit a project application under the provisions of the Airport and Airway Improvement Act of 1982, as now or hereafter amended, or any other federal law providing for airport planning or development, if the application is submitted in connection with the O'Hare Modernization Program as defined in Section 10 of the O'Hare Modernization Act, and the City may directly accept, receive, and disburse any such funds. (Source: P.A. 92-341, eff. 8-10-01.)

(620 ILCS 5/47) (from Ch. 15 1/2, par. 22.47)

Sec. 47. Operation without certificate of approval unlawful; applications.) An application for a certificate of approval of an airport or restricted landing area, or the alteration or extension thereof, shall set forth, among other things, the location of all railways, mains, pipes, conduits, wires, cables, poles and other facilities and structures of public service corporations or municipal or quasi-municipal corporations, located within the area proposed to be acquired or restricted, and the names of persons owning the same, to the extent that such information can be reasonably ascertained by the applicant.

It shall be unlawful for any municipality or other political subdivision, or officer or employee thereof, or for any person, to make any alteration or extension of an existing airport or restricted landing area, or to use or operate any airport or restricted landing area, for which a certificate of approval has not been issued by the Department; Provided, that no certificate of approval shall be required for an airport or restricted

landing area which was in existence and approved by the Illinois Aeronautics Commission, whether or not being operated, on or before July 1, 1945, or for the O'Hare Modernization Program as defined in Section 10 of the O'Hare Modernization Act. The Department shall supervise, monitor, and enforce compliance with the O'Hare Modernization Act by all other departments, agencies, and units of State and local government.

Provisions of this Section do not apply to special purpose aircraft designated as such by the Department when operating to or from uncertificated areas other than their principal base of operations, provided mutually acceptable arrangements are made with the property owner, and provided the owner or operator of the aircraft assumes liabilities which may arise out of such operations. (Source: P.A. 81-840.)

(620 ILCS 5/47.1 new)

Sec. 47.1. Review by Department of O'Hare Modernization Program. The Department shall monitor the design, planning, financing, and construction of the O'Hare Modernization Program as defined in Section 10 of the O'Hare Modernization Act in order to ensure that the O'Hare Modernization Program proceeds in a timely, efficient, and safe manner, and shall monitor the effects of the O'Hare Modernization Program on units of local government throughout the State. The Department shall file reports with the General Assembly as the Department deems appropriate concerning the design, planning, financing, and construction of the O'Hare Modernization Program as defined in Section 10 of the O'Hare Modernization Act, and the effects of the O'Hare Modernization Program on units of local government.

Section 95. The Code of Civil Procedure is amended by changing Section 2-103 and adding Section 7-103.149 as follows:

(735 ILCS 5/2-103) (from Ch. 110, par. 2-103)

Sec. 2-103. Public corporations - Local actions - Libel - Insurance companies.

(a) Actions must be brought against a public, municipal, governmental or quasi-municipal corporation in the county in which its principal office is located or in the county in which the transaction or some part thereof occurred out of which the cause of action arose. Except as otherwise provided in Section 7-102 of this Code, if the cause of action is related to an airport owned by a unit of local government or the property or aircraft operations thereof, however, including an action challenging the constitutionality of this amendatory Act of the 93rd General Assembly, the action must be brought in the county in which the unit of local government's principal office is located. Actions to recover damage to real estate which may be overflowed or otherwise damaged by reason of any act of the corporation may be brought in the county where the real estate or some part of it is situated, or in the county where the corporation is located, at the option of the party claiming to be injured. Except as otherwise provided in Section 7-102 of this Code, any cause of action that is related to an airport owned by a unit of local government, and that is pending on or after the effective date of this amendatory Act of the 93rd General Assembly in a county other than the county in which the unit of local government's principal office is located, shall be transferred, upon motion of any party under Section 2-106 of this Code, to the county in which the unit of local government's principal office is located.

(b) Any action to quiet title to real estate, or to partition or recover possession thereof or to foreclose a mortgage or other lien thereon, must be brought in the county in which the real estate or some part of it is situated.

(c) Any action which is made local by any statute must be brought in the county designated in the statute.

(d) Every action against any owner, publisher, editor, author or printer of a newspaper or magazine of general circulation for libel contained in that newspaper or magazine may be commenced only in the county in which the defendant resides or has his, her or its principal office or in which the article was composed or printed, except when the defendant resides or the article was printed without this State, in either of which cases the action may be commenced in any county in which the libel was circulated or published.

(e) Actions against any insurance company incorporated under the law of this State or doing business in this State may also be brought in any county in which the plaintiff or one of the plaintiffs may reside. (Source: P.A. 85-887.)

(735 ILCS 5/7-103.149 new)

Sec. 7-103.149. Quick-take; O'Hare Modernization Program purposes. Quick-take proceedings under Section 7-103 may be used by the City of Chicago for the purpose of acquiring property for the O'Hare Modernization Program as defined in Section 10 of the O'Hare Modernization Act.

Section 96. The Religious Freedom Restoration Act is amended by adding Section 30 as follows:

(775 ILCS 35/30 new)

Sec. 30. O'Hare Modernization. Nothing in this Act limits the authority of the City of Chicago to exercise its powers under the O'Hare Modernization Act.

Section 98. Severability. The provisions of this Act are severable under Section 1.31 of the Statute on Statutes.

Section 99. Effective date. This Act takes effect upon its becoming law, and Section 95 of this Act applies to cases pending on or after the effective date.".

Floor Amendments numbered 2, 3, 4, 5, 6, 7, 8, 9, 10 and 11 remained in the Committee on Rules.

There being no further amendments, the foregoing Amendment No. 1 was adopted and the bill, as amended, was held on the order of Second Reading.

SENATE BILL 843. Having been printed, was taken up and read by title a second time.

Floor Amendment No. 1 was tabled in the Committee on Revenue.

Floor Amendment No. 2 remained in the Committee on Rules.

Floor Amendments numbered 3 and 4 remained in the Committee on Revenue.

Floor Amendment No. 5 remained in the Committee on Rules.

There being no further amendments, the bill was held on the order of Second Reading.

SENATE BILL 878. Having been printed, was taken up and read by title a second time.

Floor Amendments numbered 1, 2 and 3 remained in the Committee on Elementary & Secondary Education.

Floor Amendment No. 4 remained in the Committee on Rules.

There being no further amendments, the bill was held on the order of Second Reading.

SENATE BILL 945. Having been printed, was taken up and read by title a second time.

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

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend Senate Bill 945 by replacing everything after the enacting clause with the following:

"Section 1. Short title. This Act may be cited as the Illinois Forensic Laboratory Oversight Act.

Section 5. Illinois Forensic Laboratory Oversight Board.

(a) There is created the Illinois Forensic Laboratory Oversight Board.

(b) The Board shall consist of 12 members. The membership of the Board shall consist of the following persons:

(1) One member appointed by the Governor representing the judiciary;

(2) One member appointed by the Governor shall be a representative of a law enforcement agency having experience in forensic science administration;

(3) One member appointed by the Governor shall be a State's Attorney or an Assistant State's Attorney;

(4) One member appointed by the Governor shall be a representative of the public criminal defense

bar;

(5) One member appointed by the Governor shall be a representative of the private criminal defense bar;

(6) One member appointed by the Governor, who shall be an attorney or judge with a background in privacy issues and biomedical ethics;

(7) One member appointed by the Governor representing the Illinois State Police having experience as a practicing forensic scientist and forensic science administrator;

(8) One member appointed by the Attorney General representing the Office of the Attorney General;

(9) Two members of the general public appointed by the Governor; and

(10) Two members appointed by the Governor who are scientists having experience in the areas of laboratory standards or quality assurance regulation and monitoring.

(c) The Governor shall appoint a presiding officer for the Board from among the Board members appointed under subsection (b) of this Section, which presiding officer shall serve at the pleasure of the Governor.

(d) Each member appointed under clauses (1) through (8) of subsection (b) shall demonstrate substantial expertise and experience in the field of laboratory operations, or forensic science as applied in criminal investigation, laboratory work, or litigation.

(e) Each member of the Board shall serve a 4-year term, except that 6 of the initial members appointed to the Board after the effective date of this Act shall each serve a 2-year term.

(f) Vacancies on the Board shall be filled by the Governor in accordance with subsection (b). A member of the Board appointed to fill a vacancy shall serve for the unexpired term of the member whom he or she is succeeding.

(g) The travel costs associated with membership on the Board created in subsection (a) of this Section will be reimbursed subject to availability of funds.

(h) There is established the Illinois Forensic Laboratory Oversight Act Fund in the State Treasury into which funds received from public or private sources shall be deposited, and from which funds shall be appropriated to the Illinois Forensic Laboratory Oversight Board for oversight.

(i) The Board and the individual members of the Board shall be immune from any liability, whether civil or criminal, for the good faith performance of the duties of the Board as specified in this Section.

(j) No member of the Board shall be disqualified from holding any public office or employment, nor shall he or she forfeit any such office or employment, by reason of his or her appointment hereunder, and members of the Board shall not be required to take and file oaths of office before serving on the Board.

(k) Definitions. When used in this Act, the following words and terms shall have the meanings ascribed to them in this Section:

(i) For purposes of general forensic analysis, "forensic laboratory" means any laboratory operated by the State, a unit of local government, an academic institution, or a private institution that performs forensic testing on evidence in a criminal investigation or proceeding.

(ii) "Forensic testing" includes the analysis of physical evidence in criminal matters and matters adjudicated under the Juvenile Court Act of 1987 to include the entering of analytical data into forensic databases and providing expert testimony in a criminal proceeding.

(l) Powers and duties of the Board.

(1) The Board may promulgate rules as are necessary to carry out the duties of the Board.

(2) The first meeting of the Board shall be held within 90 days after the effective date of this Act.

(3) Not later than May 1, 2004, the Board shall develop and prescribe procedures for Board certification.

(4) The Board shall meet at least 4 times each year and may establish its own rules and procedures concerning the conduct of its meetings and other affairs not inconsistent with law.

(5) The Board shall develop minimum standards and a program of Board certification for all forensic laboratories in Illinois.

(6) In designing a system of Board certification pursuant to this Act, the Board shall evaluate all applicable programs of accreditation.

(7) The minimum standards and program of Board certification shall be designed to accomplish the following objectives:

(A) Ensure the integrity, honesty, and openness of forensic laboratories;

(B) Increase and maintain the effectiveness, efficiency, reliability, and accuracy of forensic laboratories, including forensic DNA laboratories;

(C) Ensure that forensic analyses, including forensic DNA testing, are performed in accordance

with the highest scientific standards practicable;

(D) Promote increased cooperation and coordination among forensic laboratories and other agencies in the criminal justice system; and

(E) Ensure compatibility, to the extent consistent with the provisions of this Act and any other applicable provision of law pertaining to privacy or restricting disclosure or redisclosure of information.

(8) The program of Board certification shall include, at a minimum, the following requirements:

(A) accreditation by a body approved by the Board;

(B) routine internal and external proficiency testing of all laboratory personnel involved in forensic analysis, including blind external proficiency testing if the Board determines such a blind proficiency testing program to be practicable and appropriate; in determining whether a blind proficiency testing program is practicable and appropriate, the Board shall consider such factors as the effectiveness of the test to provide a meaningful measurement of performance, cost-effectiveness, time, allocation of resources, and availability;

(C) quality control and quality assurance protocols, a method validation procedure and a corrective action and remedial program;

(D) annual documentation to the Board by the forensic laboratories of their continued compliance with the requirements of the accreditation program;

(E) procedures to ensure that proficiency tests and results by the laboratory and discipline within the laboratory shall be made available to the Board and the public as the Board determines;

(F) procedures to ensure counsel for prosecution and defense complete disclosure in legal proceedings, including but not limited to all reports, notes, phone and conversation logs, protocols, validation studies, documentation of errors and contaminations, error or incident logs, and access to interview personnel involved in the case; this shall include cases that the laboratory sends to other laboratories as subcontractors;

(G) the Board certification of a forensic laboratory may be revoked, suspended or otherwise limited, upon a determination by the Board that the laboratory:

(i) is guilty of misrepresentation in obtaining a forensic laboratory accreditation;

(ii) tendered a report on laboratory work actually performed in another forensic laboratory without disclosing the fact that the examination or procedure was performed by such other forensic laboratory;

(iii) showed a pattern of excessive errors in the performance of forensic laboratory examination procedures;

(iv) failed to file any report required to be submitted pursuant to this Act or the rules and regulations promulgated under this Act;

(v) violated in a material respect any provision of this Act or the rules and regulations promulgated under this Act;

(vi) fails to:

(A) Ensure that a full and complete disclosure of findings is made to the submitting agency.

(B) Ensure that work notes on all items, examinations, results, and findings are generated contemporaneously with the examination are preserved.

(C) Render opinions and conclusions strictly in accordance with the evidence in the case and only to the extent justified by that evidence.

(D) Testify in a clear, straightforward manner and refuse to extend themselves beyond their field of competence, phrasing their testimony in such a manner so that the results are not misinterpreted.

(E) Consent, if requested, to interviews with counsel for both sides prior to trial.

(F) Refrain from providing any material misrepresentation of data upon which an expert opinion or conclusion is based; and

(vii) no forensic laboratory Board certification shall be revoked, suspended, or otherwise limited without a hearing. The Board shall serve written notice of the alleged violation, together with written notice of the time and place of the hearing, which notice shall be mailed by certified mail to the holder of the forensic laboratory accreditation at the address of such holder at least 21 days prior to the date fixed for such hearing. An accredited laboratory may file a written answer to the charges with the Board, not less than 5 days prior to the hearing.

Section 10. Report to the General Assembly. By May 1st of each year the Board shall make a report to

the General Assembly regarding the implementation of this Act.

Section 105. The State Finance Act is amended by adding Section 5.595 as follows:

(30 ILCS 105/5.595 new)

Sec. 5.595. The Illinois Forensic Laboratory Oversight Act Fund. ".

Floor Amendment No. 2 remained in the Committee on Rules.

There being no further amendments, the foregoing Amendment No. 1 was adopted and the bill, as amended, was held on the order of Second Reading.

SENATE BILL 1049. Having been printed, was taken up and read by title a second time.

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

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend Senate Bill 1049 by replacing everything after the enacting clause with the following:

"Section 5. The Property Tax Code is amended by changing Section 18-245 as follows:

(35 ILCS 200/18-245)

Sec. 18-245. Rules. The Department shall make and promulgate reasonable rules relating to the administration of the purposes and provisions of Sections 18-185 through 18-240 (the Property Tax Extension Limitation Law) as may be necessary or appropriate. (Source: P.A. 87-17; 88-455.)".

There being no further amendments, the foregoing Amendment No. 1 was adopted and the bill, as amended, was held on the order of Second Reading.

SENATE BILL 1070. Having been printed, was taken up and read by title a second time.

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

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend Senate Bill 1070 by replacing everything after the enacting clause with the following:

"Section 5. The Illinois Educational Labor Relations Act is amended by changing Section 2 as follows:

(115 ILCS 5/2) (from Ch. 48, par. 1702)

Sec. 2. Definitions. As used in this Act:

(a) "Educational employer" or "employer" means the governing body of a public school district, combination of public school districts, including the governing body of joint agreements of any type formed by 2 or more school districts, public community college district or State college or university, and any State agency whose major function is providing educational services. "Educational employer" or "employer" does not include a Financial Oversight Panel created pursuant to Section 1A-8 of the School Code due to a district violating a financial plan but does include a School Finance Authority created under Article 1E of the School Code.

(b) "Educational employee" or "employee" means any individual, excluding supervisors, managerial, confidential, short term employees, student, and part-time academic employees of community colleges employed full or part time by an educational employer, but does ~~shall~~ not include elected officials and appointees of the Governor with the advice and consent of the Senate, firefighters as defined by subsection (g-1) of Section 3 of the Illinois Public Labor Relations Act, and peace officers employed by a State university. For the purposes of this Act, part-time academic employees of community colleges shall be defined as those employees who provide less than 6 credit hours of instruction per academic semester.

(c) "Employee organization" or "labor organization" means an organization of any kind in which membership includes educational employees, and which exists for the purpose, in whole or in part, of dealing with employers concerning grievances, employee-employer disputes, wages, rates of pay, hours of employment, or conditions of work, but shall not include any organization which practices discrimination in membership because of race, color, creed, age, gender, national origin or political affiliation.

(d) "Exclusive representative" means the labor organization which has been designated by the Illinois Educational Labor Relations Board as the representative of the majority of educational employees in an

appropriate unit, or recognized by an educational employer prior to January 1, 1984 as the exclusive representative of the employees in an appropriate unit or, after January 1, 1984, recognized by an employer upon evidence that the employee organization has been designated as the exclusive representative by a majority of the employees in an appropriate unit.

(e) "Board" means the Illinois Educational Labor Relations Board.

(f) "Regional Superintendent" means the regional superintendent of schools provided for in Articles 3 and 3A of The School Code.

(g) "Supervisor" means any individual having authority in the interests of the employer to hire, transfer, suspend, lay off, recall, promote, discharge, reward or discipline other employees within the appropriate bargaining unit and adjust their grievances, or to effectively recommend such action if the exercise of such authority is not of a merely routine or clerical nature but requires the use of independent judgment. The term "supervisor" includes only those individuals who devote a preponderance of their employment time to such exercising authority.

(h) "Unfair labor practice" or "unfair practice" means any practice prohibited by Section 14 of this Act.

(i) "Person" includes an individual, educational employee, educational employer, legal representative, or employee organization.

(j) "Wages" means salaries or other forms of compensation for services rendered.

(k) "Professional employee" means, in the case of a public community college, State college or university, State agency whose major function is providing educational services, the Illinois School for the Deaf, and the Illinois School for the Visually Impaired, (1) any employee engaged in work (i) predominantly intellectual and varied in character as opposed to routine mental, manual, mechanical, or physical work; (ii) involving the consistent exercise of discretion and judgment in its performance; (iii) of such character that the output produced or the result accomplished cannot be standardized in relation to a given period of time; and (iv) requiring knowledge of an advanced type in a field of science or learning customarily acquired by a prolonged course of specialized intellectual instruction and study in an institution of higher learning or a hospital, as distinguished from a general academic education or from an apprenticeship or from training in the performance of routine mental, manual, or physical processes; or (2) any employee, who (i) has completed the courses of specialized intellectual instruction and study described in clause (iv) of paragraph (1) of this subsection, and (ii) is performing related work under the supervision of a professional person to qualify himself or herself to become a professional as defined in paragraph (l).

(l) "Professional employee" means, in the case of any public school district, or combination of school districts pursuant to joint agreement, any employee who has a certificate issued under Article 21 or Section 34-83 of the School Code, as now or hereafter amended.

(m) "Unit" or "bargaining unit" means any group of employees for which an exclusive representative is selected.

(n) "Confidential employee" means an employee, who (i) in the regular course of his or her duties, assists and acts in a confidential capacity to persons who formulate, determine and effectuate management policies with regard to labor relations or who (ii) in the regular course of his or her duties has access to information relating to the effectuation or review of the employer's collective bargaining policies.

(o) "Managerial employee" means an individual who is engaged predominantly in executive and management functions and is charged with the responsibility of directing the effectuation of such management policies and practices.

(p) "Craft employee" means a skilled journeyman, craft person, and his or her apprentice or helper.

(q) "Short-term employee" is an employee who is employed for less than 2 consecutive calendar quarters during a calendar year and who does not have a reasonable expectation that he or she will be rehired by the same employer for the same service in a subsequent calendar year. Nothing in this subsection shall affect the employee status of individuals who were covered by a collective bargaining agreement on the effective date of this amendatory Act of 1991. (Source: P.A. 92-547, eff. 6-13-02; 92-748, eff. 1-1-03; revised 8-26-02.)".

Floor Amendment No. 2 remained in the Committee on Rules.

There being no further amendments, the foregoing Amendment No. 1 was adopted and the bill, as amended, was held on the order of Second Reading.

SENATE BILL 1101. Having been printed, was taken up and read by title a second time.

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

AMENDMENT NO. 1

AMENDMENT NO. 1____. Amend Senate Bill 1101 on page 1, by replacing lines 4 and 5 with the following:

"Section 5. The Telecommunications Excise Tax Act is amended by changing Section 2 as follows:

(35 ILCS 630/2) (from Ch. 120, par. 2002) (Text of Section before amendment by P.A. 92-878)

Sec. 2. As used in this Article, unless the context clearly requires otherwise:

(a) "Gross charge" means the amount paid for the act or privilege of originating or receiving telecommunications in this State and for all services and equipment provided in connection therewith by a retailer, valued in money whether paid in money or otherwise, including cash, credits, services and property of every kind or nature, and shall be determined without any deduction on account of the cost of such telecommunications, the cost of materials used, labor or service costs or any other expense whatsoever. In case credit is extended, the amount thereof shall be included only as and when paid. "Gross charges" for private line service shall include charges imposed at each channel point within this State, charges for the channel mileage between each channel point within this State, and charges for that portion of the interstate inter-office channel provided within Illinois. However, "gross charges" shall not include:

(1) any amounts added to a purchaser's bill because of a charge made pursuant to (i) the tax imposed by this Article; (ii) charges added to customers' bills pursuant to the provisions of Sections 9-221 or 9-222 of the Public Utilities Act, as amended, or any similar charges added to customers' bills by retailers who are not subject to rate regulation by the Illinois Commerce Commission for the purpose of recovering any of the tax liabilities or other amounts specified in such provisions of such Act; (iii) the tax imposed by Section 4251 of the Internal Revenue Code; (iv) 911 surcharges; or (v) the tax imposed by the Simplified Municipal Telecommunications Tax Act;

(2) charges for a sent collect telecommunication received outside of the State;

(3) charges for leased time on equipment or charges for the storage of data or information for subsequent retrieval or the processing of data or information intended to change its form or content. Such equipment includes, but is not limited to, the use of calculators, computers, data processing equipment, tabulating equipment or accounting equipment and also includes the usage of computers under a time-sharing agreement;

(4) charges for customer equipment, including such equipment that is leased or rented by the customer from any source, wherein such charges are disaggregated and separately identified from other charges;

(5) charges to business enterprises certified under Section 9-222.1 of the Public Utilities Act, as amended, to the extent of such exemption and during the period of time specified by the Department of Commerce and Community Affairs;

(6) charges for telecommunications and all services and equipment provided in connection therewith between a parent corporation and its wholly owned subsidiaries or between wholly owned subsidiaries when the tax imposed under this Article has already been paid to a retailer and only to the extent that the charges between the parent corporation and wholly owned subsidiaries or between wholly owned subsidiaries represent expense allocation between the corporations and not the generation of profit for the corporation rendering such service;

(7) bad debts. Bad debt means any portion of a debt that is related to a sale at retail for which gross charges are not otherwise deductible or excludable that has become worthless or uncollectable, as determined under applicable federal income tax standards. If the portion of the debt deemed to be bad is subsequently paid, the retailer shall report and pay the tax on that portion during the reporting period in which the payment is made;

(8) charges paid by inserting coins in coin-operated telecommunication devices;

(9) amounts paid by telecommunications retailers under the Telecommunications Municipal Infrastructure Maintenance Fee Act.

(b) "Amount paid" means the amount charged to the taxpayer's service address in this State regardless of where such amount is billed or paid.

(c) "Telecommunications", in addition to the meaning ordinarily and popularly ascribed to it, includes, without limitation, messages or information transmitted through use of local, toll and wide area telephone service; private line services; channel services; telegraph services; teletypewriter; computer exchange services; cellular mobile telecommunications service; specialized mobile radio; stationary two way radio; paging service; or any other form of mobile and portable one-way or two-way communications; or any

other transmission of messages or information by electronic or similar means, between or among points by wire, cable, fiber-optics, laser, microwave, radio, satellite or similar facilities. As used in this Act, "private line" means a dedicated non-traffic sensitive service for a single customer, that entitles the customer to exclusive or priority use of a communications channel or group of channels, from one or more specified locations to one or more other specified locations. The definition of "telecommunications" shall not include value added services in which computer processing applications are used to act on the form, content, code and protocol of the information for purposes other than transmission. "Telecommunications" shall not include purchases of telecommunications by a telecommunications service provider for use as a component part of the service provided by him to the ultimate retail consumer who originates or terminates the taxable end-to-end communications. Carrier access charges, right of access charges, charges for use of inter-company facilities, and all telecommunications resold in the subsequent provision of, used as a component of, or integrated into end-to-end telecommunications service shall be non-taxable as sales for resale.

(d) "Interstate telecommunications" means all telecommunications that either originate or terminate outside this State.

(e) "Intrastate telecommunications" means all telecommunications that originate and terminate within this State.

(f) "Department" means the Department of Revenue of the State of Illinois.

(g) "Director" means the Director of Revenue for the Department of Revenue of the State of Illinois.

(h) "Taxpayer" means a person who individually or through his agents, employees or permittees engages in the act or privilege of originating or receiving telecommunications in this State and who incurs a tax liability under this Article.

(i) "Person" means any natural individual, firm, trust, estate, partnership, association, joint stock company, joint venture, corporation, limited liability company, or a receiver, trustee, guardian or other representative appointed by order of any court, the Federal and State governments, including State universities created by statute or any city, town, county or other political subdivision of this State.

(j) "Purchase at retail" means the acquisition, consumption or use of telecommunication through a sale at retail.

(k) "Sale at retail" means the transmitting, supplying or furnishing of telecommunications and all services and equipment provided in connection therewith for a consideration to persons other than the Federal and State governments, and State universities created by statute and other than between a parent corporation and its wholly owned subsidiaries or between wholly owned subsidiaries for their use or consumption and not for resale.

(l) "Retailer" means and includes every person engaged in the business of making sales at retail as defined in this Article. The Department may, in its discretion, upon application, authorize the collection of the tax hereby imposed by any retailer not maintaining a place of business within this State, who, to the satisfaction of the Department, furnishes adequate security to insure collection and payment of the tax. Such retailer shall be issued, without charge, a permit to collect such tax. When so authorized, it shall be the duty of such retailer to collect the tax upon all of the gross charges for telecommunications in this State in the same manner and subject to the same requirements as a retailer maintaining a place of business within this State. The permit may be revoked by the Department at its discretion.

(m) "Retailer maintaining a place of business in this State", or any like term, means and includes any retailer having or maintaining within this State, directly or by a subsidiary, an office, distribution facilities, transmission facilities, sales office, warehouse or other place of business, or any agent or other representative operating within this State under the authority of the retailer or its subsidiary, irrespective of whether such place of business or agent or other representative is located here permanently or temporarily, or whether such retailer or subsidiary is licensed to do business in this State.

(n) "Service address" means the location of telecommunications equipment from which the telecommunications services are originated or at which telecommunications services are received by a taxpayer. In the event this may not be a defined location, as in the case of mobile phones, paging systems, maritime systems, service address means the customer's place of primary use as defined in the Mobile Telecommunications Sourcing Conformity Act. For air-to-ground systems and the like, service address shall mean the location of a taxpayer's primary use of the telecommunications equipment as defined by telephone number, authorization code, or location in Illinois where bills are sent.

(o) "Prepaid telephone calling arrangements" mean the right to exclusively purchase telephone or telecommunications services that must be paid for in advance and enable the origination of one or more intrastate, interstate, or international telephone calls or other telecommunications using an access number, an authorization code, or both, whether manually or electronically dialed, for which payment to a retailer

must be made in advance, provided that, unless recharged, no further service is provided once that prepaid amount of service has been consumed. Prepaid telephone calling arrangements include the recharge of a prepaid calling arrangement. For purposes of this subsection, "recharge" means the purchase of additional prepaid telephone or telecommunications services whether or not the purchaser acquires a different access number or authorization code. "Prepaid telephone calling arrangement" does not include an arrangement whereby a customer purchases a payment card and pursuant to which the service provider reflects the amount of such purchase as a credit on an invoice issued to that customer under an existing subscription plan. (Source: P.A. 91-870, eff. 6-22-00; 92-474, eff. 8-1-02; 92-526, eff. 1-1-03.)

(Text of Section after amendment by P.A. 92-878)

Sec. 2. As used in this Article, unless the context clearly requires otherwise:

(a) "Gross charge" means the amount paid for the act or privilege of originating or receiving telecommunications in this State and for all services and equipment provided in connection therewith by a retailer, valued in money whether paid in money or otherwise, including cash, credits, services and property of every kind or nature, and shall be determined without any deduction on account of the cost of such telecommunications, the cost of materials used, labor or service costs or any other expense whatsoever. In case credit is extended, the amount thereof shall be included only as and when paid. "Gross charges" for private line service shall include charges imposed at each channel termination point within this State, charges for the channel mileage between each channel termination point within this State, and charges for that portion of the interstate inter-office channel provided within Illinois. Charges for that portion of the interstate inter-office channel provided in Illinois shall be determined by the retailer as follows: (i) for interstate inter-office channels having 2 channel termination points, only one of which is in Illinois, 50% of the total charge imposed; or (ii) for interstate inter-office channels having more than 2 channel termination points, one or more of which are in Illinois, an amount equal to the total charge multiplied by a fraction, the numerator of which is the number of channel termination points within Illinois and the denominator of which is the total number of channel termination points~~; or (iii) any other method that reasonably apportions the total charges for interstate inter-office channels among the states in which channel termination points are located~~. Prior to January 1, 2004 ~~June 1, 2003~~, any ~~apportionment~~ method consistent with this paragraph or other method that reasonably apportions the total charges for interstate inter-office channels among the states in which channel terminations points are located shall be accepted as a reasonable method to determine the charges for that portion of the interstate inter-office channel provided within Illinois for that period. However, "gross charges" shall not include any of the following:

(1) Any amounts added to a purchaser's bill because of a charge made pursuant to (i) the tax imposed by this Article; (ii) charges added to customers' bills pursuant to the provisions of Sections 9-221 or 9-222 of the Public Utilities Act, as amended, or any similar charges added to customers' bills by retailers who are not subject to rate regulation by the Illinois Commerce Commission for the purpose of recovering any of the tax liabilities or other amounts specified in such provisions of such Act; (iii) the tax imposed by Section 4251 of the Internal Revenue Code; (iv) 911 surcharges; or (v) the tax imposed by the Simplified Municipal Telecommunications Tax Act.

(2) Charges for a sent collect telecommunication received outside of the State.

(3) Charges for leased time on equipment or charges for the storage of data or information for subsequent retrieval or the processing of data or information intended to change its form or content. Such equipment includes, but is not limited to, the use of calculators, computers, data processing equipment, tabulating equipment or accounting equipment and also includes the usage of computers under a time-sharing agreement.

(4) Charges for customer equipment, including such equipment that is leased or rented by the customer from any source, wherein such charges are disaggregated and separately identified from other charges.

(5) Charges to business enterprises certified under Section 9-222.1 of the Public Utilities Act, as amended, to the extent of such exemption and during the period of time specified by the Department of Commerce and Community Affairs.

(6) Charges for telecommunications and all services and equipment provided in connection therewith between a parent corporation and its wholly owned subsidiaries or between wholly owned subsidiaries when the tax imposed under this Article has already been paid to a retailer and only to the extent that the charges between the parent corporation and wholly owned subsidiaries or between wholly owned subsidiaries represent expense allocation between the corporations and not the generation of profit for the corporation rendering such service.

(7) Bad debts. Bad debt means any portion of a debt that is related to a sale at retail for which gross

charges are not otherwise deductible or excludable that has become worthless or uncollectable, as determined under applicable federal income tax standards. If the portion of the debt deemed to be bad is subsequently paid, the retailer shall report and pay the tax on that portion during the reporting period in which the payment is made.

(8) Charges paid by inserting coins in coin-operated telecommunication devices.

(9) Amounts paid by telecommunications retailers under the Telecommunications Municipal Infrastructure Maintenance Fee Act.

(10) Charges for nontaxable services or telecommunications if (i) those charges are aggregated with other charges for telecommunications that are taxable, (ii) those charges are not separately stated on the customer bill or invoice, and (iii) the retailer can reasonably identify the nontaxable charges on the retailer's books and records kept in the regular course of business. If the nontaxable charges cannot reasonably be identified, the gross charge from the sale of both taxable and nontaxable services or telecommunications billed on a combined basis shall be attributed to the taxable services or telecommunications. The burden of proving nontaxable charges shall be on the retailer of the telecommunications.

(b) "Amount paid" means the amount charged to the taxpayer's service address in this State regardless of where such amount is billed or paid.

(c) "Telecommunications", in addition to the meaning ordinarily and popularly ascribed to it, includes, without limitation, messages or information transmitted through use of local, toll and wide area telephone service; private line services; channel services; telegraph services; teletypewriter; computer exchange services; cellular mobile telecommunications service; specialized mobile radio; stationary two way radio; paging service; or any other form of mobile and portable one-way or two-way communications; or any other transmission of messages or information by electronic or similar means, between or among points by wire, cable, fiber-optics, laser, microwave, radio, satellite or similar facilities. As used in this Act, "private line" means a dedicated non-traffic sensitive service for a single customer, that entitles the customer to exclusive or priority use of a communications channel or group of channels, from one or more specified locations to one or more other specified locations. The definition of "telecommunications" shall not include value added services in which computer processing applications are used to act on the form, content, code and protocol of the information for purposes other than transmission. "Telecommunications" shall not include purchases of telecommunications by a telecommunications service provider for use as a component part of the service provided by him to the ultimate retail consumer who originates or terminates the taxable end-to-end communications. Carrier access charges, right of access charges, charges for use of inter-company facilities, and all telecommunications resold in the subsequent provision of, used as a component of, or integrated into end-to-end telecommunications service shall be non-taxable as sales for resale.

(d) "Interstate telecommunications" means all telecommunications that either originate or terminate outside this State.

(e) "Intrastate telecommunications" means all telecommunications that originate and terminate within this State.

(f) "Department" means the Department of Revenue of the State of Illinois.

(g) "Director" means the Director of Revenue for the Department of Revenue of the State of Illinois.

(h) "Taxpayer" means a person who individually or through his agents, employees or permittees engages in the act or privilege of originating or receiving telecommunications in this State and who incurs a tax liability under this Article.

(i) "Person" means any natural individual, firm, trust, estate, partnership, association, joint stock company, joint venture, corporation, limited liability company, or a receiver, trustee, guardian or other representative appointed by order of any court, the Federal and State governments, including State universities created by statute or any city, town, county or other political subdivision of this State.

(j) "Purchase at retail" means the acquisition, consumption or use of telecommunication through a sale at retail.

(k) "Sale at retail" means the transmitting, supplying or furnishing of telecommunications and all services and equipment provided in connection therewith for a consideration to persons other than the Federal and State governments, and State universities created by statute and other than between a parent corporation and its wholly owned subsidiaries or between wholly owned subsidiaries for their use or consumption and not for resale.

(l) "Retailer" means and includes every person engaged in the business of making sales at retail as defined in this Article. The Department may, in its discretion, upon application, authorize the collection of the tax hereby imposed by any retailer not maintaining a place of business within this State, who, to the

satisfaction of the Department, furnishes adequate security to insure collection and payment of the tax. Such retailer shall be issued, without charge, a permit to collect such tax. When so authorized, it shall be the duty of such retailer to collect the tax upon all of the gross charges for telecommunications in this State in the same manner and subject to the same requirements as a retailer maintaining a place of business within this State. The permit may be revoked by the Department at its discretion.

(m) "Retailer maintaining a place of business in this State", or any like term, means and includes any retailer having or maintaining within this State, directly or by a subsidiary, an office, distribution facilities, transmission facilities, sales office, warehouse or other place of business, or any agent or other representative operating within this State under the authority of the retailer or its subsidiary, irrespective of whether such place of business or agent or other representative is located here permanently or temporarily, or whether such retailer or subsidiary is licensed to do business in this State.

(n) "Service address" means the location of telecommunications equipment from which the telecommunications services are originated or at which telecommunications services are received by a taxpayer. In the event this may not be a defined location, as in the case of mobile phones, paging systems, maritime systems, service address means the customer's place of primary use as defined in the Mobile Telecommunications Sourcing Conformity Act. For air-to-ground systems and the like, service address shall mean the location of a taxpayer's primary use of the telecommunications equipment as defined by telephone number, authorization code, or location in Illinois where bills are sent.

(o) "Prepaid telephone calling arrangements" mean the right to exclusively purchase telephone or telecommunications services that must be paid for in advance and enable the origination of one or more intrastate, interstate, or international telephone calls or other telecommunications using an access number, an authorization code, or both, whether manually or electronically dialed, for which payment to a retailer must be made in advance, provided that, unless recharged, no further service is provided once that prepaid amount of service has been consumed. Prepaid telephone calling arrangements include the recharge of a prepaid calling arrangement. For purposes of this subsection, "recharge" means the purchase of additional prepaid telephone or telecommunications services whether or not the purchaser acquires a different access number or authorization code. "Prepaid telephone calling arrangement" does not include an arrangement whereby a customer purchases a payment card and pursuant to which the service provider reflects the amount of such purchase as a credit on an invoice issued to that customer under an existing subscription plan. (Source: P.A. 91-870, eff. 6-22-00; 92-474, eff. 8-1-02; 92-526, eff. 1-1-03; 92-878, eff. 1-1-04.)

Section 10. The Telecommunications Infrastructure Maintenance Fee Act is amended by changing Section 10 as follows:

(35 ILCS 635/10) (Text of Section before amendment by P.A. 92-878)

Sec. 10. Definitions. (a) "Gross charges" means the amount paid to a telecommunications retailer for the act or privilege of originating or receiving telecommunications in this State and for all services rendered in connection therewith, valued in money whether paid in money or otherwise, including cash, credits, services, and property of every kind or nature, and shall be determined without any deduction on account of the cost of such telecommunications, the cost of the materials used, labor or service costs, or any other expense whatsoever. In case credit is extended, the amount thereof shall be included only as and when paid. "Gross charges" for private line service shall include charges imposed at each channel point within this State, charges for the channel mileage between each channel point within this State, and charges for that portion of the interstate inter-office channel provided within Illinois. However, "gross charges" shall not include:

(1) any amounts added to a purchaser's bill because of a charge made under: (i) the fee imposed by this Section, (ii) additional charges added to a purchaser's bill under Section 9-221 or 9-222 of the Public Utilities Act, (iii) the tax imposed by the Telecommunications Excise Tax Act, (iv) 911 surcharges, (v) the tax imposed by Section 4251 of the Internal Revenue Code, or (vi) the tax imposed by the Simplified Municipal Telecommunications Tax Act;

(2) charges for a sent collect telecommunication received outside of this State;

(3) charges for leased time on equipment or charges for the storage of data or information or subsequent retrieval or the processing of data or information intended to change its form or content. Such equipment includes, but is not limited to, the use of calculators, computers, data processing equipment, tabulating equipment, or accounting equipment and also includes the usage of computers under a time-sharing agreement;

(4) charges for customer equipment, including such equipment that is leased or rented by the customer from any source, wherein such charges are disaggregated and separately identified from other charges;

(5) charges to business enterprises certified under Section 9-222.1 of the Public Utilities Act to the extent of such exemption and during the period of time specified by the Department of Commerce and Community Affairs;

(6) charges for telecommunications and all services and equipment provided in connection therewith between a parent corporation and its wholly owned subsidiaries or between wholly owned subsidiaries, and only to the extent that the charges between the parent corporation and wholly owned subsidiaries or between wholly owned subsidiaries represent expense allocation between the corporations and not the generation of profit other than a regulatory required profit for the corporation rendering such services;

(7) bad debts ("bad debt" means any portion of a debt that is related to a sale at retail for which gross charges are not otherwise deductible or excludable that has become worthless or uncollectible, as determined under applicable federal income tax standards; if the portion of the debt deemed to be bad is subsequently paid, the retailer shall report and pay the tax on that portion during the reporting period in which the payment is made); or

(8) charges paid by inserting coins in coin-operated telecommunication devices.

(a-5) "Department" means the Illinois Department of Revenue.

(b) "Telecommunications" includes, but is not limited to, messages or information transmitted through use of local, toll, and wide area telephone service, channel services, telegraph services, teletypewriter service, computer exchange services, private line services, specialized mobile radio services, or any other transmission of messages or information by electronic or similar means, between or among points by wire, cable, fiber optics, laser, microwave, radio, satellite, or similar facilities. Unless the context clearly requires otherwise, "telecommunications" shall also include wireless telecommunications as hereinafter defined. "Telecommunications" shall not include value added services in which computer processing applications are used to act on the form, content, code, and protocol of the information for purposes other than transmission. "Telecommunications" shall not include purchase of telecommunications by a telecommunications service provider for use as a component part of the service provided by him or her to the ultimate retail consumer who originates or terminates the end-to-end communications. Retailer access charges, right of access charges, charges for use of intercompany facilities, and all telecommunications resold in the subsequent provision and used as a component of, or integrated into, end-to-end telecommunications service shall not be included in gross charges as sales for resale. "Telecommunications" shall not include the provision of cable services through a cable system as defined in the Cable Communications Act of 1984 (47 U.S.C. Sections 521 and following) as now or hereafter amended or through an open video system as defined in the Rules of the Federal Communications Commission (47 C.D.F. 76.1550 and following) as now or hereafter amended. Beginning January 1, 2001, prepaid telephone calling arrangements shall not be considered "telecommunications" subject to the tax imposed under this Act. For purposes of this Section, "prepaid telephone calling arrangements" means that term as defined in Section 2-27 of the Retailers' Occupation Tax Act.

(c) "Wireless telecommunications" includes cellular mobile telephone services, personal wireless services as defined in Section 704(C) of the Telecommunications Act of 1996 (Public Law No. 104-104) as now or hereafter amended, including all commercial mobile radio services, and paging services.

(d) "Telecommunications retailer" or "retailer" or "carrier" means and includes every person engaged in the business of making sales of telecommunications at retail as defined in this Section. The Department may, in its discretion, upon applications, authorize the collection of the fee hereby imposed by any retailer not maintaining a place of business within this State, who, to the satisfaction of the Department, furnishes adequate security to insure collection and payment of the fee. When so authorized, it shall be the duty of such retailer to pay the fee upon all of the gross charges for telecommunications in the same manner and subject to the same requirements as a retailer maintaining a place of business within this State.

(e) "Retailer maintaining a place of business in this State", or any like term, means and includes any retailer having or maintaining within this State, directly or by a subsidiary, an office, distribution facilities, transmission facilities, sales office, warehouse, or other place of business, or any agent or other representative operating within this State under the authority of the retailer or its subsidiary, irrespective of whether such place of business or agent or other representative is located here permanently or temporarily, or whether such retailer or subsidiary is licensed to do business in this State.

(f) "Sale of telecommunications at retail" means the transmitting, supplying, or furnishing of telecommunications and all services rendered in connection therewith for a consideration, other than between a parent corporation and its wholly owned subsidiaries or between wholly owned subsidiaries, when the gross charge made by one such corporation to another such corporation is not greater than the gross charge paid to the retailer for their use or consumption and not for sale.

(g) "Service address" means the location of telecommunications equipment from which telecommunications services are originated or at which telecommunications services are received. If this is not a defined location, as in the case of wireless telecommunications, paging systems, maritime systems, service address means the customer's place of primary use as defined in the Mobile Telecommunications Sourcing Conformity Act. For air-to-ground systems, and the like, "service address" shall mean the location of the customer's primary use of the telecommunications equipment as defined by the location in Illinois where bills are sent. (Source: P.A. 91-870, eff. 6-22-00; 92-474, eff. 8-1-02; 92-526, eff. 1-1-03.)

(Text of Section after amendment by P.A. 92-878)

Sec. 10. Definitions.

(a) "Gross charges" means the amount paid to a telecommunications retailer for the act or privilege of originating or receiving telecommunications in this State and for all services rendered in connection therewith, valued in money whether paid in money or otherwise, including cash, credits, services, and property of every kind or nature, and shall be determined without any deduction on account of the cost of such telecommunications, the cost of the materials used, labor or service costs, or any other expense whatsoever. In case credit is extended, the amount thereof shall be included only as and when paid. "Gross charges" for private line service shall include charges imposed at each channel termination point within this State, charges for the channel mileage between each channel termination point within this State, and charges for that portion of the interstate inter-office channel provided within Illinois. Charges for that portion of the interstate inter-office channel provided in Illinois shall be determined by the retailer as follows: (i) for interstate inter-office channels having 2 channel termination points, only one of which is in Illinois, 50% of the total charge imposed; or (ii) for interstate inter-office channels having more than 2 channel termination points, one or more of which are in Illinois, an amount equal to the total charge multiplied by a fraction, the numerator of which is the number of channel termination points within Illinois and the denominator of which is the total number of channel termination points~~; or (iii) any other method that reasonably apportions the total charges for interstate inter-office channels among the states in which channel termination points are located~~. Prior to January 1, 2004, ~~June 1, 2003~~, any ~~apportionment~~ method consistent with this paragraph or other method that reasonably apportions the total charges for interstate inter-office channels among the states in which channel terminations points are located shall be accepted as a reasonable method to determine the charges for that portion of the interstate inter-office channel provided within Illinois for that period. However, "gross charges" shall not include any of the following:

(1) Any amounts added to a purchaser's bill because of a charge made under: (i) the fee imposed by this Section, (ii) additional charges added to a purchaser's bill under Section 9-221 or 9-222 of the Public Utilities Act, (iii) the tax imposed by the Telecommunications Excise Tax Act, (iv) 911 surcharges, (v) the tax imposed by Section 4251 of the Internal Revenue Code, or (vi) the tax imposed by the Simplified Municipal Telecommunications Tax Act.

(2) Charges for a sent collect telecommunication received outside of this State.

(3) Charges for leased time on equipment or charges for the storage of data or information or subsequent retrieval or the processing of data or information intended to change its form or content. Such equipment includes, but is not limited to, the use of calculators, computers, data processing equipment, tabulating equipment, or accounting equipment and also includes the usage of computers under a time-sharing agreement.

(4) Charges for customer equipment, including such equipment that is leased or rented by the customer from any source, wherein such charges are disaggregated and separately identified from other charges.

(5) Charges to business enterprises certified under Section 9-222.1 of the Public Utilities Act to the extent of such exemption and during the period of time specified by the Department of Commerce and Community Affairs.

(6) Charges for telecommunications and all services and equipment provided in connection therewith between a parent corporation and its wholly owned subsidiaries or between wholly owned subsidiaries, and only to the extent that the charges between the parent corporation and wholly owned subsidiaries or between wholly owned subsidiaries represent expense allocation between the corporations and not the generation of profit other than a regulatory required profit for the corporation rendering such services.

(7) Bad debts ("bad debt" means any portion of a debt that is related to a sale at retail for which gross charges are not otherwise deductible or excludable that has become worthless or uncollectible, as determined under applicable federal income tax standards; if the portion of the debt deemed to be bad is subsequently paid, the retailer shall report and pay the tax on that portion during the reporting period in

which the payment is made).

(8) Charges paid by inserting coins in coin-operated telecommunication devices.

(9) Charges for nontaxable services or telecommunications if (i) those charges are aggregated with other charges for telecommunications that are taxable, (ii) those charges are not separately stated on the customer bill or invoice, and (iii) the retailer can reasonably identify the nontaxable charges on the retailer's books and records kept in the regular course of business. If the nontaxable charges cannot reasonably be identified, the gross charge from the sale of both taxable and nontaxable services or telecommunications billed on a combined basis shall be attributed to the taxable services or telecommunications. The burden of proving nontaxable charges shall be on the retailer of the telecommunications.

(a-5) "Department" means the Illinois Department of Revenue.

(b) "Telecommunications" includes, but is not limited to, messages or information transmitted through use of local, toll, and wide area telephone service, channel services, telegraph services, teletypewriter service, computer exchange services, private line services, specialized mobile radio services, or any other transmission of messages or information by electronic or similar means, between or among points by wire, cable, fiber optics, laser, microwave, radio, satellite, or similar facilities. Unless the context clearly requires otherwise, "telecommunications" shall also include wireless telecommunications as hereinafter defined. "Telecommunications" shall not include value added services in which computer processing applications are used to act on the form, content, code, and protocol of the information for purposes other than transmission. "Telecommunications" shall not include purchase of telecommunications by a telecommunications service provider for use as a component part of the service provided by him or her to the ultimate retail consumer who originates or terminates the end-to-end communications. Retailer access charges, right of access charges, charges for use of intercompany facilities, and all telecommunications resold in the subsequent provision and used as a component of, or integrated into, end-to-end telecommunications service shall not be included in gross charges as sales for resale. "Telecommunications" shall not include the provision of cable services through a cable system as defined in the Cable Communications Act of 1984 (47 U.S.C. Sections 521 and following) as now or hereafter amended or through an open video system as defined in the Rules of the Federal Communications Commission (47 C.D.F. 76.1550 and following) as now or hereafter amended. Beginning January 1, 2001, prepaid telephone calling arrangements shall not be considered "telecommunications" subject to the tax imposed under this Act. For purposes of this Section, "prepaid telephone calling arrangements" means that term as defined in Section 2-27 of the Retailers' Occupation Tax Act.

(c) "Wireless telecommunications" includes cellular mobile telephone services, personal wireless services as defined in Section 704(C) of the Telecommunications Act of 1996 (Public Law No. 104-104) as now or hereafter amended, including all commercial mobile radio services, and paging services.

(d) "Telecommunications retailer" or "retailer" or "carrier" means and includes every person engaged in the business of making sales of telecommunications at retail as defined in this Section. The Department may, in its discretion, upon applications, authorize the collection of the fee hereby imposed by any retailer not maintaining a place of business within this State, who, to the satisfaction of the Department, furnishes adequate security to insure collection and payment of the fee. When so authorized, it shall be the duty of such retailer to pay the fee upon all of the gross charges for telecommunications in the same manner and subject to the same requirements as a retailer maintaining a place of business within this State.

(e) "Retailer maintaining a place of business in this State", or any like term, means and includes any retailer having or maintaining within this State, directly or by a subsidiary, an office, distribution facilities, transmission facilities, sales office, warehouse, or other place of business, or any agent or other representative operating within this State under the authority of the retailer or its subsidiary, irrespective of whether such place of business or agent or other representative is located here permanently or temporarily, or whether such retailer or subsidiary is licensed to do business in this State.

(f) "Sale of telecommunications at retail" means the transmitting, supplying, or furnishing of telecommunications and all services rendered in connection therewith for a consideration, other than between a parent corporation and its wholly owned subsidiaries or between wholly owned subsidiaries, when the gross charge made by one such corporation to another such corporation is not greater than the gross charge paid to the retailer for their use or consumption and not for sale.

(g) "Service address" means the location of telecommunications equipment from which telecommunications services are originated or at which telecommunications services are received. If this is not a defined location, as in the case of wireless telecommunications, paging systems, maritime systems, service address means the customer's place of primary use as defined in the Mobile Telecommunications

Sourcing Conformity Act. For air-to-ground systems, and the like, "service address" shall mean the location of the customer's primary use of the telecommunications equipment as defined by the location in Illinois where bills are sent. (Source: P.A. 91-870, eff. 6-22-00; 92-474, eff. 8-1-02; 92-526, eff. 1-1-03; 92-878, eff. 1-1-04.)

Section 15. The Simplified Municipal Telecommunications Tax Act is amended by changing Sections 5-7, 5-10, and 5-50 as follows:

(35 ILCS 636/5-7) (Text of Section before amendment by P.A. 92-878)

Sec. 5-7. Definitions. For purposes of the taxes authorized by this Act:

"Amount paid" means the amount charged to the taxpayer's service address in such municipality regardless of where such amount is billed or paid.

"Department" means the Illinois Department of Revenue.

"Gross charge" means the amount paid for the act or privilege of originating or receiving telecommunications in such municipality and for all services and equipment provided in connection therewith by a retailer, valued in money whether paid in money or otherwise, including cash, credits, services and property of every kind or nature, and shall be determined without any deduction on account of the cost of such telecommunications, the cost of the materials used, labor or service costs or any other expense whatsoever. In case credit is extended, the amount thereof shall be included only as and when paid. "Gross charges" for private line service shall include charges imposed at each channel point within this State, charges for the channel mileage between each channel point within this State, and charges for that portion of the interstate inter-office channel provided within Illinois. However, "gross charge" shall not include:

(1) any amounts added to a purchaser's bill because of a charge made pursuant to: (i) the tax imposed by this Act, (ii) the tax imposed by the Telecommunications Excise Tax Act, (iii) the tax imposed by Section 4251 of the Internal Revenue Code, (iv) 911 surcharges, or (v) charges added to customers' bills pursuant to the provisions of Section 9-221 or 9-222 of the Public Utilities Act, as amended, or any similar charges added to customers' bills by retailers who are not subject to rate regulation by the Illinois Commerce Commission for the purpose of recovering any of the tax liabilities or other amounts specified in those provisions of the Public Utilities Act;

(2) charges for a sent collect telecommunication received outside of such municipality;

(3) charges for leased time on equipment or charges for the storage of data or information for subsequent retrieval or the processing of data or information intended to change its form or content. Such equipment includes, but is not limited to, the use of calculators, computers, data processing equipment, tabulating equipment or accounting equipment and also includes the usage of computers under a time-sharing agreement;

(4) charges for customer equipment, including such equipment that is leased or rented by the customer from any source, wherein such charges are disaggregated and separately identified from other charges;

(5) charges to business enterprises certified as exempt under Section 9-222.1 of the Public Utilities Act to the extent of such exemption and during the period of time specified by the Department of Commerce and Community Affairs;

(6) charges for telecommunications and all services and equipment provided in connection therewith between a parent corporation and its wholly owned subsidiaries or between wholly owned subsidiaries when the tax imposed under this Act has already been paid to a retailer and only to the extent that the charges between the parent corporation and wholly owned subsidiaries or between wholly owned subsidiaries represent expense allocation between the corporations and not the generation of profit for the corporation rendering such service;

(7) bad debts ("bad debt" means any portion of a debt that is related to a sale at retail for which gross charges are not otherwise deductible or excludable that has become worthless or uncollectible, as determined under applicable federal income tax standards; if the portion of the debt deemed to be bad is subsequently paid, the retailer shall report and pay the tax on that portion during the reporting period in which the payment is made);

(8) charges paid by inserting coins in coin-operated telecommunication devices; or

(9) amounts paid by telecommunications retailers under the Telecommunications Infrastructure Maintenance Fee Act.

"Interstate telecommunications" means all telecommunications that either originate or terminate outside this State.

"Intrastate telecommunications" means all telecommunications that originate and terminate within this

State.

"Person" means any natural individual, firm, trust, estate, partnership, association, joint stock company, joint venture, corporation, limited liability company, or a receiver, trustee, guardian, or other representative appointed by order of any court, the Federal and State governments, including State universities created by statute, or any city, town, county, or other political subdivision of this State.

"Purchase at retail" means the acquisition, consumption or use of telecommunications through a sale at retail.

"Retailer" means and includes every person engaged in the business of making sales at retail as defined in this Section. The Department may, in its discretion, upon application, authorize the collection of the tax hereby imposed by any retailer not maintaining a place of business within this State, who, to the satisfaction of the Department, furnishes adequate security to insure collection and payment of the tax. Such retailer shall be issued, without charge, a permit to collect such tax. When so authorized, it shall be the duty of such retailer to collect the tax upon all of the gross charges for telecommunications in this State in the same manner and subject to the same requirements as a retailer maintaining a place of business within this State. The permit may be revoked by the Department at its discretion.

"Retailer maintaining a place of business in this State", or any like term, means and includes any retailer having or maintaining within this State, directly or by a subsidiary, an office, distribution facilities, transmission facilities, sales office, warehouse or other place of business, or any agent or other representative operating within this State under the authority of the retailer or its subsidiary, irrespective of whether such place of business or agent or other representative is located here permanently or temporarily, or whether such retailer or subsidiary is licensed to do business in this State.

"Sale at retail" means the transmitting, supplying or furnishing of telecommunications and all services and equipment provided in connection therewith for a consideration, to persons other than the Federal and State governments, and State universities created by statute and other than between a parent corporation and its wholly owned subsidiaries or between wholly owned subsidiaries for their use or consumption and not for resale.

"Service address" means the location of telecommunications equipment from which telecommunications services are originated or at which telecommunications services are received by a taxpayer. In the event this may not be a defined location, as in the case of mobile phones, paging systems, and maritime systems, service address means the customer's place of primary use as defined in the Mobile Telecommunications Sourcing Conformity Act. For air-to-ground systems and the like, "service address" shall mean the location of a taxpayer's primary use of the telecommunications equipment as defined by telephone number, authorization code, or location in Illinois where bills are sent.

"Taxpayer" means a person who individually or through his or her agents, employees, or permittees engages in the act or privilege of originating or receiving telecommunications in a municipality and who incurs a tax liability as authorized by this Act.

"Telecommunications", in addition to the meaning ordinarily and popularly ascribed to it, includes, without limitation, messages or information transmitted through use of local, toll, and wide area telephone service, private line services, channel services, telegraph services, teletypewriter, computer exchange services, cellular mobile telecommunications service, specialized mobile radio, stationary two-way radio, paging service, or any other form of mobile and portable one-way or two-way communications, or any other transmission of messages or information by electronic or similar means, between or among points by wire, cable, fiber optics, laser, microwave, radio, satellite, or similar facilities. As used in this Act, "private line" means a dedicated non-traffic sensitive service for a single customer, that entitles the customer to exclusive or priority use of a communications channel or group of channels, from one or more specified locations to one or more other specified locations. The definition of "telecommunications" shall not include value added services in which computer processing applications are used to act on the form, content, code, and protocol of the information for purposes other than transmission. "Telecommunications" shall not include purchases of telecommunications by a telecommunications service provider for use as a component part of the service provided by such provider to the ultimate retail consumer who originates or terminates the taxable end-to-end communications. Carrier access charges, right of access charges, charges for use of inter-company facilities, and all telecommunications resold in the subsequent provision of, used as a component of, or integrated into, end-to-end telecommunications service shall be non-taxable as sales for resale. Prepaid telephone calling arrangements shall not be considered "telecommunications" subject to the tax imposed under this Act. For purposes of this Section, "prepaid telephone calling arrangements" means that term as defined in Section 2-27 of the Retailers' Occupations Tax Act. (Source: P.A. 92-526, eff. 7-1-02.)

(Text of Section after amendment by P.A. 92-878)

Sec. 5-7. Definitions. For purposes of the taxes authorized by this Act:

"Amount paid" means the amount charged to the taxpayer's service address in such municipality regardless of where such amount is billed or paid.

"Department" means the Illinois Department of Revenue.

"Gross charge" means the amount paid for the act or privilege of originating or receiving telecommunications in such municipality and for all services and equipment provided in connection therewith by a retailer, valued in money whether paid in money or otherwise, including cash, credits, services and property of every kind or nature, and shall be determined without any deduction on account of the cost of such telecommunications, the cost of the materials used, labor or service costs or any other expense whatsoever. In case credit is extended, the amount thereof shall be included only as and when paid. "Gross charges" for private line service shall include charges imposed at each channel termination point within a municipality that has imposed a tax under this Section and ~~this State,~~ charges for the ~~channel mileage between each channel point within this State, and charges for that~~ portion of the ~~interstate~~ inter-office channels ~~channel~~ provided within that municipality ~~Illinois~~ . Charges for that portion of the ~~interstate~~ inter-office channel connecting 2 or more channel termination points, one or more of which is located within the jurisdictional boundary of such municipality, shall be determined by the retailer by multiplying an amount equal to the total charge for the inter-office channel by a fraction, the numerator of which is the number of channel termination points that are located within the jurisdictional boundary of the municipality and the denominator of which is the total number of channel termination points connected by the inter-office channel. Prior to January 1, 2004, any method consistent with this paragraph or other method that reasonably apportions the total charges for inter-office channels among the municipalities in which channel termination points are located shall be accepted as a reasonable method to determine the taxable portion of an inter-office channel provided within a municipality for that period ~~provided in Illinois shall be determined by the retailer as follows: (i) for interstate inter-office channels having 2 channel termination points, only one of which is in Illinois, 50% of the total charge imposed; (ii) for interstate inter-office channels having more than 2 channel termination points, one or more of which are in Illinois, an amount equal to the total charge multiplied by a fraction, the numerator of which is the number of channel termination points within Illinois and the denominator of which is the total number of channel termination points; or (iii) any other method that reasonably apportions the total charges for interstate inter-office channels among the states in which channel termination points are located. Prior to June 1, 2003, any apportionment method consistent with this paragraph shall be accepted as a reasonable method to determine the charges for that portion of the interstate inter-office channel provided within Illinois for that period~~. However, "gross charge" shall not include any of the following:

(1) Any amounts added to a purchaser's bill because of a charge made pursuant to: (i) the tax imposed by this Act, (ii) the tax imposed by the Telecommunications Excise Tax Act, (iii) the tax imposed by Section 4251 of the Internal Revenue Code, (iv) 911 surcharges, or (v) charges added to customers' bills pursuant to the provisions of Section 9-221 or 9-222 of the Public Utilities Act, as amended, or any similar charges added to customers' bills by retailers who are not subject to rate regulation by the Illinois Commerce Commission for the purpose of recovering any of the tax liabilities or other amounts specified in those provisions of the Public Utilities Act.

(2) Charges for a sent collect telecommunication received outside of such municipality.

(3) Charges for leased time on equipment or charges for the storage of data or information for subsequent retrieval or the processing of data or information intended to change its form or content. Such equipment includes, but is not limited to, the use of calculators, computers, data processing equipment, tabulating equipment or accounting equipment and also includes the usage of computers under a time-sharing agreement.

(4) Charges for customer equipment, including such equipment that is leased or rented by the customer from any source, wherein such charges are disaggregated and separately identified from other charges.

(5) Charges to business enterprises certified as exempt under Section 9-222.1 of the Public Utilities Act to the extent of such exemption and during the period of time specified by the Department of Commerce and Community Affairs.

(6) Charges for telecommunications and all services and equipment provided in connection therewith between a parent corporation and its wholly owned subsidiaries or between wholly owned subsidiaries when the tax imposed under this Act has already been paid to a retailer and only to the extent that the charges between the parent corporation and wholly owned subsidiaries or between wholly

owned subsidiaries represent expense allocation between the corporations and not the generation of profit for the corporation rendering such service.

(7) Bad debts ("bad debt" means any portion of a debt that is related to a sale at retail for which gross charges are not otherwise deductible or excludable that has become worthless or uncollectible, as determined under applicable federal income tax standards; if the portion of the debt deemed to be bad is subsequently paid, the retailer shall report and pay the tax on that portion during the reporting period in which the payment is made).

(8) Charges paid by inserting coins in coin-operated telecommunication devices.

(9) Amounts paid by telecommunications retailers under the Telecommunications Infrastructure Maintenance Fee Act.

(10) Charges for nontaxable services or telecommunications if (i) those charges are aggregated with other charges for telecommunications that are taxable, (ii) those charges are not separately stated on the customer bill or invoice, and (iii) the retailer can reasonably identify the nontaxable charges on the retailer's books and records kept in the regular course of business. If the nontaxable charges cannot reasonably be identified, the gross charge from the sale of both taxable and nontaxable services or telecommunications billed on a combined basis shall be attributed to the taxable services or telecommunications. The burden of proving nontaxable charges shall be on the retailer of the telecommunications.

"Interstate telecommunications" means all telecommunications that either originate or terminate outside this State.

"Intrastate telecommunications" means all telecommunications that originate and terminate within this State.

"Person" means any natural individual, firm, trust, estate, partnership, association, joint stock company, joint venture, corporation, limited liability company, or a receiver, trustee, guardian, or other representative appointed by order of any court, the Federal and State governments, including State universities created by statute, or any city, town, county, or other political subdivision of this State.

"Purchase at retail" means the acquisition, consumption or use of telecommunications through a sale at retail.

"Retailer" means and includes every person engaged in the business of making sales at retail as defined in this Section. The Department may, in its discretion, upon application, authorize the collection of the tax hereby imposed by any retailer not maintaining a place of business within this State, who, to the satisfaction of the Department, furnishes adequate security to insure collection and payment of the tax. Such retailer shall be issued, without charge, a permit to collect such tax. When so authorized, it shall be the duty of such retailer to collect the tax upon all of the gross charges for telecommunications in this State in the same manner and subject to the same requirements as a retailer maintaining a place of business within this State. The permit may be revoked by the Department at its discretion.

"Retailer maintaining a place of business in this State", or any like term, means and includes any retailer having or maintaining within this State, directly or by a subsidiary, an office, distribution facilities, transmission facilities, sales office, warehouse or other place of business, or any agent or other representative operating within this State under the authority of the retailer or its subsidiary, irrespective of whether such place of business or agent or other representative is located here permanently or temporarily, or whether such retailer or subsidiary is licensed to do business in this State.

"Sale at retail" means the transmitting, supplying or furnishing of telecommunications and all services and equipment provided in connection therewith for a consideration, to persons other than the Federal and State governments, and State universities created by statute and other than between a parent corporation and its wholly owned subsidiaries or between wholly owned subsidiaries for their use or consumption and not for resale.

"Service address" means the location of telecommunications equipment from which telecommunications services are originated or at which telecommunications services are received by a taxpayer. In the event this may not be a defined location, as in the case of mobile phones, paging systems, and maritime systems, service address means the customer's place of primary use as defined in the Mobile Telecommunications Sourcing Conformity Act. For air-to-ground systems and the like, "service address" shall mean the location of a taxpayer's primary use of the telecommunications equipment as defined by telephone number, authorization code, or location in Illinois where bills are sent.

"Taxpayer" means a person who individually or through his or her agents, employees, or permittees engages in the act or privilege of originating or receiving telecommunications in a municipality and who incurs a tax liability as authorized by this Act.

"Telecommunications", in addition to the meaning ordinarily and popularly ascribed to it, includes, without limitation, messages or information transmitted through use of local, toll, and wide area telephone service, private line services, channel services, telegraph services, teletypewriter, computer exchange services, cellular mobile telecommunications service, specialized mobile radio, stationary two-way radio, paging service, or any other form of mobile and portable one-way or two-way communications, or any other transmission of messages or information by electronic or similar means, between or among points by wire, cable, fiber optics, laser, microwave, radio, satellite, or similar facilities. As used in this Act, "private line" means a dedicated non-traffic sensitive service for a single customer, that entitles the customer to exclusive or priority use of a communications channel or group of channels, from one or more specified locations to one or more other specified locations. The definition of "telecommunications" shall not include value added services in which computer processing applications are used to act on the form, content, code, and protocol of the information for purposes other than transmission. "Telecommunications" shall not include purchases of telecommunications by a telecommunications service provider for use as a component part of the service provided by such provider to the ultimate retail consumer who originates or terminates the taxable end-to-end communications. Carrier access charges, right of access charges, charges for use of inter-company facilities, and all telecommunications resold in the subsequent provision of, used as a component of, or integrated into, end-to-end telecommunications service shall be non-taxable as sales for resale. Prepaid telephone calling arrangements shall not be considered "telecommunications" subject to the tax imposed under this Act. For purposes of this Section, "prepaid telephone calling arrangements" means that term as defined in Section 2-27 of the Retailers' Occupation Tax Act. (Source: P.A. 92-526, eff. 7-1-02; 92-878, eff. 1-1-04.)

(35 ILCS 636/5-10)

Sec. 5-10. Authority. The corporate authorities of any municipality in this State may tax any and all of the following acts or privileges:

(a) The act or privilege of originating in such municipality or receiving in such municipality intrastate telecommunications by a person. To prevent actual multi-municipal taxation of the act or privilege that is subject to taxation under this subsection, any taxpayer, upon proof that the taxpayer has paid a tax in another municipality on that event, shall be allowed a credit against any tax enacted pursuant to or authorized by this Section to the extent of the amount of the tax properly due and paid in the municipality that was not previously allowed as a credit against any other municipal tax. However, such tax is not imposed on such act or privilege to the extent such act or privilege may not, under the Constitution and statutes of the United States, be made the subject of taxation by municipalities in this State.

(b) The act or privilege of originating in such municipality or receiving in such municipality interstate telecommunications by a person. To prevent actual multi-state or multi-municipal taxation of the act or privilege that is subject to taxation under this subsection, any taxpayer, upon proof that the taxpayer has paid a tax in another state or municipality in this State on such event, shall be allowed a credit against any tax enacted pursuant to or authorized by this Section to the extent of the amount of such tax properly due and paid in such other state or such tax properly due and paid in a municipality in this State which was not previously allowed as a credit against any other state or local tax in this State. However, such tax is not imposed on the act or privilege to the extent such act or privilege may not, under the Constitution and statutes of the United States, be made the subject of taxation by municipalities in this State. (Source: P.A. 92-526, eff. 7-1-02.)

"; and

on page 5, by replacing lines 27 and 28 with the following:

"Section 95. No acceleration or delay. Where this Act makes changes in a statute that is represented in this Act by text that is not yet or no longer in effect (for example, a Section represented by multiple versions), the use of that text does not accelerate or delay the taking effect of (i) the changes made by this Act or (ii) provisions derived from any other Public Act.

Section 99. Effective date. This Act takes effect on January 1, 2004, except this Section and the changes to Sections 5-10 and 5-50 of the Simplified Municipal Telecommunications Tax Act take effect upon becoming law.".

The motion prevailed and the amendment was adopted and ordered printed.

Floor Amendment No. 2 remained in the Committee on Rules.

There being no further amendments, the foregoing Amendment No. 1 was adopted and the bill, as amended, was held on the order of Second Reading.

SENATE BILL 1332. Having been printed, was taken up and read by title a second time.

Floor Amendment No. 1 remained in the Committee on Rules.

Floor Amendment No. 2 remained in the Committee on Human Services.

Floor Amendment No. 3 remained in the Committee on Rules.

There being no further amendments, the bill was held on the order of Second Reading.

Having been printed, the following bill was taken up, read by title a second time and held on the order of Second Reading: SENATE BILL 1466.

SENATE BILL 1492. Having been printed, was taken up and read by title a second time.

The following amendment was offered in the Committee on Judiciary I - Civil Law, adopted and printed:

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend Senate Bill 1492 by replacing everything after the enacting clause with the following:

"Section 5. The Illinois Human Rights Act is amended by changing Sections 10-101 and 10-102 as follows:

(775 ILCS 5/10-101) (from Ch. 68, par. 10-101)

Sec. 10-101. Applicability. This Article shall apply solely to civil actions arising under Articles 2, ~~Article~~ 3, and 6 of this Act. (Source: P.A. 86-910.)

(775 ILCS 5/10-102) (from Ch. 68, par. 10-102)

Sec. 10-102. Court Actions. (A) Circuit Court Actions. (1) An aggrieved party may commence a civil action in an appropriate Circuit Court not later than 2 years after the occurrence or the termination of an alleged civil rights violation or the breach of a conciliation or settlement agreement entered into under this Act, whichever occurs last, to obtain appropriate relief with respect to the alleged civil rights violation or breach. Venue for such civil action shall be determined under Section 8-111(B)(6). In the case of a civil action arising under Article 2 or 6 of this Act, no action shall be commenced sooner than 365 days after the filing of a charge under Section 7A-102(A)(1) or within any extension of that period agreed to in writing by all parties.

(2) The computation of such 2-year period shall not include any time during which an administrative proceeding under this Act was pending with respect to a complaint or charge under this Act based upon the alleged civil rights violation. This paragraph does not apply to actions arising from a breach of a conciliation or settlement agreement.

(3) An aggrieved party may commence a civil action arising under Article 3 of this Act under this subsection whether or not a charge has been filed under Section 7B-102 and without regard to the status of any such charge. ~~,~~ However, if the Department or local agency has obtained a conciliation or settlement agreement with the consent of an aggrieved party, no action may be filed under this subsection by such aggrieved party arising under Article 2, 3, or 6 with respect to the alleged civil rights violation practice which forms the basis for such complaint except for the purpose of enforcing the terms of such conciliation or settlement agreement.

(4) An aggrieved party shall not commence a civil action under this subsection with respect to an alleged civil rights violation which forms the basis of a complaint issued by the Department if a hearing officer has commenced a hearing on the record under Article 2, 3, or 6 of this Act with respect to such complaint.

(B) Appointment of Attorney by Court. Upon application by a person alleging a civil rights violation or a person against whom the civil rights violation is alleged, if in the opinion of the court such person is

financially unable to bear the costs of such action, the court may:

(1) appoint an attorney for such person, any attorney so appointed may petition for an award of attorneys fees pursuant to subsection (C)(2) of this Section; or

(2) authorize the commencement or continuation of a civil action under subsection (A) without the payment of fees, costs, or security.

(C) Relief which may be granted. (1) In a civil action under subsection (A) if the court or jury finds that a civil rights violation has occurred or is about to occur, it ~~the court~~ may award to the plaintiff actual and punitive damages (except no punitive damages shall be awarded against the State in a civil action under Article 2 or 6 of this Act), and the court may grant as relief, as the court deems appropriate, any permanent or preliminary injunction, temporary restraining order, or other order, including an order enjoining the defendant from engaging in such civil rights violation or ordering such affirmative action as may be appropriate, including, in the case of civil actions under Article 2 or 6 of this Act, reinstatement or hiring of employees, with or without backpay, or any other equitable relief the court deems appropriate.

(2) In a civil action under subsection (A), the court, in its discretion, may allow the prevailing party, other than the State of Illinois, reasonable attorneys fees and costs. The State of Illinois shall be liable for such fees and costs to the same extent as a private person.

(D) Intervention By The Department. The Attorney General of Illinois may intervene on behalf of the Department if the Department certifies that the case is of general public importance. Upon such intervention the court may award such relief as is authorized to be granted to a plaintiff in a civil action under Section 10-102(C). (Source: P.A. 86-910.)".

There being no further amendments, the foregoing Amendment No. 1 was adopted and the bill, as amended, was held on the order of Second Reading.

SENATE BILL 1701. Having been printed, was taken up and read by title a second time.

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

AMENDMENT NO. 1

AMENDMENT NO. 1. Amend Senate Bill 1701 by replacing the title with the following:

"AN ACT in relation to public employee benefits."; and

by replacing everything after the enacting clause with the following:

"Section 5. The Illinois Pension Code is amended by changing Sections 5-167.5, 6-142.2, 8-164.1, and 11-160.1 as follows:

(40 ILCS 5/5-167.5) (from Ch. 108 1/2, par. 5-167.5)

Sec. 5-167.5. Payments to city ~~Group health benefit~~. (a) For the purposes of this Section, "city annuitant" means a person receiving an age and service annuity, a widow's annuity, a child's annuity, or a minimum annuity under this Article as a direct result of previous employment by the City of Chicago ("the city").

(b) The board shall pay to the city, on behalf of the board's city annuitants who participate in any of the city's health care plans, the following amounts:

(1) From July 1, 2003 through June 30, 2008, $85 per month for each such annuitant who is not eligible to receive Medicare benefits and $55 per month for each such annuitant who is eligible to receive Medicare benefits.

(2) From July 1, 2008 through June 30, 2013, $95 per month for each such annuitant who is not eligible to receive Medicare benefits and $65 per month for each such annuitant who is eligible to receive Medicare benefits.

The payments described in this subsection shall be paid from the tax levy authorized under Section 5-168; such amounts shall be credited to the reserve for group hospital care and group medical and surgical plan benefits, and all payments to the city required under this subsection shall be charged against it.

(c) The city health care plans referred to in this Section and the board's payments to the city under this Section are not and shall not be construed to be pension or retirement benefits for the purposes of Section 5 of Article XIII of the Illinois Constitution of 1970.

~~(a) For the purposes of this Section: (1) "annuitant" means a person receiving an age and service annuity, a prior service annuity, a widow's annuity, a widow's prior service annuity, or a minimum annuity, under Article 5, 6, 8 or 11, by reason of previous employment by the City of Chicago (hereinafter, in this Section, "the city"); (2) "Medicare Plan annuitant" means an annuitant described in item (1) who is eligible~~

for Medicare benefits; and (3) "non-Medicare Plan annuitant" means an annuitant described in item (1) who is not eligible for Medicare benefits.

(b) The city shall offer group health benefits to annuitants and their eligible dependents through June 30, 2003. The basic city health care plan available as of June 30, 1988 (hereinafter called the basic city plan) shall cease to be a plan offered by the city, except as specified in subparagraphs (4) and (5) below, and shall be closed to new enrollment or transfer of coverage for any non-Medicare Plan annuitant as of June 27, 1997. The city shall offer non-Medicare Plan annuitants and their eligible dependents the option of enrolling in its Annuitant Preferred Provider Plan and may offer additional plans for any annuitant. The city may amend, modify, or terminate any of its additional plans at its sole discretion. If the city offers more than one annuitant plan, the city shall allow annuitants to convert coverage from one city annuitant plan to another, except the basic city plan, during times designated by the city, which periods of time shall occur at least annually. For the period dating from June 27, 1997 through June 30, 2003, monthly premium rates may be increased for annuitants during the time of their participation in non-Medicare plans, except as provided in subparagraphs (1) through (4) of this subsection.

(1) For non-Medicare Plan annuitants who retired prior to January 1, 1988, the annuitant's share of monthly premium for non-Medicare Plan coverage only shall not exceed the highest premium rate chargeable under any city non-Medicare Plan annuitant coverage as of December 1, 1996.

(2) For non-Medicare Plan annuitants who retire on or after January 1, 1988, the annuitant's share of monthly premium for non-Medicare Plan coverage only shall be the rate in effect on December 1, 1996, with monthly premium increases to take effect no sooner than April 1, 1998 at the lower of (i) the premium rate determined pursuant to subsection (g) or (ii) 10% of the immediately previous month's rate for similar coverage.

(3) In no event shall any non-Medicare Plan annuitant's share of monthly premium for non-Medicare Plan coverage exceed 10% of the annuitant's monthly annuity.

(4) Non-Medicare Plan annuitants who are enrolled in the basic city plan as of July 1, 1998 may remain in the basic city plan, if they so choose, on the condition that they are not entitled to the caps on rates set forth in subparagraphs (1) through (3), and their premium rate shall be the rate determined in accordance with subsections (c) and (g).

(5) Medicare Plan annuitants who are currently enrolled in the basic city plan for Medicare eligible annuitants may remain in that plan, if they so choose, through June 30, 2003. Annuitants shall not be allowed to enroll in or transfer into the basic city plan for Medicare eligible annuitants on or after July 1, 1999. The city shall continue to offer annuitants a supplemental Medicare Plan for Medicare eligible annuitants through June 30, 2003, and the city may offer additional plans to Medicare eligible annuitants in its sole discretion. All Medicare Plan annuitant monthly rates shall be determined in accordance with subsections (c) and (g).

(c) The city shall pay 50% of the aggregated costs of the claims or premiums, whichever is applicable, as determined in accordance with subsection (g), of annuitants and their dependents under all health care plans offered by the city. The city may reduce its obligation by application of price reductions obtained as a result of financial arrangements with providers or plan administrators.

(d) From January 1, 1993 until June 30, 2003, the board shall pay to the city on behalf of each of the board's annuitants who chooses to participate in any of the city's plans the following amounts: up to a maximum of $75 per month for each such annuitant who is not qualified to receive medicare benefits, and up to a maximum of $45 per month for each such annuitant who is qualified to receive medicare benefits.

The payments described in this subsection shall be paid from the tax levy authorized under Section 5-168; such amounts shall be credited to the reserve for group hospital care and group medical and surgical plan benefits, and all payments to the city required under this subsection shall be charged against it.

(e) The city's obligations under subsections (b) and (c) shall terminate on June 30, 2003, except with regard to covered expenses incurred but not paid as of that date. This subsection shall not affect other obligations that may be imposed by law.

(f) The group coverage plans described in this Section are not and shall not be construed to be pension or retirement benefits for purposes of Section 5 of Article XIII of the Illinois Constitution of 1970.

(g) For each annuitant plan offered by the city, the aggregate cost of claims, as reflected in the claim records of the plan administrator, shall be estimated by the city, based upon a written determination by a qualified independent actuary to be appointed and paid by the city and the board. If the estimated annual cost for each annuitant plan offered by the city is more than the estimated amount to be contributed by the city for that plan pursuant to subsections (b) and (c) during that year plus the estimated amounts to be paid pursuant to subsection (d) and by the other pension boards on behalf of other participating annuitants, the

~~difference shall be paid by all annuitants participating in the plan, except as provided in subsection (b). The city, based upon the determination of the independent actuary, shall set the monthly amounts to be paid by the participating annuitants. The board may deduct the amounts to be paid by its annuitants from the participating annuitants' monthly annuities.~~

~~If it is determined from the city's annual audit, or from audited experience data, that the total amount paid by all participating annuitants was more or less than the difference between (1) the cost of providing the group health care plans, and (2) the sum of the amount to be paid by the city as determined under subsection (c) and the amounts paid by all the pension boards, then the independent actuary and the city shall account for the excess or shortfall in the next year's payments by annuitants, except as provided in subsection (b).~~

~~(h) An annuitant may elect to terminate coverage in a plan at the end of any month, which election shall terminate the annuitant's obligation to contribute toward payment of the excess described in subsection (g).~~

~~(i) The city shall advise the board of all proposed premium increases for health care at least 75 days prior to the effective date of the change, and any increase shall be prospective only.~~ (Source: P.A. 92-599, eff. 6-28-02.)

(40 ILCS 5/6-164.2) (from Ch. 108 1/2, par. 6-164.2)

Sec. 6-164.2. Payments to city ~~Group health benefit~~. (a) For the purposes of this Section, "city annuitant" means a person receiving an age and service annuity, a widow's annuity, a child's annuity, or a minimum annuity under this Article as a direct result of previous employment by the City of Chicago ("the city").

(b) The board shall pay to the city, on behalf of the board's city annuitants who participate in any of the city's health care plans, the following amounts:

(1) From July 1, 2003 through June 30, 2008, $85 per month for each such annuitant who is not eligible to receive Medicare benefits and $55 per month for each such annuitant who is eligible to receive Medicare benefits.

(2) From July 1, 2008 through June 30, 2013, $95 per month for each such annuitant who is not eligible to receive Medicare benefits and $65 per month for each such annuitant who is eligible to receive Medicare benefits.

The payments described in this subsection shall be paid from the tax levy authorized under Section 6-165; such amounts shall be credited to the reserve for group hospital care and group medical and surgical plan benefits, and all payments to the city required under this subsection shall be charged against it.

(c) The city health care plans referred to in this Section and the board's payments to the city under this Section are not and shall not be construed to be pension or retirement benefits for the purposes of Section 5 of Article XIII of the Illinois Constitution of 1970.

~~(a) For the purposes of this Section: (1) "annuitant" means a person receiving an age and service annuity, a prior service annuity, a widow's annuity, a widow's prior service annuity, or a minimum annuity, under Article 5, 6, 8 or 11, by reason of previous employment by the City of Chicago (hereinafter, in this Section, "the city"); (2) "Medicare Plan annuitant" means an annuitant described in item (1) who is eligible for Medicare benefits; and (3) "non-Medicare Plan annuitant" means an annuitant described in item (1) who is not eligible for Medicare benefits.~~

~~(b) The city shall offer group health benefits to annuitants and their eligible dependents through June 30, 2003. The basic city health care plan available as of June 30, 1988 (hereinafter called the basic city plan) shall cease to be a plan offered by the city, except as specified in subparagraphs (4) and (5) below, and shall be closed to new enrollment or transfer of coverage for any non-Medicare Plan annuitant as of June 27, 1997. The city shall offer non-Medicare Plan annuitants and their eligible dependents the option of enrolling in its Annuitant Preferred Provider Plan and may offer additional plans for any annuitant. The city may amend, modify, or terminate any of its additional plans at its sole discretion. If the city offers more than one annuitant plan, the city shall allow annuitants to convert coverage from one city annuitant plan to another, except the basic city plan, during times designated by the city, which periods of time shall occur at least annually. For the period dating from June 27, 1997 through June 30, 2003, monthly premium rates may be increased for annuitants during the time of their participation in non-Medicare plans, except as provided in subparagraphs (1) through (4) of this subsection.~~

~~(1) For non-Medicare Plan annuitants who retired prior to January 1, 1988, the annuitant's share of monthly premium for non-Medicare Plan coverage only shall not exceed the highest premium rate chargeable under any city non-Medicare Plan annuitant coverage as of December 1, 1996.~~

~~(2) For non-Medicare Plan annuitants who retire on or after January 1, 1988, the annuitant's share of monthly premium for non-Medicare Plan coverage only shall be the rate in effect on December 1, 1996,~~

~~with monthly premium increases to take effect no sooner than April 1, 1998 at the lower of (i) the premium rate determined pursuant to subsection (g) or (ii) 10% of the immediately previous month's rate for similar coverage.~~

~~(3) In no event shall any non-Medicare Plan annuitant's share of monthly premium for non-Medicare Plan coverage exceed 10% of the annuitant's monthly annuity.~~

~~(4) Non-Medicare Plan annuitants who are enrolled in the basic city plan as of July 1, 1998 may remain in the basic city plan, if they so choose, on the condition that they are not entitled to the caps on rates set forth in subparagraphs (1) through (3), and their premium rate shall be the rate determined in accordance with subsections (c) and (g).~~

~~(5) Medicare Plan annuitants who are currently enrolled in the basic city plan for Medicare eligible annuitants may remain in that plan, if they so choose, through June 30, 2003. Annuitants shall not be allowed to enroll in or transfer into the basic city plan for Medicare eligible annuitants on or after July 1, 1999. The city shall continue to offer annuitants a supplemental Medicare Plan for Medicare eligible annuitants through June 30, 2003, and the city may offer additional plans to Medicare eligible annuitants in its sole discretion. All Medicare Plan annuitant monthly rates shall be determined in accordance with subsections (c) and (g).~~

~~(c) The city shall pay 50% of the aggregated costs of the claims or premiums, whichever is applicable, as determined in accordance with subsection (g), of annuitants and their dependents under all health care plans offered by the city. The city may reduce its obligation by application of price reductions obtained as a result of financial arrangements with providers or plan administrators.~~

~~(d) From January 1, 1993 until June 30, 2003, the board shall pay to the city on behalf of each of the board's annuitants who chooses to participate in any of the city's plans the following amounts: up to a maximum of $75 per month for each such annuitant who is not qualified to receive medicare benefits, and up to a maximum of $45 per month for each such annuitant who is qualified to receive medicare benefits.~~

~~The payments described in this subsection shall be paid from the tax levy authorized under Section 6-165; such amounts shall be credited to the reserve for group hospital care and group medical and surgical plan benefits, and all payments to the city required under this subsection shall be charged against it.~~

~~(e) The city's obligations under subsections (b) and (c) shall terminate on June 30, 2003, except with regard to covered expenses incurred but not paid as of that date. This subsection shall not affect other obligations that may be imposed by law.~~

~~(f) The group coverage plans described in this Section are not and shall not be construed to be pension or retirement benefits for purposes of Section 5 of Article XIII of the Illinois Constitution of 1970.~~

~~(g) For each annuitant plan offered by the city, the aggregate cost of claims, as reflected in the claim records of the plan administrator, shall be estimated by the city, based upon a written determination by a qualified independent actuary to be appointed and paid by the city and the board. If the estimated annual cost for each annuitant plan offered by the city is more than the estimated amount to be contributed by the city for that plan pursuant to subsections (b) and (c) during that year plus the estimated amounts to be paid pursuant to subsection (d) and by the other pension boards on behalf of other participating annuitants, the difference shall be paid by all annuitants participating in the plan, except as provided in subsection (b). The city, based upon the determination of the independent actuary, shall set the monthly amounts to be paid by the participating annuitants. The board may deduct the amounts to be paid by its annuitants from the participating annuitants' monthly annuities.~~

~~If it is determined from the city's annual audit, or from audited experience data, that the total amount paid by all participating annuitants was more or less than the difference between (1) the cost of providing the group health care plans, and (2) the sum of the amount to be paid by the city as determined under subsection (c) and the amounts paid by all the pension boards, then the independent actuary and the city shall account for the excess or shortfall in the next year's payments by annuitants, except as provided in subsection (b).~~

~~(h) An annuitant may elect to terminate coverage in a plan at the end of any month, which election shall terminate the annuitant's obligation to contribute toward payment of the excess described in subsection (g).~~

~~(i) The city shall advise the board of all proposed premium increases for health care at least 75 days prior to the effective date of the change, and any increase shall be prospective only.~~ (Source: P.A. 92-599, eff. 6-28-02.)

(40 ILCS 5/8-164.1) (from Ch. 108 1/2, par. 8-164.1)

Sec. 8-164.1. Payments to city ~~Group health benefit~~. (a) For the purposes of this Section, "city annuitant" means a person receiving an age and service annuity, a widow's annuity, a child's annuity, or a minimum annuity under this Article as a direct result of previous employment by the City of Chicago ("the

city").

(b) The board shall pay to the city, on behalf of the board's city annuitants who participate in any of the city's health care plans, the following amounts:

(1) From July 1, 2003 through June 30, 2008, $85 per month for each such annuitant who is not eligible to receive Medicare benefits and $55 per month for each such annuitant who is eligible to receive Medicare benefits.

(2) From July 1, 2008 through June 30, 2013, $95 per month for each such annuitant who is not eligible to receive Medicare benefits and $65 per month for each such annuitant who is eligible to receive Medicare benefits.

The payments described in this subsection shall be paid from the tax levy authorized under Section 8-173; such amounts shall be credited to the reserve for group hospital care and group medical and surgical plan benefits, and all payments to the city required under this subsection shall be charged against it.

(c) The city health care plans referred to in this Section and the board's payments to the city under this Section are not and shall not be construed to be pension or retirement benefits for the purposes of Section 5 of Article XIII of the Illinois Constitution of 1970.

~~(a) For the purposes of this Section: (1) "annuitant" means a person receiving an age and service annuity, a prior service annuity, a widow's annuity, a widow's prior service annuity, or a minimum annuity, under Article 5, 6, 8 or 11, by reason of previous employment by the City of Chicago (hereinafter, in this Section, "the city"); (2) "Medicare Plan annuitant" means an annuitant described in item (1) who is eligible for Medicare benefits; and (3) "non-Medicare Plan annuitant" means an annuitant described in item (1) who is not eligible for Medicare benefits.~~

~~(b) The city shall offer group health benefits to annuitants and their eligible dependents through June 30, 2003. The basic city health care plan available as of June 30, 1988 (hereinafter called the basic city plan) shall cease to be a plan offered by the city, except as specified in subparagraphs (4) and (5) below, and shall be closed to new enrollment or transfer of coverage for any non-Medicare Plan annuitant as of June 27, 1997. The city shall offer non-Medicare Plan annuitants and their eligible dependents the option of enrolling in its Annuitant Preferred Provider Plan and may offer additional plans for any annuitant. The city may amend, modify, or terminate any of its additional plans at its sole discretion. If the city offers more than one annuitant plan, the city shall allow annuitants to convert coverage from one city annuitant plan to another, except the basic city plan, during times designated by the city, which periods of time shall occur at least annually. For the period dating from June 27, 1997 through June 30, 2003, monthly premium rates may be increased for annuitants during the time of their participation in non-Medicare plans, except as provided in subparagraphs (1) through (4) of this subsection.~~

~~(1) For non-Medicare Plan annuitants who retired prior to January 1, 1988, the annuitant's share of monthly premium for non-Medicare Plan coverage only shall not exceed the highest premium rate chargeable under any city non-Medicare Plan annuitant coverage as of December 1, 1996.~~

~~(2) For non-Medicare Plan annuitants who retire on or after January 1, 1988, the annuitant's share of monthly premium for non-Medicare Plan coverage only shall be the rate in effect on December 1, 1996, with monthly premium increases to take effect no sooner than April 1, 1998 at the lower of (i) the premium rate determined pursuant to subsection (g) or (ii) 10% of the immediately previous month's rate for similar coverage.~~

~~(3) In no event shall any non-Medicare Plan annuitant's share of monthly premium for non-Medicare Plan coverage exceed 10% of the annuitant's monthly annuity.~~

~~(4) Non-Medicare Plan annuitants who are enrolled in the basic city plan as of July 1, 1998 may remain in the basic city plan, if they so choose, on the condition that they are not entitled to the caps on rates set forth in subparagraphs (1) through (3), and their premium rate shall be the rate determined in accordance with subsections (c) and (g).~~

~~(5) Medicare Plan annuitants who are currently enrolled in the basic city plan for Medicare eligible annuitants may remain in that plan, if they so choose, through June 30, 2003. Annuitants shall not be allowed to enroll in or transfer into the basic city plan for Medicare eligible annuitants on or after July 1, 1999. The city shall continue to offer annuitants a supplemental Medicare Plan for Medicare eligible annuitants through June 30, 2003, and the city may offer additional plans to Medicare eligible annuitants in its sole discretion. All Medicare Plan annuitant monthly rates shall be determined in accordance with subsections (c) and (g).~~

~~(c) The city shall pay 50% of the aggregated costs of the claims or premiums, whichever is applicable, as determined in accordance with subsection (g), of annuitants and their dependents under all health care plans offered by the city. The city may reduce its obligation by application of price reductions obtained as a~~

~~result of financial arrangements with providers or plan administrators.~~

~~(d) From January 1, 1993 until June 30, 2003, the board shall pay to the city on behalf of each of the board's annuitants who chooses to participate in any of the city's plans the following amounts: up to a maximum of $75 per month for each such annuitant who is not qualified to receive medicare benefits, and up to a maximum of $45 per month for each such annuitant who is qualified to receive medicare benefits.~~

~~Commencing on August 23, 1989, the board is authorized to pay to the board of education on behalf of each person who chooses to participate in the board of education's plan the amounts specified in this subsection (d) during the years indicated. For the period January 1, 1988 through August 23, 1989, the board shall pay to the board of education annuitants who participate in the board of education's health benefits plan for annuitants the following amounts: $10 per month to each annuitant who is not qualified to receive medicare benefits, and $14 per month to each annuitant who is qualified to receive medicare benefits.~~

~~The payments described in this subsection shall be paid from the tax levy authorized under Section 8-189; such amounts shall be credited to the reserve for group hospital care and group medical and surgical plan benefits, and all payments to the city required under this subsection shall be charged against it.~~

~~(e) The city's obligations under subsections (b) and (c) shall terminate on June 30, 2003, except with regard to covered expenses incurred but not paid as of that date. This subsection shall not affect other obligations that may be imposed by law.~~

~~(f) The group coverage plans described in this Section are not and shall not be construed to be pension or retirement benefits for purposes of Section 5 of Article XIII of the Illinois Constitution of 1970.~~

~~(g) For each annuitant plan offered by the city, the aggregate cost of claims, as reflected in the claim records of the plan administrator, shall be estimated by the city, based upon a written determination by a qualified independent actuary to be appointed and paid by the city and the board. If the estimated annual cost for each annuitant plan offered by the city is more than the estimated amount to be contributed by the city for that plan pursuant to subsections (b) and (c) during that year plus the estimated amounts to be paid pursuant to subsection (d) and by the other pension boards on behalf of other participating annuitants, the difference shall be paid by all annuitants participating in the plan, except as provided in subsection (b). The city, based upon the determination of the independent actuary, shall set the monthly amounts to be paid by the participating annuitants. The board may deduct the amounts to be paid by its annuitants from the participating annuitants' monthly annuities.~~

~~If it is determined from the city's annual audit, or from audited experience data, that the total amount paid by all participating annuitants was more or less than the difference between (1) the cost of providing the group health care plans, and (2) the sum of the amount to be paid by the city as determined under subsection (c) and the amounts paid by all the pension boards, then the independent actuary and the city shall account for the excess or shortfall in the next year's payments by annuitants, except as provided in subsection (b).~~

~~(h) An annuitant may elect to terminate coverage in a plan at the end of any month, which election shall terminate the annuitant's obligation to contribute toward payment of the excess described in subsection (g).~~

~~(i) The city shall advise the board of all proposed premium increases for health care at least 75 days prior to the effective date of the change, and any increase shall be prospective only.~~ (Source: P.A. 92-599, eff. 6-28-02.)

(40 ILCS 5/11-160.1) (from Ch. 108 1/2, par. 11-160.1)

Sec. 11-160.1. Payments to city ~~Group health benefit~~. (a) For the purposes of this Section, "city annuitant" means a person receiving an age and service annuity, a widow's annuity, a child's annuity, or a minimum annuity under this Article as a direct result of previous employment by the City of Chicago ("the city").

(b) The board shall pay to the city, on behalf of the board's city annuitants who participate in any of the city's health care plans, the following amounts:

(1) From July 1, 2003 through June 30, 2008, $85 per month for each such annuitant who is not eligible to receive Medicare benefits and $55 per month for each such annuitant who is eligible to receive Medicare benefits.

(2) From July 1, 2008 through June 30, 2013, $95 per month for each such annuitant who is not eligible to receive Medicare benefits and $65 per month for each such annuitant who is eligible to receive Medicare benefits.

The payments described in this subsection shall be paid from the tax levy authorized under Section 11-169; such amounts shall be credited to the reserve for group hospital care and group medical and surgical plan benefits, and all payments to the city required under this subsection shall be charged against it.

(c) The city health care plans referred to in this Section and the board's payments to the city under this Section are not and shall not be construed to be pension or retirement benefits for the purposes of Section 5 of Article XIII of the Illinois Constitution of 1970.

~~(a) For the purposes of this Section: (1) "annuitant" means a person receiving an age and service annuity, a prior service annuity, a widow's annuity, a widow's prior service annuity, or a minimum annuity, under Article 5, 6, 8 or 11, by reason of previous employment by the City of Chicago (hereinafter, in this Section, "the city"); (2) "Medicare Plan annuitant" means an annuitant described in item (1) who is eligible for Medicare benefits; and (3) "non-Medicare Plan annuitant" means an annuitant described in item (1) who is not eligible for Medicare benefits.~~

~~(b) The city shall offer group health benefits to annuitants and their eligible dependents through June 30, 2003. The basic city health care plan available as of June 30, 1988 (hereinafter called the basic city plan) shall cease to be a plan offered by the city, except as specified in subparagraphs (4) and (5) below, and shall be closed to new enrollment or transfer of coverage for any non-Medicare Plan annuitant as of June 27, 1997. The city shall offer non-Medicare Plan annuitants and their eligible dependents the option of enrolling in its Annuitant Preferred Provider Plan and may offer additional plans for any annuitant. The city may amend, modify, or terminate any of its additional plans at its sole discretion. If the city offers more than one annuitant plan, the city shall allow annuitants to convert coverage from one city annuitant plan to another, except the basic city plan, during times designated by the city, which periods of time shall occur at least annually. For the period dating from June 27, 1997 through June 30, 2003, monthly premium rates may be increased for annuitants during the time of their participation in non-Medicare plans, except as provided in subparagraphs (1) through (4) of this subsection.~~

~~(1) For non-Medicare Plan annuitants who retired prior to January 1, 1988, the annuitant's share of monthly premium for non-Medicare Plan coverage only shall not exceed the highest premium rate chargeable under any city non-Medicare Plan annuitant coverage as of December 1, 1996.~~

~~(2) For non-Medicare Plan annuitants who retire on or after January 1, 1988, the annuitant's share of monthly premium for non-Medicare Plan coverage only shall be the rate in effect on December 1, 1996, with monthly premium increases to take effect no sooner than April 1, 1998 at the lower of (i) the premium rate determined pursuant to subsection (g) or (ii) 10% of the immediately previous month's rate for similar coverage.~~

~~(3) In no event shall any non-Medicare Plan annuitant's share of monthly premium for non-Medicare Plan coverage exceed 10% of the annuitant's monthly annuity.~~

~~(4) Non-Medicare Plan annuitants who are enrolled in the basic city plan as of July 1, 1998 may remain in the basic city plan, if they so choose, on the condition that they are not entitled to the caps on rates set forth in subparagraphs (1) through (3), and their premium rate shall be the rate determined in accordance with subsections (c) and (g).~~

~~(5) Medicare Plan annuitants who are currently enrolled in the basic city plan for Medicare eligible annuitants may remain in that plan, if they so choose, through June 30, 2003. Annuitants shall not be allowed to enroll in or transfer into the basic city plan for Medicare eligible annuitants on or after July 1, 1999. The city shall continue to offer annuitants a supplemental Medicare Plan for Medicare eligible annuitants through June 30, 2003, and the city may offer additional plans to Medicare eligible annuitants in its sole discretion. All Medicare Plan annuitant monthly rates shall be determined in accordance with subsections (c) and (g).~~

~~(c) The city shall pay 50% of the aggregated costs of the claims or premiums, whichever is applicable, as determined in accordance with subsection (g), of annuitants and their dependents under all health care plans offered by the city. The city may reduce its obligation by application of price reductions obtained as a result of financial arrangements with providers or plan administrators.~~

~~(d) From January 1, 1993 until June 30, 2003, the board shall pay to the city on behalf of each of the board's annuitants who chooses to participate in any of the city's plans the following amounts: up to a maximum of $75 per month for each such annuitant who is not qualified to receive medicare benefits, and up to a maximum of $45 per month for each such annuitant who is qualified to receive medicare benefits.~~

~~The payments described in this subsection shall be paid from the tax levy authorized under Section 11-178; such amounts shall be credited to the reserve for group hospital care and group medical and surgical plan benefits, and all payments to the city required under this subsection shall be charged against it.~~

~~(e) The city's obligations under subsections (b) and (c) shall terminate on June 30, 2003, except with regard to covered expenses incurred but not paid as of that date. This subsection shall not affect other obligations that may be imposed by law.~~

~~(f) The group coverage plans described in this Section are not and shall not be construed to be pension~~

~~or retirement benefits for purposes of Section 5 of Article XIII of the Illinois Constitution of 1970.~~

~~(g) For each annuitant plan offered by the city, the aggregate cost of claims, as reflected in the claim records of the plan administrator, shall be estimated by the city, based upon a written determination by a qualified independent actuary to be appointed and paid by the city and the board. If the estimated annual cost for each annuitant plan offered by the city is more than the estimated amount to be contributed by the city for that plan pursuant to subsections (b) and (c) during that year plus the estimated amounts to be paid pursuant to subsection (d) and by the other pension boards on behalf of other participating annuitants, the difference shall be paid by all annuitants participating in the plan, except as provided in subsection (b). The city, based upon the determination of the independent actuary, shall set the monthly amounts to be paid by the participating annuitants. The board may deduct the amounts to be paid by its annuitants from the participating annuitants' monthly annuities.~~

~~If it is determined from the city's annual audit, or from audited experience data, that the total amount paid by all participating annuitants was more or less than the difference between (1) the cost of providing the group health care plans, and (2) the sum of the amount to be paid by the city as determined under subsection (c) and the amounts paid by all the pension boards, then the independent actuary and the city shall account for the excess or shortfall in the next year's payments by annuitants, except as provided in subsection (b).~~

~~(h) An annuitant may elect to terminate coverage in a plan at the end of any month, which election shall terminate the annuitant's obligation to contribute toward payment of the excess described in subsection (g).~~

~~(i) The city shall advise the board of all proposed premium increases for health care at least 75 days prior to the effective date of the change, and any increase shall be prospective only.~~ (Source: P.A. 92-599, eff. 6-28-02.)

Section 90. The State Mandates Act is amended by adding Section 8.27 as follows:

(30 ILCS 805/8.27 new)

Sec. 8.27. 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 93rd General Assembly.

Section 99. Effective date. This Act takes effect July 1, 2003.".

Floor Amendment No. 2 remained in the Committee on Executive.

Floor Amendment No. 3 remained in the Committee on Rules.

There being no further amendments, the foregoing Amendment No. 1 was adopted and the bill, as amended, was held on the order of Second Reading.

SENATE BILL 1784. Having been printed, was taken up and read by title a second time.

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

AMENDMENT NO. 1. Amend Senate Bill 1784 by replacing the title with the following:

"AN ACT concerning financial regulation."; and

by replacing everything after the enacting clause with the following:

"Section 1. Short title. This Act may be cited as the High Risk Home Loan Act.

Section 5. Purpose and construction. The purpose of this Act is to protect borrowers who enter into high risk home loans from abuse that occurs in the credit marketplace when creditors and brokers are not sufficiently regulated in Illinois. This Act is to be construed as a borrower protection statute for all purposes. This Act shall be liberally construed to effectuate its purpose.

Section 10. Definitions. As used in this Act:

"Approved credit counselor" means a credit counselor approved by the Director of Financial Institutions.

"Borrower" means a natural person who seeks or obtains a high risk home loan.

"Commissioner" means the Commissioner of the Office of Banks and Real Estate.

"Department" means the Department of Financial Institutions.

"Director" means the Director of Financial Institutions.

"Good faith" means honesty in fact in the conduct or transaction concerned.

"High risk home loan" means a home equity loan in which (i) at the time of origination, the annual

percentage rate exceeds by more than 6 percentage points in the case of a first lien mortgage, or by more than 8 percentage points in the case of a junior mortgage, the yield on U.S. Treasury securities having comparable periods of maturity to the loan maturity as of the fifteenth day of the month immediately preceding the month in which the application for the loan is received by the lender or (ii) the total points and fees payable by the consumer at or before closing will exceed the greater of 5% of the total loan amount or $800. The $800 figure shall be adjusted annually on January 1 by the annual percentage change in the Consumer Price Index for All Urban Consumers for all items published by the United States Department of Labor. "High risk home loan" does not include a loan that is made primarily for a business purpose unrelated to the residential real property securing the loan or to an open-end credit plan subject to 12 CFR 226 (2000, no subsequent amendments or editions are included).

"Home equity loan" means any loan secured by the borrower's primary residence where the proceeds are not used as purchase money for the residence.

"Lender" means a natural or artificial person who transfers, deals in, offers, or makes a high risk home loan. "Lender" includes, but is not limited to, creditors and brokers.

"Office" means the Office of Banks and Real Estate.

"Points and fees" means all items required to be disclosed as points and fees under 12 CFR 226.32 (2000, no subsequent amendments or editions included); the premium of any single premium credit life, credit disability, credit unemployment, or any other life or health insurance that is financed directly or indirectly into the loan; and compensation paid directly or indirectly to a mortgage broker, including a broker that originates a loan in its own name in a table-funded transaction, not otherwise included in 12 CFR 226.4.

"Reasonable" means fair, proper, just, or prudent under the circumstances.

"Servicer" means any entity chartered under the Illinois Banking Act, the Savings Bank Act, the Illinois Credit Union Act, or the Illinois Savings and Loan Act of 1985 and any person or entity licensed under the Residential Mortgage License Act of 1987, the Consumer Installment Loan Act, or the Sales Finance Agency Act who is responsible for the collection or remittance for, or has the right or obligation to collect or remit for, any lender, note owner, or note holder or for a licensee's own account, of payments, interest, 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, including 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.

"Total loan amount" has the same meaning as that term is given in 12 CFR 226.32 and shall be calculated in accordance with the Federal Reserve Board's Official Staff Commentary to that regulation.

Section 15. Ability to repay. A lender shall not transfer, deal in, offer, or make a high risk home loan if the lender does not believe at the time the loan is consummated that the borrower will be able to make the scheduled payments to repay the obligation based upon a consideration of his or her current and expected income, current obligations, employment status, and other financial resources (other than the borrower's equity in the dwelling that secures repayment of the loan). A borrower shall be presumed to be able to repay the loan if, at the time the loan is consummated, or at the time of the first rate adjustment, in the case of a lower introductory interest rate, the borrower's scheduled monthly payments on the loan (including principal, interest, taxes, insurance, and assessments), combined with the scheduled payments for all other disclosed debts, do not exceed 50% of the borrower's monthly gross income.

Section 20. Verification of ability to repay loan. The lender shall verify the borrower's ability to repay the loan in the case of a high risk home loan. The verification shall require, at a minimum, the following:

(1) That the borrower prepare and submit to the lender a personal income and expense statement in a form prescribed by the Commissioner or the Director, who may permit the use of other forms such as the URLA (Fannie Mae Form 1003 (10/92), available from Fannie Mae, 3900 Wisconsin Avenue, NW, Washington, D.C. 20016-2892, and Freddie Mac Form 85 (10/92), available from Freddie Mac at 1101 Pennsylvania Avenue, NW, Suite 950, P.O. Box 37347, Washington, D.C. 20077-0001, no subsequent amendments or editions) and Transmittal Summary (Fannie Mae Form 1077 (3/97), available from Fannie Mae, 3900 Wisconsin Avenue, NW, Washington, D.C. 20016-2892, and Freddie Mac Form 1008 (3/97), available from Freddie Mac at 1101 Pennsylvania Avenue, NW, Suite 950, P.O. Box 37347, Washington, D.C. 20077-0001, no subsequent amendments or editions).

(2) That the borrower's income is verified by means of tax returns, pay stubs, accounting statements, or other prudent means.

(3) That a credit report is obtained regarding the borrower.

Section 25. Good faith dealings; fraudulent or deceptive practices. A lender must act in good faith in all relations with a borrower, including but not limited to, transferring, dealing in, offering, or making a high

risk home loan.

No lender shall employ fraudulent or deceptive acts or practices in the making of a high risk home loan, including deceptive marketing and sales efforts.

Section 40. Pre-paid insurance products and warranties. No lender shall transfer, deal in, offer, or make a high risk home loan that finances a single premium credit life, credit disability, credit unemployment, or any other life or health insurance, directly or indirectly. Insurance calculated and paid on a monthly basis shall not be considered to be financed by the lender.

Section 45. Refinancing prohibited in certain cases. No lender shall refinance any high risk home loan where such refinancing charges additional points and fees within a 12-month period after the original loan agreement was signed, unless the refinancing results in a tangible net benefit to the borrower.

Section 55. Financing of points and fees. No lender shall transfer, deal in, offer, or make a high risk home loan that finances points and fees in excess of 6% of the total loan amount.

Section 60. Payments to contractors. No lender shall make a payment of any proceeds of a high risk home loan directly to a contractor under a home improvement contract other than:

(1) by instrument payable to the borrower or payable jointly to the borrower and contractor; or

(2) at the election of the borrower, by a third-party escrow agreement in accordance with the terms established in a written agreement that is signed by the borrower, the lender, and the contractor before the date of payment.

Section 65. Negative amortization. No lender shall transfer, deal in, offer, or make a high risk home loan, other than a loan secured only by a reverse mortgage, with terms under which the outstanding balance will increase at any time over the course of the loan because the regular periodic payments do not cover the full amount of the interest due, unless the negative amortization is the consequence of a temporary forbearance sought by the borrower.

Section 70. Negative equity. No lender shall transfer, deal in, offer, or make a high risk home loan where the loan amount exceeds the value of the property securing the loan.

Section 80. Late payment fee. A lender shall not transfer, deal in, offer, or make a high risk home loan that provides for a late payment fee, except under the following conditions:

(1) the late payment fee shall not be in excess of 5% of the amount of the payment past due;

(2) the late payment fee shall only be assessed for a payment past due for 15 days or more;

(3) the late payment fee shall not be imposed more than once with respect to a single late payment;

(4) a late payment fee that the lender has collected shall be reimbursed if the borrower presents proof of having made a timely payment; and

(5) a lender shall treat each payment as posted on the same business day as it was received by the lender, servicer, or lender's agent or at the address provided to the borrower by the lender, servicer, or lender's agent for making payments.

Section 85. Payment compounding. No lender shall transfer, deal in, offer, or make a high risk home loan that includes terms under which more than 2 periodic payments required under the loan are consolidated and paid in advance from the loan proceeds provided to the borrower.

Section 90. Call provision. No lender shall transfer, deal in, offer, or make a high risk home loan that contains a provision that permits the lender, in its sole discretion, to accelerate the indebtedness, provided that this provision does not prohibit acceleration of a loan in good faith due to a borrower's failure to abide by the material terms of the loan.

Section 95. Disclosure prior to making a high risk home loan. A lender shall not transfer, deal in, offer, or make a high risk home loan unless the lender has given the following notice or a substantially similar notice in writing, to the borrower, acknowledged in writing and signed by the borrower not later than the time the notice is required under the notice provision contained in 12 CFR 226.31(c):

NOTICE TO BORROWER

YOU SHOULD BE AWARE THAT YOU MIGHT BE ABLE TO OBTAIN A LOAN AT A LOWER COST. YOU SHOULD SHOP AROUND AND COMPARE LOAN RATES AND FEES. LOAN RATES AND CLOSING COSTS AND FEES VARY BASED ON MANY FACTORS, INCLUDING YOUR PARTICULAR CREDIT AND FINANCIAL CIRCUMSTANCES, YOUR EMPLOYMENT HISTORY, THE LOAN-TO-VALUE REQUESTED, AND THE TYPE OF PROPERTY THAT WILL SECURE YOUR LOAN. THE LOAN RATE AND FEES COULD ALSO VARY BASED ON WHICH LENDER

OR BROKER YOU SELECT. IF YOU ACCEPT THE TERMS OF THIS LOAN, THE LENDER WILL HAVE A MORTGAGE LIEN ON YOUR HOME. YOU COULD LOSE YOUR HOME AND ANY MONEY YOU PUT INTO IT IF YOU DO NOT MEET YOUR PAYMENT OBLIGATIONS UNDER THE LOAN. YOU SHOULD CONSULT AN ATTORNEY-AT-LAW AND AN APPROVED CREDIT COUNSELOR OR OTHER EXPERIENCED FINANCIAL ADVISOR REGARDING THE RATE, FEES, AND PROVISIONS OF THIS LOAN BEFORE YOU PROCEED. A LIST OF APPROVED CREDIT COUNSELORS IS AVAILABLE BY CONTACTING EITHER THE ILLINOIS DEPARTMENT OF FINANCIAL INSTITUTIONS OR THE ILLINOIS OFFICE OF BANKS AND REAL ESTATE. YOU ARE NOT REQUIRED TO COMPLETE THIS LOAN AGREEMENT MERELY BECAUSE YOU HAVE RECEIVED THIS DISCLOSURE OR HAVE SIGNED A LOAN APPLICATION. ALSO, YOUR PAYMENTS ON EXISTING DEBTS CONTRIBUTE TO YOUR CREDIT RATINGS. YOU SHOULD NOT ACCEPT ANY ADVICE TO IGNORE YOUR REGULAR PAYMENTS TO YOUR EXISTING LENDERS.

Section 100. Counseling prior to perfecting foreclosure proceedings.

(a) If a high risk home loan becomes delinquent by more than 30 days, the servicer shall send a notice advising the borrower that he or she may wish to seek approved credit counseling.

(b) The notice required in subsection (a) shall, at a minimum, include the following language:

"YOUR LOAN IS OR WAS MORE THAN 30 DAYS PAST DUE. YOU MAY BE EXPERIENCING FINANCIAL DIFFICULTY. IT MAY BE IN YOUR BEST INTEREST TO SEEK APPROVED CREDIT COUNSELING. A LIST OF APPROVED CREDIT COUNSELORS MAY BE OBTAINED FROM EITHER THE ILLINOIS DEPARTMENT OF FINANCIAL INSTITUTIONS OR THE ILLINOIS OFFICE OF BANKS AND REAL ESTATE."

(c) If, within 15 days after mailing the notice provided for under subsection (b), a lender, servicer, or lender's agent is notified in writing by an approved credit counselor and the approved credit counselor advises the lender, servicer, or lender's agent that the borrower is seeking approved credit counseling, then the lender, servicer, or lender's agent shall not institute legal action under Part 15 of Article XV of the Code of Civil Procedure for 30 days after the date of that notice. Only one such 30-day period of forbearance is allowed under this Section per subject loan.

(d) If, within the 30-day period provided under subsection (c), the lender, servicer, or lender's agent, the approved credit counselor, and the borrower agree to a debt management plan, then the lender, servicer, or lender's agent shall not institute legal action under Part 15 of Article XV of the Code of Civil Procedure for as long as the debt management plan is complied with by the borrower.

The agreed debt management plan must be in writing and signed by the lender, servicer, or lender's agent, the approved credit counselor, and the borrower. No modification of an approved debt management plan can be made without the mutual agreement of the lender, servicer, or lender's agent, the approved credit counselor, and the borrower.

Upon written notice to the lender, servicer, or lender's agent, the borrower may change approved credit counselors.

(e) If the borrower fails to comply with the agreed debt management plan, then nothing in this Section shall be construed to impair the legal right of the lender, servicer, or lender's agent to enforce the contract.

Section 105. Right to cure.

(a) Before an action is filed to foreclose or collect money due pursuant to a high risk home loan or before other action is taken to seize or transfer ownership of property subject to a high risk home loan, the lender or lender's assignee of the loan shall deliver to the borrower a notice of the right to cure the default, informing the borrower of all of the following:

(1) The nature of the default.

(2) The borrower's right to cure the default by paying the sum of money required,

provided that a lender or assignee shall accept any partial payment made or tendered in response to the notice. If the amount necessary to cure the default will change within 30 days of the notice due to the application of a daily interest rate or the addition of late fees, as allowed by the Act, the notice shall give sufficient information to enable the borrower to calculate the amount at any point within the 30-day period.

(3) The date by which the borrower may cure the default to avoid a court action,

acceleration and initiation of foreclosure, or other action to seize the property, which date shall not be less than 30 days after the date the notice is delivered, and the name, address, and telephone number of a person to whom the payment or tender shall be made.

(4) That if the borrower does not cure the default by the date specified, the lender

or assignee may file an action for money due or take steps to terminate the borrower's ownership in the property by requiring payment in full of the high risk home loan and commencing a foreclosure proceeding or other action to seize the property.

(5) The name, address, and telephone number of a person whom the borrower may contact if the borrower disagrees with the assertion that a default has occurred or the correctness of the calculation of the amount required to cure the default.

(b) If a lender or assignee asserts that grounds for acceleration exist and requires the payment in full of all sums secured by the high risk home loan, the borrower or anyone authorized to act on the borrower's behalf may, at any time before the title is transferred by means of foreclosure, by judicial proceeding and sale, or other means, cure the default, and reinstate the high risk home loan. Cure of the default shall reinstate the borrower to the same position as if the default had not occurred and shall nullify, as of the date of the cure, an acceleration of any obligation under the high risk home loan arising from the default.

(c) To cure a default under this Section, a borrower shall not be required to pay any charge, fee, or penalty attributable to the exercise of the right to cure a default, other than the fees specifically allowed by this subsection. The borrower shall not be liable for any attorney fees relating to the default that are incurred by the lender or assignee prior to or during the 30-day period set forth in subsection (a) of this Section, nor for any such fees in excess of $100 that are incurred by the lender or assignee after the expiration of the 30-day period but before the lender or assignee files a foreclosure or other judicial action or takes other action to seize or transfer ownership of the real estate. After the lender or assignee files a foreclosure or other judicial action or takes other action to seize or transfer ownership of the real estate, the borrower shall only be liable for attorney fees that are reasonable and actually incurred by the lender or assignee, based on a reasonable hourly rate and a reasonable number of hours.

(d) If a default is cured prior to the initiation of any action to foreclose or to seize the residence, the lender or assignee shall not institute a proceeding or other action for that default. If a default is cured after the initiation of any action, the lender or assignee shall take such steps as are necessary to terminate the action.

(e) A lender or a lender's assignee of a high risk home loan that has the legal right to foreclose shall use the judicial foreclosure procedures provided by law. In such a proceeding, the borrower may assert the nonexistence of a default and any other claim or defense to acceleration and foreclosure, including any claim or defense based on a violation of the Act, though no such claim or defense shall be deemed a compulsory counterclaim.

Section 110. Mortgage Awareness Program.

(a) The Mortgage Awareness Program is a counseling and educational component that must be provided by the Director and the Commissioner.

(b) The core curriculum of the Mortgage Awareness Program shall include all of the following:

(1) Explanation of the amount financed.

(2) Explanation of the finance charge.

(3) Explanation of the annual percentage rate.

(4) Explanation of the total payments.

(5) Explanation of the loan costs, including broker's fees, finance charges, points, and origination fees.

(6) Explanation of the right of rescission.

(7) Explanation of foreclosure procedures.

(8) Explanation of the significant debt ratios, including total debt to income, loan debt to income, and loan debt to value of residence.

(9) Explanation of adjustable rate mortgage.

(10) Explanation of balloon payments.

(11) Explanation of credit options.

(12) Explanation of each item that appears on a good faith estimate.

(13) Explanation of pre-payment penalties.

(c) Counseling session attendees must complete a personal income and expense statement, as well as a balance sheet, on forms provided by the Commissioner or the Director.

(d) Prior to signing a certificate of completion, approved credit counselors shall privately discuss with each attendee that attendee's income and expense statement and balance sheet, as well as the terms of any loan the attendee currently has or may be contemplating, and provide a third party review to establish the affordability of the loan.

(e) Counseling session attendees must be given a brochure that contains information covered by the

Mortgage Awareness Program.

(f) Any lender, prior to making a high risk home loan, shall inform the borrower in writing of the requirement to participate in the Mortgage Awareness Program.

(g) No lender shall offer less favorable loan terms to a borrower due to a borrower's participation in the Mortgage Awareness Program.

(h) The borrower may not waive participation in the Mortgage Awareness Program.

Section 115. Report of default and foreclosure rates on conventional loans.

(a) On or before October 1 and April 1 of each year, each servicer of Illinois residential mortgage loans shall report to the Commissioner the default and foreclosure data of conventional loans for the 6-month periods ending June 30 and December 31, respectively.

(b) Each servicer shall report the following information:

(1) The average quarterly dollar amount of conventional one to 4 family mortgage loans secured by Illinois real estate.

(2) The average quarterly number of conventional one to 4 family mortgage loans secured by Illinois real estate.

(3) The average quarterly dollar amount of conventional one to 4 family mortgage loans secured by Illinois real estate that are in default over 90 days.

(4) The average quarterly number of conventional one to 4 family mortgage loans secured by Illinois real estate that are in default over 90 days.

(5) The dollar amount of foreclosures on one to 4 family conventional loans completed during the reporting period.

(6) The number of foreclosures on one to 4 family conventional loans completed during the reporting period.

(7) Whether any of the loans where a foreclosure was completed were originated less than 18 months before the completed foreclosure.

(8) Whether any of the loans where a foreclosure was completed had a note rate greater than 10% for first lien mortgage loans or greater than 12% in the case of a junior lien.

(c) An officer of the servicer shall sign the form.

Section 120. Commissioner's review and analysis.

(a) The Commissioner shall review and analyze the default and foreclosure rate data reports submitted under Section 115.

(b) The reports and their analyses may be used for the following purposes:

(1) In setting the scope of a regularly scheduled examination.

(2) In setting the scope of a special examination.

(3) In comparing the reported information of a bank to other banks subject to the Illinois Banking Act.

(4) In comparing the reported information of a servicer.

(c) The Commissioner may correspond with a servicer to seek clarification of information contained in its report and to gather additional data concerning loans in default or loans in foreclosure.

Section 125. Third party review of high risk home loans.

(a) In the case of any high risk home loan, the borrower shall be afforded the opportunity to seek independent review by the Office or the Department of the loan terms, in order to determine affordability of the loan, when and if the General Assembly appropriates adequate funding to the Office or the Department specifically for this Section.

(b) The Office or the Department shall inform the borrower of the amount the borrower has available for a monthly mortgage payment based upon the borrower's budget.

(c) The Office or the Department shall review loan information pertaining to balloon payments and adjustable interest rates and other items disclosed by the loan documents affecting amount of payment and shall inform the borrower of such items.

(d) If, based upon the review, the borrower determines that the loan is not in his or her best economic interest, the reviewer shall so notify the lender. This determination shall enable the borrower to withdraw from the contemplated loan with no financial penalty.

Section 130. Circumstances voiding mandatory arbitration provisions. Without regard to whether a borrower is acting individually or on behalf of others similarly situated, a mandatory arbitration provision of a high risk home loan agreement that is oppressive, unfair, unconscionable, or substantially in derogation of the rights of the borrower is void.

Section 135. Enforcement and remedies.

(a) The remedies provided in this Act are cumulative and apply to persons or entities subject to this Act.

(b) Any violation of this Act constitutes a violation of the Consumer Fraud and Deceptive Business Practices Act.

(c) If any provision of an agreement for a high risk home loan violates this Act, then that provision is unenforceable against the borrower.

(d) Any action brought against a lender for a violation under this Act is also assertable against any subsequent holder of the high risk home loan that is the subject of the action unless the subsequent holder demonstrates, by a preponderance of the evidence, that a reasonable person would not determine that, prior to becoming a holder of the loan, a violation of the Act has been undertaken relative to the high risk home loan.

Section 140. Limitation of lender's liability. A lender and subsequent holder of the high risk loan is not liable for a violation of this Act if:

(1) within 30 days of the loan closing and prior to receiving any notice from the borrower of the violation, the lender has made appropriate restitution to the borrower and appropriate adjustments are made to the loan; or

(2) the violation was not intentional and resulted from a bona fide error in fact, notwithstanding the maintenance of procedures reasonably adopted to avoid such errors, and within 60 days of the discovery of the violation and prior to receiving any notice from the borrower of the violation, the borrower is notified of the violation, appropriate restitution is made to the borrower, and appropriate adjustments are made to the loan.

Section 145. Subterfuge prohibited. No lender, with the intent to avoid the application or provisions of this Act, shall (i) divide a loan transaction into separate parts or (ii) perform any other subterfuge.

Section 150. Preemption of administrative rules. Any relevant administrative rule promulgated before the effective date of this Act by the Department or the Office is preempted.

Section 153. Reporting of violations. The Office and the Department must report to the Attorney General all violations of this Act of which they become aware.

Section 155. Rulemaking. The Office and the Department may adopt reasonable rules to implement and administer this Act.

Section 160. Judicial review. All final administrative decisions under this Act are subject to judicial review pursuant to the provisions of the Administrative Review Law and any rules adopted pursuant thereto.

Section 165. Waiver prohibited. There shall be no waiver of any provision of this Act.

Section 170. Superiority of Act. To the extent this Act conflicts with any other Illinois State financial regulation laws, this Act is superior and supersedes those laws for the purposes of regulating high risk home loans in Illinois.

Section 175. Severability. The provisions of this Act are severable under Section 1.31 of the Statute on Statutes.

Section 180. Home rule. It is declared to be the public policy of this State, pursuant to subsection (h) of Section 6 of Article VII of the Illinois Constitution of 1970, that any power or function set forth in this Act to be exercised by the State is an exclusive State power or function. Such power or function shall not be exercised concurrently, either directly or indirectly, by any unit of local government, including home rule units, except as otherwise provided in this Act.

Section 800. The Deposit of State Moneys Act is amended by changing Sections 11 and 11.1 as follows:

(15 ILCS 520/11) (from Ch. 130, par. 30)

Sec. 11. Protection of public deposits; eligible collateral.

(a) For deposits not insured by an agency of the federal government, the State Treasurer, in his <u>or her</u> discretion, may accept as collateral any of the following classes of securities, provided there has been no default in the payment of principal or interest thereon:

(1) Bonds, notes, or other securities constituting direct and general obligations of the United States, the bonds, notes, or other securities constituting the direct and general obligation of any agency or instrumentality of the United States, the interest and principal of which is unconditionally guaranteed by the United States, and bonds, notes, or other securities or evidence of indebtedness constituting the obligation of a U.S. agency or instrumentality.

(2) Direct and general obligation bonds of the State of Illinois or of any other state of the United States.

(3) Revenue bonds of this State or any authority, board, commission, or similar agency thereof.

(4) Direct and general obligation bonds of any city, town, county, school district, or other taxing body of any state, the debt service of which is payable from general ad valorem taxes.

(5) Revenue bonds of any city, town, county, or school district of the State of Illinois.

(6) Obligations issued, assumed, or guaranteed by the International Finance Corporation, the principal of which is not amortized during the life of the obligation, but no such obligation shall be accepted at more than 90% of its market value.

(7) Illinois Affordable Housing Program Trust Fund Bonds or Notes as defined in and issued pursuant to the Illinois Housing Development Act.

(8) In an amount equal to at least market value of that amount of funds deposited exceeding the insurance limitation provided by the Federal Deposit Insurance Corporation or the National Credit Union Administration or other approved share insurer: (i) securities, (ii) mortgages, (iii) letters of credit issued by a Federal Home Loan Bank, or (iv) loans covered by a State Guaranty under the Illinois Farm Development Act.

(b) The State Treasurer may establish a system to aggregate permissible securities received as collateral from financial institutions in a collateral pool to secure State deposits of the institutions that have pledged securities to the pool.

(c) The Treasurer may at any time declare any particular security ineligible to qualify as collateral when, in the Treasurer's judgment, it is deemed desirable to do so.

(d) Notwithstanding any other provision of this Section, as security the State Treasurer may, in his discretion, accept a bond, executed by a company authorized to transact the kinds of business described in clause (g) of Section 4 of the Illinois Insurance Code, in an amount not less than the amount of the deposits required by this Section to be secured, payable to the State Treasurer for the benefit of the People of the State of Illinois, in a form that is acceptable to the State Treasurer.

(Source: P.A. 87-510; 87-575; 87-895; 88-93.)

(15 ILCS 520/11.1) (from Ch. 130, par. 30.1)

Sec. 11.1. The State Treasurer may, in his or her discretion, accept as security for State deposits insured certificates of deposit or share certificates issued to the depository institution pledging them as security and may require security in the amount of 125% of the value of the State deposit. Such certificate of deposit or share certificate shall:

(1) be fully insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation or the National Credit Union Share Insurance Fund or issued by a depository institution which is rated within the 3 highest classifications established by at least one of the 2 standard rating services;

(2) be issued by a financial institution having assets of $15,000,000 ~~$30,000,000~~ or more; and

(3) be issued by either a savings and loan association having a capital to asset ratio of at least 2%, by a bank having a capital to asset ratio of at least 6% or by a credit union having a capital to asset ratio of at least 4%.

The depository institution shall effect the assignment of the certificate of deposit or share certificate to the State Treasurer and shall agree, that in the event the issuer of the certificate fails to maintain the capital to asset ratio required by this Section, such certificate of deposit or share certificate shall be replaced by additional suitable security.

(Source: P.A. 85-803.)

Section 805. The Public Funds Deposit Act is amended by changing Section 1 as follows:

(30 ILCS 225/1) (from Ch. 102, par. 34)

Sec. 1. Deposits. Any treasurer or other custodian of public funds may deposit such funds in a savings and loan association, savings bank, or State or national bank in this State. When such deposits become collected funds and are not needed for immediate disbursement, they shall be invested within 2 working days at prevailing rates or better. The treasurer or other custodian of public funds may require such bank, savings bank, or savings and loan association to deposit with him or her securities guaranteed by agencies and instrumentalities of the federal government equal in market value to the amount by which the funds deposited exceed the federally insured amount. Any treasurer or other custodian of public funds may accept as security for public funds deposited in such bank, savings bank, or savings and loan association any securities or other eligible collateral authorized by Sections 11 and 11.1 of the Deposit of State Moneys Act (15 ILCS 520/11 and 11.1) or Section 6 of the Public Funds Investment Act (30 ILCS 235/6). Such treasurer or other custodian is authorized to enter into an agreement with any such bank, savings bank, or savings and loan association, with any federally insured financial institution or trust company, or with any

agency of the U.S. government relating to the deposit of such securities. Any such treasurer or other custodian shall be discharged from responsibility for any funds for which securities are so deposited with him or her, and the funds for which securities are so deposited shall not be subject to any otherwise applicable limitation as to amount.

No bank, savings bank, or savings and loan association shall receive public funds as permitted by this Section, unless it has complied with the requirements established pursuant to Section 6 of the Public Funds Investment Act.

(Source: P.A. 91-211, eff. 7-20-99.)

Section 810. The State Officers and Employees Money Disposition Act is amended by changing Section 2c as follows:

(30 ILCS 230/2c) (from Ch. 127, par. 173a)

Sec. 2c. Every such officer, board, commission, commissioner, department, institution, arm or agency is authorized to demand and receive a bond and securities in amount and kind satisfactory to him from any bank or savings and loan association in which moneys held by such officer, board, commission, commissioner, department, institution, arm or agency for or on behalf of the State of Illinois, may be on deposit, such securities to be held by the officer, board, commission, commissioner, department, institution, arm or agency for the period that such moneys are so on deposit and then returned together with interest, dividends and other accruals to the bank or savings and loan association. The bond or undertaking and such securities shall be conditioned for the return of the moneys deposited in conformity with the terms of the deposit.

Whenever funds deposited with a bank or savings and loan association exceed the amount of federal deposit insurance coverage, a bond, ~~or~~ pledged securities , or other eligible collateral shall be obtained. Only the types of securities or other eligible collateral which the State Treasurer may, in his or her discretion, accept for amounts not insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation under Section 11 of "An Act in relation to State moneys", approved June 28, 1919, as amended, may be accepted as pledged securities. The market value of the bond or pledged securities shall at all times be equal to or greater than the uninsured portion of the deposit unless the funds deposited are collateralized pursuant to a system established by the State Treasurer to aggregate permissible securities received as collateral from financial institutions in a collateral pool to secure State deposits of the institution that have pledged securities to the pool.

All securities deposited by a bank or savings and loan association under the provisions of this Section shall remain the property of the depositary and may be stamped by the depositary so as to indicate that such securities are deposited as collateral. Should the bank or savings and loan association fail or refuse to pay over the moneys, or any part thereof, deposited with it, the officer, board, commission, commissioner, department, institution, arm or agency may sell such securities upon giving 5 days notice to the depositary of his intention to so sell such securities. Such sale shall transfer absolute ownership of the securities so sold to the vendee thereof. The surplus, if any, over the amount due to the State and the expenses of the sale shall be paid to the bank or savings and loan association. Actions may be brought in the name of the People of the State of Illinois to enforce the claims of the State with respect to any securities deposited by a bank or savings and loan association.

No bank or savings and loan association shall receive public funds as permitted by this Section, unless it has complied with the requirements established pursuant to Section 6 of "An Act relating to certain investments of public funds by public agencies", approved July 23, 1943, as now or hereafter amended.

(Source: P.A. 85-257.)

Section 815. The Public Funds Investment Act is amended by changing Section 6 as follows:

(30 ILCS 235/6) (from Ch. 85, par. 906)

Sec. 6. Report of financial institutions.

(a) No bank shall receive any public funds unless it has furnished the corporate authorities of a public agency submitting a deposit with copies of the last two sworn statements of resources and liabilities which the bank is required to furnish to the Commissioner of Banks and Real Estate or to the Comptroller of the Currency. Each bank designated as a depository for public funds shall, while acting as such depository, furnish the corporate authorities of a public agency with a copy of all statements of resources and liabilities which it is required to furnish to the Commissioner of Banks and Real Estate or to the Comptroller of the Currency; provided, that if such funds or moneys are deposited in a bank, the amount of all such deposits not collateralized or insured by an agency of the federal government shall not exceed 75% of the capital stock and surplus of such bank, and the corporate authorities of a public agency submitting a deposit shall not be discharged from responsibility for any funds or moneys deposited in any bank in excess of such

limitation.

(b) No savings bank or savings and loan association shall receive public funds unless it has furnished the corporate authorities of a public agency submitting a deposit with copies of the last 2 sworn statements of resources and liabilities which the savings bank or savings and loan association is required to furnish to the Commissioner of Banks and Real Estate or the Federal Deposit Insurance Corporation. Each savings bank or savings and loan association designated as a depository for public funds shall, while acting as such depository, furnish the corporate authorities of a public agency with a copy of all statements of resources and liabilities which it is required to furnish to the Commissioner of Banks and Real Estate or the Federal Deposit Insurance Corporation; provided, that if such funds or moneys are deposited in a savings bank or savings and loan association, the amount of all such deposits not collateralized or insured by an agency of the federal government shall not exceed 75% of the net worth of such savings bank or savings and loan association as defined by the Federal Deposit Insurance Corporation, and the corporate authorities of a public agency submitting a deposit shall not be discharged from responsibility for any funds or moneys deposited in any savings bank or savings and loan association in excess of such limitation.

(c) No credit union shall receive public funds unless it has furnished the corporate authorities of a public agency submitting a share deposit with copies of the last two reports of examination prepared by or submitted to the Illinois Department of Financial Institutions or the National Credit Union Administration. Each credit union designated as a depository for public funds shall, while acting as such depository, furnish the corporate authorities of a public agency with a copy of all reports of examination prepared by or furnished to the Illinois Department of Financial Institutions or the National Credit Union Administration; provided that if such funds or moneys are invested in a credit union account, the amount of all such investments not collateralized or insured by an agency of the federal government or other approved share insurer shall not exceed 50% of the unimpaired capital and surplus of such credit union, which shall include shares, reserves and undivided earnings and the corporate authorities of a public agency making an investment shall not be discharged from responsibility for any funds or moneys invested in a credit union in excess of such limitation.

(d) Whenever a public agency deposits any public funds in a financial institution, the public agency may enter into an agreement with the financial institution requiring any funds not insured by the Federal Deposit Insurance Corporation or the National Credit Union Administration or other approved share insurer to be collateralized by any of the following classes of securities, provided there has been no default in the payment of principal or interest thereon:

(1) Bonds, notes, or other securities constituting direct and general obligations of the United States, the bonds, notes, or other securities constituting the direct and general obligation of any agency or instrumentality of the United States, the interest and principal of which is unconditionally guaranteed by the United States, and bonds, notes, or other securities or evidence of indebtedness constituting the obligation of a U.S. agency or instrumentality.

(2) Direct and general obligation bonds of the State of Illinois or of any other state of the United States.

(3) Revenue bonds of this State or any authority, board, commission, or similar agency thereof.

(4) Direct and general obligation bonds of any city, town, county, school district, or other taxing body of any state, the debt service of which is payable from general ad valorem taxes.

(5) Revenue bonds of any city, town, county, or school district of the State of Illinois.

(6) Obligations issued, assumed, or guaranteed by the International Finance Corporation, the principal of which is not amortized during the life of the obligation, but no such obligation shall be accepted at more than 90% of its market value.

(7) Illinois Affordable Housing Program Trust Fund Bonds or Notes as defined in and issued pursuant to the Illinois Housing Development Act.

(8) In an amount equal to at least market value of that amount of funds deposited exceeding the insurance limitation provided by the Federal Deposit Insurance Corporation or the National Credit Union Administration or other approved share insurer: (i) securities, (ii) mortgages, (iii) letters of credit issued by a Federal Home Loan Bank, or (iv) loans covered by a State Guaranty under the Illinois Farm Development Act.

(9) Certificates of deposit or share certificates issued to the depository institution pledging them as security. The public agency may require security in the amount of 125% of the value of the public agency deposit. Such certificate of deposit or share certificate shall:

(i) be fully insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or the National Credit Union Share Insurance Fund or issued by a depository

institution which is rated within the 3 highest classifications established by at least one of the 2 standard rating services;

(ii) be issued by a financial institution having assets of $15,000,000 or more; and

(iii) be issued by either a savings and loan association having a capital to asset ratio of at least 2%, by a bank having a capital to asset ratio of at least 6% or by a credit union having a capital to asset ratio of at least 4%.

The depository institution shall effect the assignment of the certificate of deposit or share certificate to the public agency and shall agree that, in the event the issuer of the certificate fails to maintain the capital to asset ratio required by this Section, such certificate of deposit or share certificate shall be replaced by additional suitable security.

(e) The public agency may accept a system established by the State Treasurer to aggregate permissible securities received as collateral from financial institutions in a collateral pool to secure public deposits of the institutions that have pledged securities to the pool.

(f) The public agency may at any time declare any particular security ineligible to qualify as collateral when, in the public agency's judgment, it is deemed desirable to do so.

(g) Notwithstanding any other provision of this Section, as security a public agency may, at its discretion, accept a bond, executed by a company authorized to transact the kinds of business described in clause (g) of Section 4 of the Illinois Insurance Code, in an amount not less than the amount of the deposits required by this Section to be secured, payable to the public agency for the benefit of the People of the unit of government, in a form that is acceptable to the public agency ~~securities, mortgages, letters of credit issued by a Federal Home Loan Bank, or loans covered by a State Guaranty under the Illinois Farm Development Act in an amount equal to at least market value of that amount of funds deposited exceeding the insurance limitation provided by the Federal Deposit Insurance Corporation or the National Credit Union Administration or other approved share insurer~~.

(h) ~~(e)~~ Paragraphs (a), (b), (c), ~~and~~ (d) , (e), (f), and (g) of this Section do not apply to the University of Illinois, Southern Illinois University, Chicago State University, Eastern Illinois University, Governors State University, Illinois State University, Northeastern Illinois University, Northern Illinois University, Western Illinois University, the Cooperative Computer Center and public community colleges.

(Source: P.A. 91-324, eff. 1-1-00; 91-773, eff. 6-9-00.)

Section 820. The Illinois Banking Act is amended by changing Sections 2, 5, and 17 and by adding Section 13.6 as follows:

(205 ILCS 5/2) (from Ch. 17, par. 302)

Sec. 2. General definitions. In this Act, unless the context otherwise requires, the following words and phrases shall have the following meanings:

"Accommodation party" shall have the meaning ascribed to that term in Section 3-419 of the Uniform Commercial Code.

"Action" in the sense of a judicial proceeding includes recoupments, counterclaims, set-off, and any other proceeding in which rights are determined.

"Affiliate facility" of a bank means a main banking premises or branch of another commonly owned bank. The main banking premises or any branch of a bank may be an "affiliate facility" with respect to one or more other commonly owned banks.

"Appropriate federal banking agency" means the Federal Deposit Insurance Corporation, the Federal Reserve Bank of Chicago, or the Federal Reserve Bank of St. Louis, as determined by federal law.

"Bank" means any person doing a banking business whether subject to the laws of this or any other jurisdiction.

A "banking house", "branch", "branch bank" or "branch office" shall mean any place of business of a bank at which deposits are received, checks paid, or loans made, but shall not include any place at which only records thereof are made, posted, or kept. A place of business at which deposits are received, checks paid, or loans made shall not be deemed to be a branch, branch bank, or branch office if the place of business is adjacent to and connected with the main banking premises, or if it is separated from the main banking premises by not more than an alley; provided always that (i) if the place of business is separated by an alley from the main banking premises there is a connection between the two by public or private way or by subterranean or overhead passage, and (ii) if the place of business is in a building not wholly occupied by the bank, the place of business shall not be within any office or room in which any other business or service of any kind or nature other than the business of the bank is conducted or carried on. A place of business at which deposits are received, checks paid, or loans made shall not be deemed to be a branch, branch bank, or branch office (i) of any bank if the place is a terminal established and maintained in

accordance with paragraph (17) of Section 5 of this Act, or (ii) of a commonly owned bank by virtue of transactions conducted at that place on behalf of the other commonly owned bank under paragraph (23) of Section 5 of this Act if the place is an affiliate facility with respect to the other bank.

"Branch of an out-of-state bank" means a branch established or maintained in Illinois by an out-of-state bank as a result of a merger between an Illinois bank and the out-of-state bank that occurs on or after May 31, 1997, or any branch established by the out-of-state bank following the merger.

"Bylaws" means the bylaws of a bank that are adopted by the bank's board of directors or shareholders for the regulation and management of the bank's affairs. If the bank operates as a limited liability company, however, "bylaws" means the operating agreement of the bank.

"Call report fee" means the fee to be paid to the Commissioner by each State bank pursuant to paragraph (a) of subsection (3) of Section 48 of this Act.

"Capital" includes the aggregate of outstanding capital stock and preferred stock.

"Cash flow reserve account" means the account within the books and records of the Commissioner of Banks and Real Estate used to record funds designated to maintain a reasonable Bank and Trust Company Fund operating balance to meet agency obligations on a timely basis.

"Charter" includes the original charter and all amendments thereto and articles of merger or consolidation.

"Commissioner" means the Commissioner of Banks and Real Estate or a person authorized by the Commissioner, the Office of Banks and Real Estate Act, or this Act to act in the Commissioner's stead.

"Commonly owned banks" means 2 or more banks that each qualify as a bank subsidiary of the same bank holding company pursuant to Section 18 of the Federal Deposit Insurance Act; "commonly owned bank" refers to one of a group of commonly owned banks but only with respect to one or more of the other banks in the same group.

"Community" means a city, village, or incorporated town and also includes the area served by the banking offices of a bank, but need not be limited or expanded to conform to the geographic boundaries of units of local government.

"Company" means a corporation, limited liability company, partnership, business trust, association, or similar organization and, unless specifically excluded, includes a "State bank" and a "bank".

"Consolidating bank" means a party to a consolidation.

"Consolidation" takes place when 2 or more banks, or a trust company and a bank, are extinguished and by the same process a new bank is created, taking over the assets and assuming the liabilities of the banks or trust company passing out of existence.

"Continuing bank" means a merging bank, the charter of which becomes the charter of the resulting bank.

"Converting bank" means a State bank converting to become a national bank, or a national bank converting to become a State bank.

"Converting trust company" means a trust company converting to become a State bank.

"Court" means a court of competent jurisdiction.

"Director" means a member of the board of directors of a bank. In the case of a manager-managed limited liability company, however, "director" means a manager of the bank and, in the case of a member-managed limited liability company, "director" means a member of the bank. The term "director" does not include an advisory director, honorary director, director emeritus, or similar person, unless the person is otherwise performing functions similar to those of a member of the board of directors.

"Eligible depository institution" means an insured savings association that is in default, an insured savings association that is in danger of default, a State or national bank that is in default or a State or national bank that is in danger of default, as those terms are defined in this Section, or a new bank as that term defined in Section 11(m) of the Federal Deposit Insurance Act or a bridge bank as that term is defined in Section 11(n) of the Federal Deposit Insurance Act or a new federal savings association authorized under Section 11(d)(2)(f) of the Federal Deposit Insurance Act.

"Fiduciary" means trustee, agent, executor, administrator, committee, guardian for a minor or for a person under legal disability, receiver, trustee in bankruptcy, assignee for creditors, or any holder of similar position of trust.

"Financial institution" means a bank, savings and loan association, credit union, or any licensee under the Consumer Installment Loan Act or the Sales Finance Agency Act and, for purposes of Section 48.3, any proprietary network, funds transfer corporation, or other entity providing electronic funds transfer services, or any corporate fiduciary, its subsidiaries, affiliates, parent company, or contractual service provider that is examined by the Commissioner.

"Foundation" means the Illinois Bank Examiners' Education Foundation.

"General obligation" means a bond, note, debenture, security, or other instrument evidencing an obligation of the government entity that is the issuer that is supported by the full available resources of the issuer, the principal and interest of which is payable in whole or in part by taxation.

"Guarantee" means an undertaking or promise to answer for payment of another's debt or performance of another's duty, liability, or obligation whether "payment guaranteed" or "collection guaranteed".

"In danger of default" means a State or national bank, a federally chartered insured savings association or an Illinois state chartered insured savings association with respect to which the Commissioner or the appropriate federal banking agency has advised the Federal Deposit Insurance Corporation that:

(1) in the opinion of the Commissioner or the appropriate federal banking agency,

(A) the State or national bank or insured savings association is not likely to be able to meet the demands of the State or national bank's or savings association's obligations in the normal course of business; and

(B) there is no reasonable prospect that the State or national bank or insured savings association will be able to meet those demands or pay those obligations without federal assistance; or

(2) in the opinion of the Commissioner or the appropriate federal banking agency,

(A) the State or national bank or insured savings association has incurred or is likely to incur losses that will deplete all or substantially all of its capital; and

(B) there is no reasonable prospect that the capital of the State or national bank or insured savings association will be replenished without federal assistance.

"In default" means, with respect to a State or national bank or an insured savings association, any adjudication or other official determination by any court of competent jurisdiction, the Commissioner, the appropriate federal banking agency, or other public authority pursuant to which a conservator, receiver, or other legal custodian is appointed for a State or national bank or an insured savings association.

"Insured savings association" means any federal savings association chartered under Section 5 of the federal Home Owners' Loan Act and any State savings association chartered under the Illinois Savings and Loan Act of 1985 or a predecessor Illinois statute, the deposits of which are insured by the Federal Deposit Insurance Corporation. The term also includes a savings bank organized or operating under the Savings Bank Act.

"Insured savings association in recovery" means an insured savings association that is not an eligible depository institution and that does not meet the minimum capital requirements applicable with respect to the insured savings association.

"Issuer" means for purposes of Section 33 every person who shall have issued or proposed to issue any security; except that (1) with respect to certificates of deposit, voting trust certificates, collateral-trust certificates, and certificates of interest or shares in an unincorporated investment trust not having a board of directors (or persons performing similar functions), "issuer" means the person or persons performing the acts and assuming the duties of depositor or manager pursuant to the provisions of the trust, agreement, or instrument under which the securities are issued; (2) with respect to trusts other than those specified in clause (1) above, where the trustee is a corporation authorized to accept and execute trusts, "issuer" means the entrusters, depositors, or creators of the trust and any manager or committee charged with the general direction of the affairs of the trust pursuant to the provisions of the agreement or instrument creating the trust; and (3) with respect to equipment trust certificates or like securities, "issuer" means the person to whom the equipment or property is or is to be leased or conditionally sold.

"Letter of credit" and "customer" shall have the meanings ascribed to those terms in Section 5-102 of the Uniform Commercial Code.

"Main banking premises" means the location that is designated in a bank's charter as its main office.

"Maker or obligor" means for purposes of Section 33 the issuer of a security, the promisor in a debenture or other debt security, or the mortgagor or grantor of a trust deed or similar conveyance of a security interest in real or personal property.

"Merged bank" means a merging bank that is not the continuing, resulting, or surviving bank in a consolidation or merger.

"Merger" includes consolidation.

"Merging bank" means a party to a bank merger.

"Merging trust company" means a trust company party to a merger with a State bank.

"Mid-tier bank holding company" means a corporation that (a) owns 100% of the issued and outstanding shares of each class of stock of a State bank, (b) has no other subsidiaries, and (c) 100% of the issued and

outstanding shares of the corporation are owned by a parent bank holding company.

"Municipality" means any municipality, political subdivision, school district, taxing district, or agency.

"National bank" means a national banking association located in this State and after May 31, 1997, means a national banking association without regard to its location.

"Out-of-state bank" means a bank chartered under the laws of a state other than Illinois, a territory of the United States, or the District of Columbia.

"Parent bank holding company" means a corporation that is a bank holding company as that term is defined in the Illinois Bank Holding Company Act of 1957 and owns 100% of the issued and outstanding shares of a mid-tier bank holding company.

"Person" means an individual, corporation, limited liability company, partnership, joint venture, trust, estate, or unincorporated association.

"Public agency" means the State of Illinois, the various counties, townships, cities, towns, villages, school districts, educational service regions, special road districts, public water supply districts, fire protection districts, drainage districts, levee districts, sewer districts, housing authorities, the Illinois Bank Examiners' Education Foundation, the Chicago Park District, and all other political corporations or subdivisions of the State of Illinois, whether now or hereafter created, whether herein specifically mentioned or not, and shall also include any other state or any political corporation or subdivision of another state.

"Public funds" or "public money" means current operating funds, special funds, interest and sinking funds, and funds of any kind or character belonging to, in the custody of, or subject to the control or regulation of the United States or a public agency. "Public funds" or "public money" shall include funds held by any of the officers, agents, or employees of the United States or of a public agency in the course of their official duties and, with respect to public money of the United States, shall include Postal Savings funds.

"Published" means, unless the context requires otherwise, the publishing of the notice or instrument referred to in some newspaper of general circulation in the community in which the bank is located at least once each week for 3 successive weeks. Publishing shall be accomplished by, and at the expense of, the bank required to publish. Where publishing is required, the bank shall submit to the Commissioner that evidence of the publication as the Commissioner shall deem appropriate.

"Qualified financial contract" means any security contract, commodity contract, forward contract, including spot and forward foreign exchange contracts, repurchase agreement, swap agreement, and any similar agreement, any option to enter into any such agreement, including any combination of the foregoing, and any master agreement for such agreements. A master agreement, together with all supplements thereto, shall be treated as one qualified financial contract. The contract, option, agreement, or combination of contracts, options, or agreements shall be reflected upon the books, accounts, or records of the bank, or a party to the contract shall provide documentary evidence of such agreement.

"Recorded" means the filing or recording of the notice or instrument referred to in the office of the Recorder of the county wherein the bank is located.

"Resulting bank" means the bank resulting from a merger or conversion.

"Securities" means stocks, bonds, debentures, notes, or other similar obligations.

"Stand-by letter of credit" means a letter of credit under which drafts are payable upon the condition the customer has defaulted in performance of a duty, liability, or obligation.

"State bank" means any banking corporation that has a banking charter issued by the Commissioner under this Act.

"State Banking Board" means the State Banking Board of Illinois.

"Subsidiary" with respect to a specified company means a company that is controlled by the specified company. For purposes of paragraphs (8) and (12) of Section 5 of this Act, "control" means the exercise of operational or managerial control of a corporation by the bank, either alone or together with other affiliates of the bank.

"Surplus" means the aggregate of (i) amounts paid in excess of the par value of capital stock and preferred stock; (ii) amounts contributed other than for capital stock and preferred stock and allocated to the surplus account; and (iii) amounts transferred from undivided profits.

"Tier 1 Capital" and "Tier 2 Capital" have the meanings assigned to those terms in regulations promulgated for the appropriate federal banking agency of a state bank, as those regulations are now or hereafter amended.

"Trust company" means a limited liability company or corporation incorporated in this State for the purpose of accepting and executing trusts.

"Undivided profits" means undistributed earnings less discretionary transfers to surplus.

"Unimpaired capital and unimpaired surplus", for the purposes of paragraph (21) of Section 5 and Sections 32, 33, 34, 35.1, 35.2, and 47 of this Act means the sum of the state bank's Tier 1 Capital and Tier 2 Capital plus such other shareholder equity as may be included by regulation of the Commissioner. Unimpaired capital and unimpaired surplus shall be calculated on the basis of the date of the last quarterly call report filed with the Commissioner preceding the date of the transaction for which the calculation is made, provided that: (i) when a material event occurs after the date of the last quarterly call report filed with the Commissioner that reduces or increases the bank's unimpaired capital and unimpaired surplus by 10% or more, then the unimpaired capital and unimpaired surplus shall be calculated from the date of the material event for a transaction conducted after the date of the material event; and (ii) if the Commissioner determines for safety and soundness reasons that a state bank should calculate unimpaired capital and unimpaired surplus more frequently than provided by this paragraph, the Commissioner may by written notice direct the bank to calculate unimpaired capital and unimpaired surplus at a more frequent interval. In the case of a state bank newly chartered under Section 13 or a state bank resulting from a merger, consolidation, or conversion under Sections 21 through 26 for which no preceding quarterly call report has been filed with the Commissioner, unimpaired capital and unimpaired surplus shall be calculated for the first calendar quarter on the basis of the effective date of the charter, merger, consolidation, or conversion.
(Source: P.A. 92-483, eff. 8-23-01.)

(205 ILCS 5/5) (from Ch. 17, par. 311)

Sec. 5. General corporate powers. A bank organized under this Act or subject hereto shall be a body corporate and politic and shall, without specific mention thereof in the charter, have all the powers conferred by this Act and the following additional general corporate powers:

(1) To sue and be sued, complain, and defend in its corporate name.

(2) To have a corporate seal, which may be altered at pleasure, and to use the same by causing it or a facsimile thereof to be impressed or affixed or in any manner reproduced, provided that the affixing of a corporate seal to an instrument shall not give the instrument additional force or effect, or change the construction thereof, and the use of a corporate seal is not mandatory.

(3) To make, alter, amend, and repeal bylaws, not inconsistent with its charter or with law, for the administration of the affairs of the bank. If this Act does not provide specific guidance in matters of corporate governance, the provisions of the Business Corporation Act of 1983 may be used if so provided in the bylaws, and if the bank is a limited liability company, the provisions of the Limited Liability Company Act shall be used.

(4) To elect or appoint and remove officers and agents of the bank and define their duties and fix their compensation.

(5) To adopt and operate reasonable bonus plans, profit-sharing plans, stock-bonus plans, stock-option plans, pension plans and similar incentive plans for its directors, officers and employees.

(5.1) To manage, operate and administer a fund for the investment of funds by a public agency or agencies, including any unit of local government or school district, or any person. The fund for a public agency shall invest in the same type of investments and be subject to the same limitations provided for the investment of public funds. The fund for public agencies shall maintain a separate ledger showing the amount of investment for each public agency in the fund. "Public funds" and "public agency" as used in this Section shall have the meanings ascribed to them in Section 1 of the Public Funds Investment Act.

(6) To make reasonable donations for the public welfare or for charitable, scientific, religious or educational purposes.

(7) To borrow or incur an obligation; and to pledge its assets:

(a) to secure its borrowings, its lease of personal or real property or its other nondeposit obligations;

(b) to enable it to act as agent for the sale of obligations of the United States;

(c) to secure deposits of public money of the United States, whenever required by the laws of the United States, including without being limited to, revenues and funds the deposit of which is subject to the control or regulation of the United States or any of its officers, agents, or employees and Postal Savings funds;

(d) to secure deposits of public money of any state or of any political corporation or subdivision thereof including, without being limited to, revenues and funds the deposit of which is subject to the control or regulation of any state or of any political corporation or subdivisions thereof or of any of their officers, agents, or employees;

(e) to secure deposits of money whenever required by the National Bankruptcy Act;

(f) (blank); and

(g) to secure trust funds commingled with the bank's funds, whether deposited by the bank or an affiliate of the bank, pursuant to Section 2-8 of the Corporate Fiduciary Act.

(8) To own, possess, and carry as assets all or part of the real estate necessary in or with which to do its banking business, either directly or indirectly through the ownership of all or part of the capital stock, shares or interests in any corporation, association, trust engaged in holding any part or parts or all of the bank premises, engaged in such business and in conducting a safe deposit business in the premises or part of them, or engaged in any activity that the bank is permitted to conduct in a subsidiary pursuant to paragraph (12) of this Section 5.

(9) To own, possess, and carry as assets other real estate to which it may obtain title in the collection of its debts or that was formerly used as a part of the bank premises, but title to any real estate except as herein permitted shall not be retained by the bank, either directly or by or through a subsidiary, as permitted by subsection (12) of this Section for a total period of more than 10 years after acquiring title, either directly or indirectly.

(10) To do any act, including the acquisition of stock, necessary to obtain insurance of its deposits, or part thereof, and any act necessary to obtain a guaranty, in whole or in part, of any of its loans or investments by the United States or any agency thereof, and any act necessary to sell or otherwise dispose of any of its loans or investments to the United States or any agency thereof, and to acquire and hold membership in the Federal Reserve System.

(11) Notwithstanding any other provisions of this Act or any other law, to do any act and to own, possess, and carry as assets property of the character, including stock, that is at the time authorized or permitted to national banks by an Act of Congress, but subject always to the same limitations and restrictions as are applicable to national banks by the pertinent federal law and subject to applicable provisions of the Financial Institutions Insurance Sales Law.

(12) To own, possess, and carry as assets stock of one or more corporations that is, or are, engaged in one or more of the following businesses:

(a) holding title to and administering assets acquired as a result of the collection or liquidating of loans, investments, or discounts; or

(b) holding title to and administering personal property acquired by the bank, directly or indirectly through a subsidiary, for the purpose of leasing to others, provided the lease or leases and the investment of the bank, directly or through a subsidiary, in that personal property otherwise comply with Section 35.1 of this Act; or

(c) carrying on or administering any of the activities excepting the receipt of deposits or the payment of checks or other orders for the payment of money in which a bank may engage in carrying on its general banking business; provided, however, that nothing contained in this paragraph (c) shall be deemed to permit a bank organized under this Act or subject hereto to do, either directly or indirectly through any subsidiary, any act, including the making of any loan or investment, or to own, possess, or carry as assets any property that if done by or owned, possessed, or carried by the State bank would be in violation of or prohibited by any provision of this Act.

The provisions of this subsection (12) shall not apply to and shall not be deemed to limit the powers of a State bank with respect to the ownership, possession, and carrying of stock that a State bank is permitted to own, possess, or carry under this Act.

Any bank intending to establish a subsidiary under this subsection (12) shall give written notice to the Commissioner 60 days prior to the subsidiary's commencing of business or, as the case may be, prior to acquiring stock in a corporation that has already commenced business. After receiving the notice, the Commissioner may waive or reduce the balance of the 60 day notice period. The Commissioner may specify the form of the notice and may promulgate rules and regulations to administer this subsection (12).

(13) To accept for payment at a future date not exceeding one year from the date of acceptance, drafts drawn upon it by its customers; and to issue, advise, or confirm letters of credit authorizing the holders thereof to draw drafts upon it or its correspondents.

(14) To own and lease personal property acquired by the bank at the request of a prospective lessee and upon the agreement of that person to lease the personal property provided that the lease, the agreement with respect thereto, and the amount of the investment of the bank in the property comply with Section 35.1 of this Act.

(15) (a) To establish and maintain, in addition to the main banking premises, branches offering any banking services permitted at the main banking premises of a State bank.

(b) To establish and maintain, after May 31, 1997, branches in another state that may

conduct any activity in that state that is authorized or permitted for any bank that has a banking charter issued by that state, subject to the same limitations and restrictions that are applicable to banks chartered by that state.

(16) (Blank).

(17) To establish and maintain terminals, as authorized by the Electronic Fund Transfer Act.

(18) To establish and maintain temporary service booths at any International Fair held in this State which is approved by the United States Department of Commerce, for the duration of the international fair for the sole purpose of providing a convenient place for foreign trade customers at the fair to exchange their home countries' currency into United States currency or the converse. This power shall not be construed as establishing a new place or change of location for the bank providing the service booth.

(19) To indemnify its officers, directors, employees, and agents, as authorized for corporations under Section 8.75 of the Business Corporation Act of 1983.

(20) To own, possess, and carry as assets stock of, or be or become a member of, any corporation, mutual company, association, trust, or other entity formed exclusively for the purpose of providing directors' and officers' liability and bankers' blanket bond insurance or reinsurance to and for the benefit of the stockholders, members, or beneficiaries, or their assets or businesses, or their officers, directors, employees, or agents, and not to or for the benefit of any other person or entity or the public generally.

(21) To make debt or equity investments in corporations or projects, whether for profit or not for profit, designed to promote the development of the community and its welfare, provided that the aggregate investment in all of these corporations and in all of these projects does not exceed 10% of the unimpaired capital and unimpaired surplus of the bank and provided that this limitation shall not apply to creditworthy loans by the bank to those corporations or projects. Upon written application to the Commissioner, a bank may make an investment that would, when aggregated with all other such investments, exceed 10% of the unimpaired capital and unimpaired surplus of the bank. The Commissioner may approve the investment if he is of the opinion and finds that the proposed investment will not have a material adverse effect on the safety and soundness of the bank.

(22) To own, possess, and carry as assets the stock of a corporation engaged in the ownership or operation of a travel agency or to operate a travel agency as a part of its business.

(23) With respect to affiliate facilities:

(a) to conduct at affiliate facilities for and on behalf of another commonly owned bank, if so authorized by the other bank, all transactions that the other bank is authorized or permitted to perform; and

(b) to authorize a commonly owned bank to conduct for and on behalf of it any of the transactions it is authorized or permitted to perform at one or more affiliate facilities.

Any bank intending to conduct or to authorize a commonly owned bank to conduct at an affiliate facility any of the transactions specified in this paragraph (23) shall give written notice to the Commissioner at least 30 days before any such transaction is conducted at the affiliate facility.

(24) To act as the agent for any fire, life, or other insurance company authorized by the State of Illinois, by soliciting and selling insurance and collecting premiums on policies issued by such company; and to receive for services so rendered such fees or commissions as may be agreed upon between the bank and the insurance company for which it may act as agent; provided, however, that no such bank shall in any case assume or guarantee the payment of any premium on insurance policies issued through its agency by its principal; and provided further, that the bank shall not guarantee the truth of any statement made by an assured in filing his application for insurance.

(25) Notwithstanding any other provisions of this Act or any other law, to offer any product or service that is at the time authorized or permitted to any insured savings association or out-of-state bank by applicable law, provided that powers conferred only by this subsection (25):

(a) shall always be subject to the same limitations and restrictions that are applicable to the insured savings association or out-of-state bank for the product or service by such applicable law;

(b) shall be subject to applicable provisions of the Financial Institutions Insurance Sales Law;

(c) shall not include the right to own or conduct a real estate brokerage business for which a license would be required under the laws of this State; and

(d) shall not be construed to include the establishment or maintenance of a branch, nor shall they be construed to limit the establishment or maintenance of a branch pursuant to subsection (11).

Not less than 30 days before engaging in any activity under the authority of this subsection, a bank shall provide written notice to the Commissioner of its intent to engage in the activity. The notice shall indicate the specific federal or state law, rule, regulation, or interpretation the bank intends to use as authority to engage in the activity.

(Source: P.A. 91-330, eff. 7-29-99; 91-849, eff. 6-22-00; 92-483, eff. 8-23-01; 92-811, eff. 8-21-02.)

(205 ILCS 5/13.6 new)

Sec. 13.6. Banks as limited liability companies.

(a) A bank may be organized as a limited liability company, may convert to a limited liability company, or may merge with and into a limited liability company under the applicable laws of this State and of the United States, including any rules promulgated thereunder. A bank organized as a limited liability company shall be subject to the provisions of the Limited Liability Company Act in addition to this Act, provided that if a provision of the Limited Liability Company Act conflicts with a provision of this Act or with any rule of the Commissioner, the provision of this Act or the rule of the Commissioner shall apply.

(b) Any filing required to be made under the Limited Liability Company Act shall be made exclusively with the Commissioner, and the Commissioner shall possess the exclusive authority to regulate the bank as provided in this Act.

(c) Any organization as, conversion to, and merger with or into a limited liability company shall be subject to the prior approval of the Commissioner.

(d) A bank that is a limited liability company shall be subject to all of the provisions of this Act in the same manner as a bank that is organized in stock form.

(e) The Commissioner may promulgate rules to ensure that a bank that is a limited liability company (i) is operating in a safe and sound manner and (ii) is subject to the Commissioner's authority in the same manner as a bank that is organized in stock form.

(205 ILCS 5/17) (from Ch. 17, par. 324)

Sec. 17. Changes in charter.

(a) By compliance with the provisions of this Act a State bank may:

(1) (blank);

(2) increase, decrease or change its capital stock, whether issued or unissued, provided that in no case shall the capital be diminished to the prejudice of its creditors;

(3) provide for authorized but unissued capital stock reserved for issuance for one or more of the purposes provided for in subsection (5) of Section 14 hereof;

(4) authorize preferred stock, or increase, decrease or change the preferences, qualifications, limitations, restrictions or special or relative rights of its preferred stock, whether issued or unissued, or delegate authority to its board of directors as provided in subsection (d), provided that in no case shall the capital be diminished to the prejudice of its creditors;

(5) increase, decrease or change the par value of its shares of its capital stock or preferred stock, whether issued or unissued, or delegate authority to its board of directors as provided in subsection (d);

(6) (blank);

(7) eliminate cumulative voting rights under all or specified circumstances, or eliminate voting rights entirely, as to any class or classes or series of stock of the bank pursuant to paragraph (3) of Section 15, provided that one class of shares or series thereof shall always have voting in respect to all matters in the bank, and provided further that the proposal to eliminate such voting rights receives the approval of the holders of 70% of the outstanding shares of stock entitled to vote as provided in paragraph (7) of subsection (b) of this Section 17;

(8) increase, decrease, or change its capital stock or preferred stock, whether issued or unissued, for the purpose of eliminating fractional shares or avoiding the issuance of fractional shares, provided that in no case shall the capital be diminished to the prejudice of its creditors; or

(9) make such other change in its charter as may be authorized in this Act.

(b) To effect a change or changes in a State bank's charter as provided for in this Section 17:

(1) The board of directors shall adopt a resolution setting forth the proposed amendment and directing that it be submitted to a vote at a meeting of stockholders, which may be either an annual or special meeting.

(2) If the meeting is a special meeting, written or printed notice setting forth the proposed amendment or summary thereof shall be given to each stockholder of record entitled to vote at such meeting at least 30 days before such meeting and in the manner provided in this Act for the giving of notice of meetings of stockholders.

(3) At such special meeting, a vote of the stockholders entitled to vote shall be taken on the proposed amendment. Except as provided in paragraph (7) of this subsection (b), the proposed amendment shall be adopted upon receiving the affirmative vote of the holders of at least two-thirds of the outstanding shares of stock entitled to vote at such meeting, unless holders of preferred stock are entitled to vote as a class in respect thereof, in which event the proposed amendment shall be adopted upon receiving the affirmative vote of the holders of at least two-thirds of the outstanding shares of each class of shares entitled to vote as a class in respect thereof and of the total outstanding shares entitled to vote at such meeting. Any number of amendments may be submitted to the stockholders and voted upon by them at one meeting. A certificate of the amendment, or amendments, verified by the president, or a vice-president, or the cashier, shall be filed immediately in the office of the Commissioner.

(4) At any annual meeting without a resolution of the board of directors and without a notice and prior publication, as hereinabove provided, a proposition for a change in the bank's charter as provided for in this Section 17 may be submitted to a vote of the stockholders entitled to vote at the annual meeting, except that no proposition for authorized but unissued capital stock reserved for issuance for one or more of the purposes provided for in subsection (5) of Section 14 hereof shall be submitted without complying with the provisions of said subsection. The proposed amendment shall be adopted upon receiving the affirmative vote of the holders of at least two-thirds of the outstanding shares of stock entitled to vote at such meeting, unless holders of preferred stock are entitled to vote as a class in respect thereof, in which event the proposed amendment shall be adopted upon receiving the affirmative vote of the holders of at least two-thirds of the outstanding shares of each class of shares entitled to vote as a class in respect thereof and the total outstanding shares entitled to vote at such meeting. A certificate of the amendment, or amendments, verified by the president, or a vice-president or cashier, shall be filed immediately in the office of the Commissioner.

(5) If an amendment or amendments shall be approved in writing by the Commissioner, the amendment or amendments so adopted and so approved shall be accomplished in accordance with the vote of the stockholders. The Commissioner may impose such terms and conditions on the approval of the amendment or amendments as he deems necessary or appropriate. The Commissioner shall revoke such approval in the event such amendment or amendments are not effected within one year from the date of the issuance of the Commissioner's certificate and written approval except for transactions permitted under subsection (5) of Section 14 of this Act.

(6) No amendment or amendments shall affect suits in which the bank is a party, nor affect causes of action, nor affect rights of persons in any particular, nor shall actions brought against such bank by its former name be abated by a change of name.

(7) A proposal to amend the charter to eliminate cumulative voting rights under all or specified circumstances, or to eliminate voting rights entirely, as to any class or classes or series or stock of a bank, pursuant to paragraph (3) of Section 15 and paragraph (7) of subsection (a) of this Section 17, shall be adopted only upon such proposal receiving the approval of the holders of 70% of the outstanding shares of stock entitled to vote at the meeting where the proposal is presented for approval, unless holders of preferred stock are entitled to vote as a class in respect thereof, in which event the proposed amendment shall be adopted upon receiving the approval of the holders of 70% of the outstanding shares of each class of shares entitled to vote as a class in respect thereof and of the total outstanding shares entitled to vote at the meeting where the proposal is presented for approval. The proposal to amend the charter pursuant to this paragraph (7) may be voted upon at the annual meeting or a special meeting.

(8) Written or printed notice of a stockholders' meeting to vote on a proposal to increase, decrease or change the capital stock or preferred stock pursuant to paragraph (8) of subsection (a) of this Section 17 and to eliminate fractional shares or avoid the issuance of fractional shares shall be given to each stockholder of record entitled to vote at the meeting at least 30 days before the meeting and in the manner provided in this Act for the giving of notice of meetings of stockholders, and shall include all of the following information:

(A) A statement of the purpose of the proposed reverse stock split.

(B) A statement of the amount of consideration being offered for the bank's stock.

(C) A statement that the bank considers the transaction fair to the stockholders, and a statement of the material facts upon which this belief is based.

(D) A statement that the bank has secured an opinion from a third party with respect to the fairness, from a financial point of view, of the consideration to be paid, the identity and qualifications of the third party, how the third party was selected, and any material relationship

between the third party and the bank.

(E) A summary of the opinion including the basis for and the methods of arriving at the findings and any limitation imposed by the bank in arriving at fair value and a statement making the opinion available for reviewing or copying by any stockholder.

(F) A statement that objecting stockholders will be entitled to the fair value of those shares that are voted against the charter amendment, if a proper demand is made on the bank and the requirements are satisfied as specified in this Section.

If a stockholder shall file with the bank, prior to or at the meeting of stockholders at which the proposed charter amendment is submitted to a vote, a written objection to the proposed charter amendment and shall not vote in favor thereof, and if the stockholder, within 20 days after receiving written notice of the date the charter amendment was accomplished pursuant to paragraph (5) of subsection (a) of this Section 17, shall make written demand on the bank for payment of the fair value of the stockholder's shares as of the day prior to the date on which the vote was taken approving the charter amendment, the bank shall pay to the stockholder, upon surrender of the certificate or certificates representing the stock, the fair value thereof. The demand shall state the number of shares owned by the objecting stockholder. The bank shall provide written notice of the date on which the charter amendment was accomplished to all stockholders who have filed written objections in order that the objecting stockholders may know when they must file written demand if they choose to do so. Any stockholder failing to make demand within the 20-day period shall be conclusively presumed to have consented to the charter amendment and shall be bound by the terms thereof. If within 30 days after the date on which a charter amendment was accomplished the value of the shares is agreed upon between the objecting stockholders and the bank, payment therefor shall be made within 90 days after the date on which the charter amendment was accomplished, upon the surrender of the stockholder's certificate or certificates representing the shares. Upon payment of the agreed value the objecting stockholder shall cease to have any interest in the shares or in the bank. If within such period of 30 days the stockholder and the bank do not so agree, then the objecting stockholder may, within 60 days after the expiration of the 30-day period, file a complaint in the circuit court asking for a finding and determination of the fair value of the shares, and shall be entitled to judgment against the bank for the amount of the fair value as of the day prior to the date on which the vote was taken approving the charter amendment with interest thereon to the date of the judgment. The practice, procedure and judgment shall be governed by the Civil Practice Law. The judgment shall be payable only upon and simultaneously with the surrender to the bank of the certificate or certificates representing the shares. Upon payment of the judgment, the objecting stockholder shall cease to have any interest in the shares or the bank. The shares may be held and disposed of by the bank. Unless the objecting stockholder shall file such complaint within the time herein limited, the stockholder and all persons claiming under the stockholder shall be conclusively presumed to have approved and ratified the charter amendment, and shall be bound by the terms thereof. The right of an objecting stockholder to be paid the fair value of the stockholder's shares of stock as herein provided shall cease if and when the bank shall abandon the charter amendment.

(c) The purchase and holding and later resale of treasury stock of a state bank pursuant to the provisions of subsection (6) of Section 14 may be accomplished without a change in its charter reflecting any decrease or increase in capital stock.

(d) A State bank may amend its charter for the purpose of authorizing its board of directors to issue preferred stock; to increase, decrease, or change the par value of shares of its preferred stock, whether issued or unissued; or to increase, decrease, or change the preferences, qualifications, limitations, restrictions, or special or relative rights of its preferred stock, whether issued or unissued; provided that in no case shall the capital be diminished to the prejudice of the bank's creditors. An amendment to the bank's charter granting such authority shall establish ranges, limits, or restrictions that must be observed when the board exercises the discretion authorized by the amendment.

Once such an amendment is adopted and approved as provided in this subsection, and without further action by the bank's stockholders, the board may exercise its delegated authority by adopting a resolution specifying the actions that it is taking with respect to the preferred stock. The board may fully exercise its delegated authority through one resolution or it may exercise its delegated authority through a series of resolutions, provided that the board's actions remain at all times within the ranges, limitations, and restrictions specified in the amendment to the bank's charter.

A resolution adopted by the board under this authority shall be submitted to the Commissioner for approval. The Commissioner shall approve the resolution, or state any objections to the resolution, within 30 days after the receipt of the resolution adopted by the board. If no objections are specified by the Commissioner within that time frame, the resolution will be deemed to be approved by the Commissioner.

Once approved, the resolution shall be incorporated as an addendum to the bank's charter and the board may proceed to effect the changes set forth in the resolution.

(Source: P.A. 91-322, eff. 1-1-00; 92-483, eff. 8-23-01.)

Section 825. The Savings Bank Act is amended by changing Sections 1007.55 and 1008 and by adding Section 1007.125 as follows:

(205 ILCS 205/1007.55) (from Ch. 17, par. 7301-7.55)

Sec. 1007.55. "Director" means any director, trustee, or other person performing similar functions with respect to any organization whether incorporated or unincorporated. In the case of a manager-managed limited liability company, however, "director" means a manager of the savings bank, and in the case of a member-managed limited liability company, "director" means a member of the savings bank. The term "director" does not include an advisory director, honorary director, director emeritus, or similar person, unless the person is otherwise performing functions similar to those of a director.

(205 ILCS 205/1007.125 new)

Sec. 1007.125. "Bylaws" means the bylaws of a savings bank that are adopted by the savings bank's board of directors or shareholders for the regulation and management of the savings bank's affairs. If the savings bank operates as a limited liability company, however, "bylaws" means the operating agreement of the savings bank.

(Source: P.A. 86-1213.)

(205 ILCS 205/1008) (from Ch. 17, par. 7301-8)

Sec. 1008. General corporate powers.

(a) A savings bank operating under this Act shall be a body corporate and politic and shall have all of the powers conferred by this Act including, but not limited to, the following powers:

(1) To sue and be sued, complain, and defend in its corporate name and to have a common seal, which it may alter or renew at pleasure.

(2) To obtain and maintain insurance by a deposit insurance corporation as defined in this Act.

(3) To act as a fiscal agent for the United States, the State of Illinois or any department, branch, arm, or agency of the State or any unit of local government or school district in the State, when duly designated for that purpose, and as agent to perform reasonable functions as may be required of it.

(4) To become a member of or deal with any corporation or agency of the United States or the State of Illinois, to the extent that the agency assists in furthering or facilitating its purposes or powers and to that end to purchase stock or securities thereof or deposit money therewith, and to comply with any other conditions of membership or credit.

(5) To make donations in reasonable amounts for the public welfare or for charitable, scientific, religious, or educational purposes.

(6) To adopt and operate reasonable insurance, bonus, profit sharing, and retirement plans for officers and employees and for directors including, but not limited to, advisory, honorary, and emeritus directors, who are not officers or employees.

(7) To reject any application for membership; to retire deposit accounts by enforced retirement as provided in this Act and the bylaws; and to limit the issuance of, or payments on, deposit accounts, subject, however, to contractual obligations.

(8) To purchase stock in service corporations and to invest in any form of indebtedness of any service corporation as defined in this Act, subject to regulations of the Commissioner.

(9) To purchase stock of a corporation whose principal purpose is to operate a safe deposit company or escrow service company.

(10) To exercise all the powers necessary to qualify as a trustee or custodian under federal or State law, provided that the authority to accept and execute trusts is subject to the provisions of the Corporate Fiduciary Act and to the supervision of those activities by the Commissioner.

(11) (Blank).

(12) To establish, maintain, and operate terminals as authorized by the Electronic Fund Transfer Act.

(13) To pledge its assets:

(A) to enable it to act as agent for the sale of obligations of the United States;

(B) to secure deposits;

(C) to secure deposits of money whenever required by the National Bankruptcy Act;

(D) (blank); and

(E) to secure trust funds commingled with the savings bank's funds, whether deposited by the savings bank or an affiliate of the savings bank, as required under Section 2-8 of the Corporate Fiduciary Act.

(14) To accept for payment at a future date not to exceed one year from the date of acceptance, drafts drawn upon it by its customers; and to issue, advise, or confirm letters of credit authorizing holders thereof to draw drafts upon it or its correspondents.

(15) Subject to the regulations of the Commissioner, to own and lease personal property acquired by the savings bank at the request of a prospective lessee and, upon the agreement of that person, to lease the personal property.

(16) To establish temporary service booths at any International Fair in this State that is approved by the United States Department of Commerce for the duration of the international fair for the purpose of providing a convenient place for foreign trade customers to exchange their home countries' currency into United States currency or the converse. To provide temporary periodic service to persons residing in a bona fide nursing home, senior citizens' retirement home, or long-term care facility. These powers shall not be construed as establishing a new place or change of location for the savings bank providing the service booth.

(17) To indemnify its officers, directors, employees, and agents, as authorized for corporations under Section 8.75 of the Business Corporations Act of 1983.

(18) To provide data processing services to others on a for-profit basis.

(19) To utilize any electronic technology to provide customers with home banking services.

(20) Subject to the regulations of the Commissioner, to enter into an agreement to act as a surety.

(21) Subject to the regulations of the Commissioner, to issue credit cards, extend credit therewith, and otherwise engage in or participate in credit card operations.

(22) To purchase for its own account shares of stock of a bankers' bank, described in Section 13(b)(1) of the Illinois Banking Act, on the same terms and conditions as a bank may purchase such shares. In no event shall the total amount of such stock held by a savings bank in such bankers' bank exceed 10% of its capital and surplus (including undivided profits) and in no event shall a savings bank acquire more than 5% of any class of voting securities of such bankers' bank.

(23) With respect to affiliate facilities:

(A) to conduct at affiliate facilities any of the following transactions for and on behalf of any affiliated depository institution, if so authorized by the affiliate or affiliates: receiving deposits; renewing deposits; cashing and issuing checks, drafts, money orders, travelers checks, or similar instruments; changing money; receiving payments on existing indebtedness; and conducting ministerial functions with respect to loan applications, servicing loans, and providing loan account information; and

(B) to authorize an affiliated depository institution to conduct for and on behalf of it, any of the transactions listed in this subsection at one or more affiliate facilities.

A savings bank intending to conduct or to authorize an affiliated depository institution to conduct at an affiliate facility any of the transactions specified in this subsection shall give written notice to the Commissioner at least 30 days before any such transaction is conducted at an affiliate facility. All conduct under this subsection shall be on terms consistent with safe and sound banking practices and applicable law.

(24) Subject to Article XLIV of the Illinois Insurance Code, to act as the agent for any fire, life, or other insurance company authorized by the State of Illinois, by soliciting and selling insurance and collecting premiums on policies issued by such company; and may receive for services so rendered such fees or commissions as may be agreed upon between the said savings bank and the insurance company for which it may act as agent; provided, however, that no such savings bank shall in any case assume or guarantee the payment of any premium on insurance policies issued through its agency by its principal; and provided further, that the savings bank shall not guarantee the truth of any statement made by an assured in filing his application for insurance.

(25) To become a member of the Federal Home Loan Bank and to have the powers granted to a savings association organized under the Illinois Savings and Loan Act of 1985 or the laws of the United States, subject to regulations of the Commissioner.

(26) To offer any product or service that is at the time authorized or permitted to a

bank by applicable law, but subject always to the same limitations and restrictions that are applicable to the bank for the product or service by such applicable law and subject to the applicable provisions of the Financial Institutions Insurance Sales Law and rules of the Commissioner.

(b) If this Act or the regulations adopted under this Act fail to provide specific guidance in matters of corporate governance, the provisions of the Business Corporation Act of 1983 may be used, or if the savings bank is a limited liability company, the provisions of the Limited Liability Company shall be used.

(c) A savings bank may be organized as a limited liability company, may convert to a limited liability company, or may merge with and into a limited liability company, under the applicable laws of this State and of the United States, including any rules promulgated thereunder. A savings bank organized as a limited liability company shall be subject to the provisions of the Limited Liability Company Act in addition to this Act, provided that if a provision of the Limited Liability Company Act conflicts with a provision of this Act or with any rule of the Commissioner, the provision of this Act or the rule of the Commissioner shall apply.

Any filing required to be made under the Limited Liability Company Act shall be made exclusively with the Commissioner, and the Commissioner shall possess the exclusive authority to regulate the savings bank as provided in this Act.

Any organization as, conversion to, and merger with or into a limited liability company shall be subject to the prior approval of the Commissioner.

A savings bank that is a limited liability company shall be subject to all of the provisions of this Act in the same manner as a savings bank that is organized in stock form.

The Commissioner may promulgate rules to ensure that a savings bank that is a limited liability company (i) is operating in a safe and sound manner and (ii) is subject to the Commissioner's authority in the same manner as a savings bank that is organized in stock form.

(Source: P.A. 91-97, eff. 7-9-99; 91-357, eff. 7-29-99; 92-483, eff. 8-23-01.)

Section 830. The Residential Mortgage License Act of 1987 is amended by changing Sections 1-4, 2-4, 2-6, 3-2, 3-5, and 4-5 and by adding Sections 4-8.1, 4-8.2, and Article 7 as follows:

(205 ILCS 635/1-4) (from Ch. 17, par. 2321-4)

Sec. 1-4. Definitions.

(a) "Residential real property" or "residential real estate" shall mean real property located in this State improved by a one-to-four family dwelling used or occupied, wholly or partly, as the home or residence of one or more persons and may refer, subject to regulations of the Commissioner, to unimproved real property upon which those kinds dwellings are to be constructed.

(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 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.

(2) Any person or entity that either (i) has a physical presence in Illinois or (ii) 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 10 residential mortgage loans in any one calendar year.

(3) Any person employed by a licensee to assist in the performance of the activities regulated by this Act who is compensated in any manner by only one licensee.

(4) Any person licensed pursuant to the Real Estate License Act of 2000, who engages only in the taking of applications and credit and appraisal information to forward to a licensee or an exempt entity under this Act and who is compensated by either a licensee or an exempt entity under this Act, but is not compensated by either the buyer (applicant) or the seller.

(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 with regard to the nature and amount of compensation.

(6) A person who prepares supporting documentation for a residential mortgage loan application taken by a licensee and performs ministerial functions pursuant to specific instructions of the licensee who neither requires nor permits the preparer to exercise his or her discretion or judgment; provided that this activity is engaged in pursuant to a binding, written agreement between the licensee and the preparer that:

(A) holds the licensee fully accountable for the preparer's action; and

(B) otherwise meets the requirements of this Section and this Act, does not undermine the purposes of this Act, and is approved by the Commissioner.

(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 a loan to or for the benefit of any natural person made primarily for personal, family, or household use, primarily secured by either a mortgage on residential real property or certificates of stock or other evidence of ownership interests in and proprietary leases from, corporations, partnerships, or limited liability companies formed for the purpose of cooperative ownership of residential real property, all located in Illinois.

(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.

(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 or a person authorized by the Commissioner, the Office of Banks and Real Estate Act, or this Act to act in the Commissioner's stead.

(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 office 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 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.

(Source: P.A. 90-772, eff. 1-1-99; 91-245, eff. 12-31-99.)

(205 ILCS 635/2-4) (from Ch. 17, par. 2322-4)

Sec. 2-4. Averments of Licensee. Each application for license or for the renewal of a license shall be accompanied by the following averments stating that the applicant:

(a) Will maintain at least one full service office within the State of Illinois pursuant to Section 3-4 of this Act;

(b) Will maintain staff reasonably adequate to meet the requirements of Section 3-4 of this Act;

(c) Will keep and maintain for 36 months the same written records as required by the federal Equal Credit Opportunity Act, and any other information required by regulations of the Commissioner regarding any home mortgage in the course of the conduct of its residential mortgage business;

(d) Will file with the Commissioner, when due, any report or reports which it is required to file under any of the provisions of this Act;

(e) Will not engage, whether as principal or agent, in the practice of rejecting residential mortgage applications without reasonable cause, or varying terms or application procedures without reasonable cause, for home mortgages on real estate within any specific geographic area from the terms or procedures generally provided by the licensee within other geographic areas of the State;

(f) Will not engage in fraudulent home mortgage underwriting practices;

(g) Will not make payment, whether directly or indirectly, of any kind to any in house or fee appraiser of any government or private money lending agency with which an application for a home mortgage has been filed for the purpose of influencing the independent judgment of the appraiser with respect to the value of any real estate which is to be covered by such home mortgage;

(h) Has filed tax returns (State and Federal) for the past 3 years or filed with the Commissioner an accountant's or attorney's statement as to why no return was filed;

(i) Will not engage in any discrimination or redlining activities prohibited by Section 3-8 of this Act;

(j) Will not knowingly make any false promises likely to influence or persuade, or pursue a course of misrepresentation and false promises through agents, solicitors, advertising or otherwise;

(k) Will not knowingly misrepresent, circumvent or conceal, through whatever subterfuge or device, any of the material particulars or the nature thereof, regarding a transaction to which it is a party to the injury of another party thereto;

(l) Will disburse funds in accordance with its agreements;

(m) Has not committed a crime against the law of this State, any other state or of the United States,

involving moral turpitude, fraudulent or dishonest dealing, and that no final judgment has been entered against it in a civil action upon grounds of fraud, misrepresentation or deceit which has not been previously reported to the Commissioner;

(n) Will account or deliver to any person any personal property such as money, fund, deposit, check, draft, mortgage, other document or thing of value, which has come into its possession, and which is not its property, or which it is not in law or equity entitled to retain under the circumstances, at the time which has been agreed upon or is required by law, or, in the absence of a fixed time, upon demand of the person entitled to such accounting and delivery;

(o) Has not engaged in any conduct which would be cause for denial of a license;

(p) Has not become insolvent;

(q) Has not submitted an application for a license under this Act which contains a material misstatement;

(r) Has not demonstrated by course of conduct, negligence or incompetence in performing any act for which it is required to hold a license under this Act;

(s) Will advise the Commissioner in writing of any changes to the information submitted on the most recent application for license within 30 days of said change. The written notice must be signed in the same form as the application for license being amended;

(t) Will comply with the provisions of this Act, or with any lawful order, rule or regulation made or issued under the provisions of this Act;

(u) Will submit to periodic examination by the Commissioner as required by this Act;

(v) Will advise the Commissioner in writing of judgments entered against, and bankruptcy petitions by, the license applicant within 5 days of occurrence;

(w) Will advise the Commissioner in writing within 30 days when the license applicant requests a licensee under this Act to repurchase a loan, and the circumstances therefor; and

(x) Will advise the Commissioner in writing within 30 days when the license applicant is requested by another entity to repurchase a loan, and the circumstances therefor.

(y) Will at all times act in a manner consistent with subsections (a) and (b) of Section 1-2 of this Act.

(x) Will not knowingly hire or employ a loan originator who is not registered with the Commissioner as required under Section 7-1 of this Act.

A licensee who fails to fulfill obligations of an averment, to comply with averments made, or otherwise violates any of the averments made under this Section shall be subject to the penalties in Section 4-5 of this Act.

(Source: P.A. 90-301, eff. 8-1-97.)

(205 ILCS 635/2-6) (from Ch. 17, par. 2322-6)

Sec. 2-6. License issuance and renewal; fee.

(a) Beginning May 1, 1992, licenses issued before January 1, 1988, shall be renewed every 2 years on May 1. Beginning May 1, 1992, licenses issued on or after January 1, 1988, shall be renewed every 2 years on the anniversary of the date of the issuance of the original license. Licenses issued for first time applicants on or after May 1, 1992, shall be renewed on the first anniversary of their issuance and every 2 years thereafter. Properly completed renewal application forms and filing fees must be received by the Commissioner 60 ~~45~~ days prior to the renewal date.

(b) It shall be the responsibility of each licensee to accomplish renewal of its license; failure of the licensee to receive renewal forms absent a request sent by certified mail for such forms will not waive said responsibility. Failure by a licensee to submit a properly completed renewal application form and fees in a timely fashion, absent a written extension from the Commissioner, will result in the assessment of additional fees, as follows:

(1) A fee of $500 will be assessed to the licensee 30 days after the proper renewal date and $1,000 each month thereafter, until the license is either renewed or expires pursuant to Section 2-6, subsections (c) and (d), of this Act.

(2) Such fee will be assessed without prior notice to the licensee, but will be assessed only in cases wherein the Commissioner has in his or her possession documentation of the licensee's continuing activity for which the unrenewed license was issued.

(c) A license which is not renewed by the date required in this Section shall automatically become inactive. No activity regulated by this Act shall be conducted by the licensee when a license becomes inactive. An inactive license may be reactivated by filing a completed reactivation application with the Commissioner, payment of the renewal fee, and payment of a reactivation fee equal to the renewal fee.

(d) A license which is not renewed within one year of becoming inactive shall expire.

(e) A licensee ceasing an activity or activities regulated by this Act and desiring to no longer be licensed

shall so inform the Commissioner in writing and, at the same time, convey the license and all other symbols or indicia of licensure. The licensee shall include a plan for the withdrawal from regulated business, including a timetable for the disposition of the business. Upon receipt of such written notice, the Commissioner shall issue a certified statement canceling the license.

(Source: P.A. 90-301, eff. 8-1-97.)

(205 ILCS 635/3-2) (from Ch. 17, par. 2323-2)

Sec. 3-2. Annual audit.

(a) At the licensee's fiscal year-end, but in no case more than 12 months after the last audit conducted pursuant to this Section, except as otherwise provided in this Section, it shall be mandatory for each residential mortgage licensee to cause its books and accounts to be audited by a certified public accountant not connected with such licensee. The books and records of all licensees under this Act shall be maintained on an accrual basis. The audit must be sufficiently comprehensive in scope to permit the expression of an opinion on the financial statements, which must be prepared in accordance with generally accepted accounting principles, and must be performed in accordance with generally accepted auditing standards. Notwithstanding the requirements of this subsection, a licensee that is a first tier subsidiary may submit audited consolidated financial statements of its parent as long as the consolidated statements are supported by consolidating statements. The licensee's chief financial officer shall attest to the licensee's financial statements disclosed in the consolidating statements.

(b) As used herein, the term "expression of opinion" includes either (1) an unqualified opinion, (2) a qualified opinion, (3) a disclaimer of opinion, or (4) an adverse opinion.

(c) If a qualified or adverse opinion is expressed or if an opinion is disclaimed, the reasons therefore must be fully explained. An opinion, qualified as to a scope limitation, shall not be acceptable.

(d) The most recent audit report shall be filed with the Commissioner within 90 days after the end of the licensee's fiscal year ~~at the time of the annual license renewal payment~~. The report filed with the Commissioner shall be certified by the certified public accountant conducting the audit. The Commissioner may promulgate rules regarding late audit reports.

(e) If any licensee required to make an audit shall fail to cause an audit to be made, the Commissioner shall cause the same to be made by a certified public accountant at the licensee's expense. The Commissioner shall select such certified public accountant by advertising for bids or by such other fair and impartial means as he or she establishes by regulation.

(f) In lieu of the audit required by this Section, the Commissioner may accept any audit made in conformance with the audit requirements of the U.S. Department of Housing and Urban Development.

(g) With respect to licensees who solely broker residential mortgage loans as defined in subsection (o) of Section 1-4, instead of the audit required by this Section, the Commissioner may accept compilation financial statements prepared at least every 12 months, and the compilation financial statement must be prepared by an independent certified public accountant licensed under the Illinois Public Accounting Act with full disclosure in accordance with generally accepted accounting principals and must ~~shall~~ be submitted within 90 days after the end of the licensee's fiscal year ~~at the time of the annual license renewal payment~~. If a licensee under this Section fails to file a compilation as required, the Commissioner shall cause an audit of the licensee's books and accounts to be made by a certified public accountant at the licensee's expense. The Commissioner shall select the certified public accountant by advertising for bids or by such other fair and impartial means as he or she establishes by rule. A licensee who files false or misleading compilation financial statements is guilty of a business offense and shall be fined not less than $5,000.

(h) The workpapers of the certified public accountants employed by each licensee for purposes of this Section are to be made available to the Commissioner or the Commissioner's designee upon request and may be reproduced by the Commissioner or the Commissioner's designee to enable to the Commissioner to carry out the purposes of this Act.

(i) Notwithstanding any other provision of this Section, if a licensee relying on subsection (g) of this Section causes its books to be audited at any other time or causes its financial statements to be reviewed, a complete copy of the audited or reviewed financial statements shall be delivered to the Commissioner at the time of the annual license renewal payment following receipt by the licensee of the audited or reviewed financial statements. All workpapers shall be made available to the Commissioner upon request. The financial statements and workpapers may be reproduced by the Commissioner or the Commissioner's designee to carry out the purposes of this Act.

(Source: P.A. 89-74, eff. 6-30-95; 89-355, eff. 8-17-95; 90-772, eff. 1-1-99.)

(205 ILCS 635/3-5) (from Ch. 17, par. 2323-5)

Sec. 3-5. Net worth requirement. A licensee that holds a license on the effective date of this amendatory Act of the 93rd General Assembly ~~Every licensee~~ shall have and maintain a net worth of not less than $100,000 ; however, no later than 2 years after the effective date of this amendatory Act of the 93rd General Assembly, the licensee must maintain a net worth of not less than $150,000. A licensee that first obtains a license after the effective date of this amendatory Act of the 93rd General Assembly must have and maintain a net worth of not less than $150,000. Notwithstanding other requirements of this Section, the net worth requirement for a residential mortgage licensee ~~licensees~~ whose only licensable activity is that of brokering residential mortgage loans and that holds a license on the effective date of this amendatory Act of the 93rd General Assembly shall be $35,000; however, no later than 2 years after the effective date of this amendatory Act of the 93rd General Assembly, the licensee must maintain a net worth of not less than $50,000. Such a licensee that first obtains a license after the effective date of this amendatory Act of the 93rd General Assembly must have and maintain a net worth of not less than $50,000. Net worth shall be evidenced by a balance sheet prepared by a certified public accountant in accordance with generally accepted accounting principles and generally accepted auditing standards or by the compilation financial statements authorized under subsection (g) of Section 3-2. The Commissioner may promulgate rules with respect to net worth definitions and requirements for residential mortgage licensees as necessary to accomplish the purposes of this Act. In lieu of the net worth requirement established by this Section, the Commissioner may accept evidence of conformance by the licensee with the net worth requirements of the United States Department of Housing and Urban Development.

(Source: P.A. 89-355, eff. 8-17-95; 89-508, eff. 7-3-96.)

(205 ILCS 635/4-5) (from Ch. 17, par. 2324-5)

Sec. 4-5. Suspension, revocation of licenses; fines.

(a) Upon written notice to a licensee, the Commissioner may suspend or revoke any license issued pursuant to this Act if he or she shall make a finding of one or more of the following in the notice that:

(1) Through separate acts or an act or a course of conduct, the licensee has violated any provisions of this Act, any rule or regulation promulgated by the Commissioner or of any other law, rule or regulation of this State or the United States.

(2) Any fact or condition exists which, if it had existed at the time of the original application for such license would have warranted the Commissioner in refusing originally to issue such license.

(3) If a licensee is other than an individual, any ultimate equitable owner, officer, director, or member of the licensed partnership, association, corporation, or other entity has so acted or failed to act as would be cause for suspending or revoking a license to that party as an individual.

(b) No license shall be suspended or revoked, except as provided in this Section, nor shall any licensee be fined without notice of his or her right to a hearing as provided in Section 4-12 of this Act.

(c) The Commissioner, on good cause shown that an emergency exists, may suspend any license for a period not exceeding 180 days, pending investigation. Upon a showing that a licensee has failed to meet the experience or educational requirements of Section 2-2 or the requirements of subsection (g) of Section 3-2, the Commissioner shall suspend, prior to hearing as provided in Section 4-12, the license until those requirements have been met.

(d) The provisions of subsection (e) of Section 2-6 of this Act shall not affect a licensee's civil or criminal liability for acts committed prior to surrender of a license.

(e) No revocation, suspension or surrender of any license shall impair or affect the obligation of any pre-existing lawful contract between the licensee and any person.

(f) Every license issued under this Act shall remain in force and effect until the same shall have expired without renewal, have been surrendered, revoked or suspended in accordance with the provisions of this Act, but the Commissioner shall have authority to reinstate a suspended license or to issue a new license to a licensee whose license shall have been revoked if no fact or condition then exists which would have warranted the Commissioner in refusing originally to issue such license under this Act.

(g) Whenever the Commissioner shall revoke or suspend a license issued pursuant to this Act or fine a licensee under this Act, he or she shall forthwith execute in duplicate a written order to that effect. The Commissioner shall publish notice of such order in the Illinois Register and a newspaper of general circulation in the county in which the license is located and shall forthwith serve a copy of such order upon the licensee. Any such order may be reviewed in the manner provided by Section 4-12 of this Act.

(h) When the Commissioner finds any person in violation of the grounds set forth in subsection (i), he or she may enter an order imposing one or more of the following penalties:

(1) Revocation of license;

(2) Suspension of a license subject to reinstatement upon satisfying all reasonable conditions the Commissioner may specify;

(3) Placement of the licensee or applicant on probation for a period of time and subject to all reasonable conditions as the Commissioner may specify;

(4) Issuance of a reprimand;

(5) Imposition of a fine not to exceed $25,000 ~~$10,000~~ for each count of separate offense; and

(6) Denial of a license.

(i) The following acts shall constitute grounds for which the disciplinary actions specified in subsection (h) above may be taken:

(1) Being convicted or found guilty, regardless of pendency of an appeal, of a crime in any jurisdiction which involves fraud, dishonest dealing, or any other act of moral turpitude;

(2) Fraud, misrepresentation, deceit or negligence in any mortgage financing transaction;

(3) A material or intentional misstatement of fact on an initial or renewal application;

(4) Failure to follow the Commissioner's regulations with respect to placement of funds in escrow accounts;

(5) Insolvency or filing under any provision of the Bankruptcy Code as a debtor;

(6) Failure to account or deliver to any person any property such as any money, fund, deposit, check, draft, mortgage, or other document or thing of value, which has come into his or her hands and which is not his or her property or which he or she is not in law or equity entitled to retain, under the circumstances and at the time which has been agreed upon or is required by law or, in the absence of a fixed time, upon demand of the person entitled to such accounting and delivery;

(7) Failure to disburse funds in accordance with agreements;

(8) Any misuse, misapplication, or misappropriation of trust funds or escrow funds;

(9) Having a license, or the equivalent, to practice any profession or occupation revoked, suspended, or otherwise acted against, including the denial of licensure by a licensing authority of this State or another state, territory or country for fraud, dishonest dealing or any other act of moral turpitude;

(10) Failure to issue a satisfaction of mortgage when the residential mortgage has been executed and proceeds were not disbursed to the benefit of the mortgagor and when the mortgagor has fully paid licensee's costs and commission;

(11) Failure to comply with any order of the Commissioner or rule made or issued under the provisions of this Act;

(12) Engaging in activities regulated by this Act without a current, active license unless specifically exempted by this Act;

(13) Failure to pay in a timely manner any fee, charge or fine under this Act;

(14) Failure to maintain, preserve, and keep available for examination, all books, accounts or other documents required by the provisions of this Act and the rules of the Commissioner;

(15) Refusal to permit an investigation or examination of the licensee's or its affiliates' books and records or refusal to comply with the Commissioner's subpoena or subpoena duces tecum;

(16) A pattern of substantially underestimating the maximum closing costs;

(17) Failure to comply with or violation of any provision of this Act.

(j) A licensee shall be subject to the disciplinary actions specified in this Act for violations of subsection (i) by any officer, director, shareholder, joint venture, partner, ultimate equitable owner, or employee of the licensee.

(k) Such licensee shall be subject to suspension or revocation for employee actions only if there is a pattern of repeated violations by employees or the licensee has knowledge of the violations.

(l) Procedure for surrender of license:

(1) The Commissioner may, after 10 days notice by certified mail to the licensee at the address set forth on the license, stating the contemplated action and in general the grounds therefor and the date, time and place of a hearing thereon, and after providing the licensee with a reasonable opportunity to be heard prior to such action, fine such licensee an amount not exceeding $10,000 per violation, or revoke or suspend any license issued hereunder if he or she finds that:

(i) The licensee has failed to comply with any provision of this Act or any order, decision, finding, rule, regulation or direction of the Commissioner lawfully made pursuant to the

authority of this Act; or

(ii) Any fact or condition exists which, if it had existed at the time of the original application for the license, clearly would have warranted the Commissioner in refusing to issue the license.

(2) Any licensee may surrender a license by delivering to the Commissioner written notice that he or she thereby surrenders such license, but surrender shall not affect the licensee's civil or criminal liability for acts committed prior to surrender or entitle the licensee to a return of any part of the license fee.

(Source: P.A. 89-355, eff. 8-17-95.)

(205 ILCS 635/4-8.1 new)

Sec. 4-8.1. Confidential information. In hearings conducted under this Act, information presented into evidence that was acquired by the licensee when serving any individual in connection with a residential mortgage, including all financial information of the individual, shall be deemed strictly confidential and shall be made available only as part of the record of a hearing under this Act or otherwise (i) when the record is required, in its entirety, for purposes of judicial review or (ii) upon the express written consent of the individual served, or in the case of his or her death or disability, the consent of his or her personal representative.

(205 ILCS 635/4-8.2 new)

Sec. 4-8.2. Reports of violations. Any person licensed under this Act or any other person may report to the Commissioner any information to show that a person subject to this Act is or may be in violation of this Act.

(205 ILCS 635/Art. VII heading new)

ARTICLE VII. REGISTRATION OF LOAN ORIGINATORS

(205 ILCS 635/7-1 new)

Sec. 7-1. Registration required; rules and regulations. Beginning 6 months after the effective date of this amendatory Act of the 93rd General Assembly, it is unlawful for any natural person to act or assume to act as a loan originator, as defined in subsection (hh) of Section 1-4, without being registered with the Commissioner unless the natural person is exempt under subsection (d) of Section 1-4 of this Act. The Commissioner shall promulgate rules prescribing the criteria for the registration and regulation of loan originators, including but not limited to, qualifications, fees, examination, education, supervision, and enforcement.

Section 835. The Limited Liability Company Act is amended by changing Sections 1-25, 5-5, 5-55, 37-5, and 37-35 as follows:

(805 ILCS 180/1-25)

Sec. 1-25. Nature of business. A limited liability company may be formed for any lawful purpose or business except:

(1) (Blank) ~~banking, exclusive of fiduciaries organized for the purpose of accepting and executing trusts~~;

(2) insurance unless, for the purpose of carrying on business as a member of a group including incorporated and individual unincorporated underwriters, the Director of Insurance finds that the group meets the requirements of subsection (3) of Section 86 of the Illinois Insurance Code and the limited liability company, if insolvent, is subject to liquidation by the Director of Insurance under Article XIII of the Illinois Insurance Code;

(3) the practice of dentistry unless all the members and managers are licensed as dentists under the Illinois Dental Practice Act; or

(4) the practice of medicine unless all the managers, if any, are licensed to practice medicine under the Medical Practice Act of 1987 and any of the following conditions apply:

(A) the member or members are licensed to practice medicine under the Medical Practice Act of 1987; or

(B) the member or members are a registered medical corporation or corporations organized pursuant to the Medical Corporation Act; or

(C) the member or members are a professional corporation organized pursuant to the Professional Service Corporation Act of physicians licensed to practice medicine in all its branches; or

(D) the member or members are a medical limited liability company or companies.

(Source: P.A. 91-593, eff. 8-14-99; 92-144, eff. 7-24-01.)

(805 ILCS 180/5-5)

Sec. 5-5. Articles of organization.

(a) The articles of organization shall set forth all of the following:

(1) The name of the limited liability company and the address of its principal place of business which may, but need not be a place of business in this State.

(2) The purposes for which the limited liability company is organized, which may be stated to be, or to include, the transaction of any or all lawful businesses for which limited liability companies may be organized under this Act.

(3) The name of its registered agent and the address of its registered office.

(4) If the limited liability company is to be managed by a manager or managers, the names and business addresses of the initial manager or managers.

(5) If management of the limited liability company is to be vested in the members under Section 15-1, then the names and addresses of the initial member or members.

(6) The latest date, if any, upon which the limited liability company is to dissolve and other events of dissolution, if any, that may be agreed upon by the members under Section 35-1 hereof.

(7) The name and address of each organizer.

(8) Any other provision, not inconsistent with law, that the members elect to set out in the articles of organization for the regulation of the internal affairs of the limited liability company, including any provisions that, under this Act, are required or permitted to be set out in the operating agreement of the limited liability company.

(b) A limited liability company is organized at the time articles of organization are filed by the Secretary of State or at any later time, not more than 60 days after the filing of the articles of organization, specified in the articles of organization.

(c) Articles of organization for the organization of a limited liability company for the purpose of accepting and executing trusts shall not be filed by the Secretary of State until there is delivered to him or her a statement executed by the Commissioner of the Office of Banks and Real Estate that the organizers of the limited liability company have made arrangements with the Commissioner of the Office of Banks and Real Estate to comply with the Corporate Fiduciary Act.

(d) Articles of organization for the organization of a limited liability company as a bank or a savings bank must be filed with the Commissioner of Banks and Real Estate or, if the bank or savings bank will be organized under federal law, with the appropriate federal banking regulator.

(Source: P.A. 90-424, eff. 1-1-98.)

(805 ILCS 180/5-55)

Sec. 5-55. Filing in Office of Secretary of State.

(a) Whenever any provision of this Act requires a limited liability company to file any document with the Office of the Secretary of State, the requirement means that:

(1) the original document, executed as described in Section 5-45, and, if required by this Act to be filed in duplicate, one copy (which may be a signed carbon or photocopy) shall be delivered to the Office of the Secretary of State;

(2) all fees and charges authorized by law to be collected by the Secretary of State in connection with the filing of the document shall be tendered to the Secretary of State; and

(3) unless the Secretary of State finds that the document does not conform to law, he or she shall, when all fees have been paid:

(A) endorse on the original and on the copy the word "Filed" and the month, day, and year of the filing thereof;

(B) file in his or her office the original of the document; and

(C) return the copy to the person who filed it or to that person's representative.

(b) If another Section of this Act specifically prescribes a manner of filing or signing a specified document that differs from the corresponding provisions of this Section, then the provisions of the other Section shall govern.

(c) Whenever any provision of this Act requires a limited liability company that is a bank or a savings bank to file any document, that requirement means that the filing shall be made exclusively with the Commissioner of Banks and Real Estate or, if the bank or savings bank is organized under federal law, with the appropriate federal banking regulator at such times and in such manner as required by the Commissioner or federal regulator.

(Source: P.A. 92-33, eff. 7-1-01.)

(805 ILCS 180/37-5)

Sec. 37-5. Definitions. In this Article:

"Corporation" means (i) a corporation under the Business Corporation Act of 1983, a predecessor law, or comparable law of another jurisdiction or (ii) a bank or savings bank.

"General partner" means a partner in a partnership and a general partner in a limited partnership.

"Limited partner" means a limited partner in a limited partnership.

"Limited partnership" means a limited partnership created under the Revised Uniform Limited Partnership Act, a predecessor law, or comparable law of another jurisdiction.

"Partner" includes a general partner and a limited partner.

"Partnership" means a general partnership under the Uniform Partnership Act, a predecessor law, or comparable law of another jurisdiction.

"Partnership agreement" means an agreement among the partners concerning the partnership or limited partnership.

"Shareholder" means a shareholder in a corporation.

(Source: P.A. 90-424, eff. 1-1-98.)

(805 ILCS 180/37-35)

Sec. 37-35. Article not exclusive. This Article does not preclude an entity from being converted or merged under other law. A bank or savings bank that converts to or merges with and into a limited liability company shall be subject to the provisions of this Article or to other applicable law to the extent that those provisions do not conflict with the State or federal law pursuant to which the conversion or merger of the bank or savings bank is authorized.

(Source: P.A. 90-424, eff. 1-1-98.)

Section 840. The Illinois Fairness in Lending Act is amended by changing Sections 2, 3, and 5 as follows:

(815 ILCS 120/2) (from Ch. 17, par. 852)

Sec. 2. As used in this Act:

(a) "Financial Institution" means any bank, credit union, insurance company, mortgage banking company, savings bank, ~~or~~ savings and loan association , or other residential mortgage lender which operates or has a place of business in this State.

(b) "Person" means any natural person.

(c) "Varying the terms of a loan" includes, but is not limited to the following practices:

(1) Requiring a greater than average down payment than is usual for the particular type of a loan involved.

(2) Requiring a shorter period of amortization than is usual for the particular type of loan involved.

(3) Charging a higher interest rate than is usual for the particular type of loan involved.

(4) An underappraisal of real estate or other item of property offered as security.

(d) "Equity stripping" means to assist a person in obtaining a loan secured by the person's principal residence for the primary purpose of receiving fees related to the financing when (i) the loan decreased the person's equity in the principal residence and (ii) at the time the loan is made, the financial institution does not reasonably believe that the person will be able to make the scheduled payments to repay the loan. "Equity stripping" does not include reverse mortgages as defined in Section 5a of the Illinois Banking Act.

(e) "Loan flipping" means to assist a person in refinancing a loan secured by the person's principal residence for the primary purpose of receiving fees related to the refinancing when (i) the refinancing of the loan results in no tangible benefit to the person and (ii) at the time the loan is made, the financial institution does not reasonably believe that the refinancing of the loan will result in a tangible benefit to the person.

(f) "Principal residence" means a person's primary residence that is a dwelling consisting of 4 or fewer family units or that is in a dwelling consisting of condominium or cooperative units.

(Source: P.A. 81-1391.)

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

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

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

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

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

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

(e) Engage in equity stripping or loan flipping.

(Source: P.A. 81-1391.)

(815 ILCS 120/5) (from Ch. 17, par. 855)

Sec. 5. (a) Subject to the limitation imposed by subsection (b), any person who has been aggrieved as a result of a violation of this Act may bring an action in the circuit court of the county in which the particular financial institution involved is located or doing business.

Upon a finding that a financial institution has committed a violation of this Act, the court may award actual damages, and may in its discretion award court costs.

(b) If the same events or circumstances would constitute the basis for an action under this Act or an action under any other Act, the aggrieved person may elect between the remedies proposed by the two Acts but may not bring actions, either administrative or judicial, under more than one of the two Acts in relation to those same events or circumstances.

(Source: P.A. 81-1391.)

Section 845. The Consumer Fraud and Deceptive Business Practices Act is amended by changing Section 2Z as follows:

(815 ILCS 505/2Z) (from Ch. 121 1/2, par. 262Z)

Sec. 2Z. Violations of other Acts. Any person who knowingly violates the Automotive Repair Act, the Home Repair and Remodeling Act, the Dance Studio Act, the Physical Fitness Services Act, the Hearing Instrument Consumer Protection Act, the Illinois Union Label Act, the Job Referral and Job Listing Services Consumer Protection Act, the Travel Promotion Consumer Protection Act, the Credit Services Organizations Act, the Automatic Telephone Dialers Act, the Pay-Per-Call Services Consumer Protection Act, the Telephone Solicitations Act, the Illinois Funeral or Burial Funds Act, the Cemetery Care Act, the Safe and Hygienic Bed Act, the Pre-Need Cemetery Sales Act, the High Risk Home Loan Act, subsection (a) or (b) of Section 3-10 of the Cigarette Tax Act, subsection (a) or (b) of Section 3-10 of the Cigarette Use Tax Act, the Electronic Mail Act, or paragraph (6) of subsection (k) of Section 6-305 of the Illinois Vehicle Code commits an unlawful practice within the meaning of this Act.

(Source: P.A. 91-164, eff. 7-16-99; 91-230, eff. 1-1-00; 91-233, eff. 1-1-00; 91-810, eff. 6-13-00; 92-426, eff. 1-1-02.)

Section 999. Effective date. This Act takes effect on January 1, 2004.".

Floor Amendment No. 2 remained in the Committee on Executive.

Floor Amendment No. 3 remained in the Committee on Rules.

There being no further amendments, the foregoing Amendment No. 1 was adopted and the bill, as amended, was held on the order of Second Reading.

SENATE BILL 1883. Having been printed, was taken up and read by title a second time.

Floor Amendment No. 1 remained in the Committee on Executive.

Floor Amendment No. 2 remained in the Committee on Rules.

There being no further amendments, the bill was held on the order of Second Reading.

SENATE BILL 703. Having been printed, was taken up and read by title a second time.

Representative Cross offered the following amendment and moved its adoption:

AMENDMENT NO. 1

AMENDMENT NO. 1____. Amend Senate Bill 703 by replacing the title with the following:

"AN ACT concerning ethics."; and

by replacing everything after the enacting clause with the following: "ARTICLE 1

GENERAL PROVISIONS

Section 1-1. Short title. This Act may be cited as the State Officials and Employees Ethics Act.

Section 1-5. Definitions. As used in this Act:

"Appointee" means a person appointed to a position in or with a State agency, regardless of whether the position is compensated.

"Campaign for elective office" means any activity in furtherance of an effort to influence the selection, nomination, election, or appointment of any individual to any federal, State, or local public office or office in a political organization, or the selection, nomination, or election of Presidential or Vice-Presidential electors, but does not include activities (i) relating to the support or opposition of any executive, legislative, or administrative action (as those terms are defined in Section 2 of the Lobbyist Registration Act), (ii) relating to collective bargaining, or (iii) that are otherwise in furtherance of the person's official State duties.

"Candidate" means a person who has filed nominating papers or petitions for nomination or election to an elected State office, or who has been appointed to fill a vacancy in nomination, and who remains eligible for placement on the ballot at either a general primary election or general election.

"Collective bargaining" has the same meaning as that term is defined in Section 3 of the Illinois Public Labor Relations Act.

"Commission" means an ethics commission created by this Act.

"Compensated time" means any time worked by or credited to a State employee that counts toward any minimum work time requirement imposed as a condition of employment with a State agency, but does not include any designated State holidays or any period when the employee is on a leave of absence.

"Compensatory time off" means authorized time off earned by or awarded to a State employee to compensate in whole or in part for time worked in excess of the minimum work time required of that employee as a condition of employment with a State agency.

"Contribution" has the same meaning as that term is defined in Section 9-1.4 of the Election Code.

"Employee" means (i) any person employed full-time, part-time, or pursuant to a contract and whose employment duties are subject to the direction and control of an employer with regard to the material details of how the work is to be performed; or (ii) any appointee.

"Executive branch constitutional officer" means the Governor, Lieutenant Governor, Attorney General, Secretary of State, Comptroller, and Treasurer.

"Gift" means any gratuity, discount, entertainment, hospitality, loan, forbearance, or other tangible or intangible item having monetary value including, but not limited to, cash, food and drink, and honoraria for speaking engagements related to or attributable to government employment or the official position of an employee, member, or officer.

"Governmental entity" means a unit of local government or a school district but not a State agency.

"Leave of absence" means any period during which a State employee does not receive (i) compensation for State employment, (ii) service credit towards State pension benefits, and (iii) health insurance benefits paid for by the State.

"Legislative branch constitutional officer" means a member of the General Assembly and the Auditor General.

"Legislative leader" means the President and Minority Leader of the Senate and the Speaker and Minority Leader of the House of Representatives.

"Member" means a member of the General Assembly.

"Officer" means a State constitutional officer of the executive or legislative branch.

"Political" means any activity in support of or in connection with any campaign for elective office or any political organization, but does not include activities (i) relating to the support or opposition of any executive, legislative, or administrative action (as those terms are defined in Section 2 of the Lobbyist Registration Act), (ii) relating to collective bargaining, or (iii) that are otherwise in furtherance of the person's official State duties.

"Political organization" means a party, committee, association, fund, or other organization (whether or not incorporated) that is required to file a statement of organization with the State Board of Elections or a county clerk under Section 9-3 of the Election Code, but only with regard to those activities that require filing with the State Board of Elections or a county clerk.

"Prohibited political activity" means:

(1) Preparing for, organizing, or participating in any political meeting, political rally, political demonstration, or other political event.

(2) Soliciting contributions, including but not limited to the purchase of, selling, distributing, or receiving payment for tickets for any political fundraiser, political meeting, or other political event.

(3) Soliciting, planning the solicitation of, or preparing any document or report regarding any thing of value intended as a campaign contribution.

(4) Planning, conducting, or participating in a public opinion poll in connection with a campaign for elective office or on behalf of a political organization for political purposes or for or against any

referendum question.

(5) Surveying or gathering information from potential or actual voters in an election to determine probable vote outcome in connection with a campaign for elective office or on behalf of a political organization for political purposes or for or against any referendum question.

(6) Assisting at the polls on election day on behalf of any political organization or candidate for elective office or for or against any referendum question.

(7) Soliciting votes on behalf of a candidate for elective office or a political organization or for or against any referendum question or helping in an effort to get voters to the polls.

(8) Initiating for circulation, preparing, circulating, reviewing, or filing any petition on behalf of a candidate for elective office or for or against any referendum question.

(9) Making contributions on behalf of any candidate for elective office in that capacity or in connection with a campaign for elective office.

(10) Preparing or reviewing responses to candidate questionnaires.

(11) Distributing, preparing for distribution, or mailing campaign literature, campaign signs, or other campaign material on behalf of any candidate for elective office or for or against any referendum question.

(12) Campaigning for any elective office or for or against any referendum question.

(13) Managing or working on a campaign for elective office or for or against any referendum question.

(14) Serving as a delegate, alternate, or proxy to a political party convention.

(15) Participating in any recount or challenge to the outcome of any election, except to the extent that under subsection (d) of Section 6 of Article IV of the Illinois Constitution each house of the General Assembly shall judge the elections, returns, and qualifications of its members.

"Prohibited source" means any person or entity who:

(1) is seeking official action (i) by the member or officer or (ii) in the case of an employee, by the employee or by the member, officer, State agency, or other employee directing the employee;

(2) does business or seeks to do business (i) with the member or officer or (ii) in the case of an employee, with the employee or with the member, officer, State agency, or other employee directing the employee;

(3) conducts activities regulated (i) by the member or officer or (ii) in the case of an employee, by the employee or by the member, officer, State agency, or other employee directing the employee;

(4) has interests that may be substantially affected by the performance or non-performance of the official duties of the member, officer, or employee; or

(5) is registered or required to be registered with the Secretary of State under the Lobbyist Registration Act, except that an entity not otherwise a prohibited source does not become a prohibited source merely because a registered lobbyist is one of its members or serves on its board of directors.

"State agency" includes all officers, boards, commissions and agencies created by the Constitution, whether in the executive or legislative branch; all officers, departments, boards, commissions, agencies, institutions, authorities, public institutions of higher learning as defined in Section 2 of the Higher Education Cooperation Act, and bodies politic and corporate of the State; and administrative units or corporate outgrowths of the State government which are created by or pursuant to statute, other than units of local government and their officers, school districts, and boards of election commissioners; and all administrative units and corporate outgrowths of the above and as may be created by executive order of the Governor. "State agency" includes the General Assembly, the Senate, the House of Representatives, the President and Minority Leader of the Senate, the Speaker and Minority Leader of the House of Representatives, the Senate Operations Commission, and the legislative support services agencies. "State agency" includes the Office of the Auditor General. "State agency" does not include the judicial branch.

"State employee" means any employee of a State agency.

"Ultimate jurisdictional authority" means the following:

(1) For members, legislative partisan staff, and legislative secretaries, the appropriate legislative leader: President of the Senate, Minority Leader of the Senate, Speaker of the House of Representatives, or Minority Leader of the House of Representatives.

(2) For State employees who are professional staff or employees of the Senate and not covered under item (1), the Senate Operations Commission.

(3) For State employees who are professional staff or employees of the House of Representatives and not covered under item (1), the Speaker of the House of Representatives.

(4) For State employees who are employees of the legislative support services agencies, the Joint

Committee on Legislative Support Services.

(5) For State employees of the Auditor General, the Auditor General.

(6) For State employees of public institutions of higher learning as defined in Section 2 of the Higher Education Cooperation Act, the board of trustees of the appropriate public institution of higher learning.

(7) For State employees of an executive branch constitutional officer other than those described in paragraph (6), the appropriate executive branch constitutional officer.

(8) For State employees not under the jurisdiction of paragraph (1), (2), (3), (4), (5), (6), or (7), the Governor.

Section 1-10. Applicability. The State Officials and Employees Ethics Act applies only to conduct that occurs on or after the effective date of this Act and to causes of action that accrue on or after the effective date of this Act. ARTICLE 5

ETHICAL CONDUCT

Section 5-5. Personnel policies.

(a) Each of the following shall adopt and implement personnel policies for all State employees under his, her, or its jurisdiction and control: (i) each executive branch constitutional officer, (ii) each legislative leader, (iii) the Senate Operations Commission, with respect to legislative employees under Section 4 of the General Assembly Operations Act, (iv) the Speaker of the House of Representatives, with respect to legislative employees under Section 5 of the General Assembly Operations Act, (v) the Joint Committee on Legislative Support Services, with respect to State employees of the legislative support services agencies, (vi) members of the General Assembly, with respect to legislative assistants, as provided in Section 4 of the General Assembly Compensation Act, (vii) the Auditor General, (viii) the Board of Higher Education, with respect to State employees of public institutions of higher learning except community colleges, and (ix) the Illinois Community College Board, with respect to State employees of community colleges. The Governor shall adopt and implement those policies for all State employees of the executive branch not under the jurisdiction and control of any other executive branch constitutional officer.

(b) The policies required under subsection (a) shall be filed with the appropriate ethics commission established under this Act or, for the Auditor General, with the Office of the Auditor General.

(c) The policies required under subsection (a) shall include policies relating to work time requirements, documentation of time worked, documentation for reimbursement for travel on official State business, compensation, and the earning or accrual of State benefits for all State employees who may be eligible to receive those benefits. The policies shall comply with and be consistent with all other applicable laws. For State employees of the legislative branch, the policies shall require those employees to periodically submit time sheets documenting the time spent each day on official State business to the nearest quarter hour; contractual employees of the legislative branch may satisfy the time sheets requirement by complying with the terms of their contract, which shall provide for a means of compliance with this requirement. The policies for State employees of the legislative branch shall require those time sheets to be submitted on paper, electronically, or both and to be maintained in either paper or electronic format by the applicable fiscal office for a period of at least 2 years.

Section 5-10. Ethics training. Each officer and employee must complete, at least annually, an ethics training program conducted by the appropriate State agency. Each ultimate jurisdictional authority must implement an ethics training program for its officers and employees. These ethics training programs shall be overseen by the appropriate Inspector General appointed pursuant to this Act working with the Office of the Attorney General.

Each Inspector General shall set standards and determine the hours and frequency of training necessary for each position or category of positions. A person who fills a vacancy in an elective or appointed position that requires training and a person employed in a position that requires training must complete his or her initial ethics training within 6 months after commencement of his or her office or employment.

Section 5-15. Prohibited political activities.

(a) State employees shall not intentionally perform any prohibited political activity during any compensated time (other than vacation, personal, or compensatory time off). State employees shall not intentionally misappropriate any State property or resources by engaging in any prohibited political activity for the benefit of any campaign for elective office or any political organization.

(b) At no time shall any executive or legislative branch constitutional officer or any official, director, supervisor, or State employee intentionally misappropriate the services of any State employee by requiring that State employee to perform any prohibited political activity (i) as part of that employee's State duties, (ii) as a condition of State employment, or (iii) during any time off that is compensated by the State (such

as vacation, personal, or compensatory time off).

(c) A State employee shall not be required at any time to participate in any prohibited political activity in consideration for that State employee being awarded any additional compensation or employee benefit, in the form of a salary adjustment, bonus, compensatory time off, continued employment, or otherwise.

(d) A State employee shall not be awarded any additional compensation or employee benefit, in the form of a salary adjustment, bonus, compensatory time off, continued employment, or otherwise, in consideration for the State employee's participation in any prohibited political activity.

(e) Nothing in this Section prohibits activities that are otherwise appropriate for a State employee to engage in as a part of his or her official State employment duties or activities that are undertaken by a State employee on a voluntary basis as permitted by law.

(f) No person either (i) in a position that is subject to recognized merit principles of public employment or (ii) in a position the salary for which is paid in whole or in part by federal funds and that is subject to the Federal Standards for a Merit System of Personnel Administration applicable to grant-in-aid programs, shall be denied or deprived of State employment or tenure solely because he or she is a member or an officer of a political committee, of a political party, or of a political organization or club.

Section 5-20. Public service announcements.

(a) Except as otherwise provided in this Section, no public service announcement or advertisement that is on behalf of any State administered program and that contains the image or voice of any executive branch constitutional officer or member of the General Assembly shall be broadcast or aired on radio or television or printed in a newspaper at any time on or after the date that the officer or member files his or her nominating petitions for public office and for any time thereafter that the officer or member remains a candidate for any office.

(b) This Section does not apply to communications funded through expenditures required to be reported under Article 9 of the Election Code.

Section 5-30. Prohibited offer or promise. An officer or employee of the executive or legislative branch or a candidate for an executive or legislative branch office may not promise anything of value related to State government, including but not limited to positions in State government, promotions, or salary increases, in consideration for a contribution to a political committee, political party, or other entity that has as one of its purposes the financial support of a candidate for elective office.

Nothing in this Section prevents the making or accepting of voluntary contributions otherwise in accordance with law.

Section 5-35. Contributions on State property. Contributions shall not be intentionally solicited, accepted, offered, or made on State property by public officials, by State employees, by candidates for elective office, by persons required to be registered under the Lobbyist Registration Act, or by any officers, employees, or agents of any political organization, except as provided in this Section. For purposes of this Section, "State property" means any building or portion thereof owned or exclusively leased by the State or any State agency at the time the contribution is solicited, offered, accepted, or made. "State property" does not however, include any portion of a building that is rented or leased from the State or any State agency by a private person or entity.

An inadvertent solicitation, acceptance, offer, or making of a contribution is not a violation of this Section so long as reasonable and timely action is taken to return the contribution to its source.

The provisions of this Section do not apply to the residences of State officers and employees, except that no fundraising events shall be held at residences owned by the State or paid for, in whole or in part, with State funds.

Section 5-40. Fundraising in Sangamon County. Except as provided in this Section, any executive branch constitutional officer, any candidate for an executive branch constitutional office, any member of the General Assembly, any candidate for the General Assembly, any political caucus of the General Assembly, or any political committee on behalf of any of the foregoing may not hold a fundraising function in Sangamon County on any day the legislature is in session (i) during the period beginning February 1 and ending on the later of the actual adjournment dates of either house of the spring session and (ii) during fall veto session. For purposes of this Section, the legislature is not considered to be in session on a day that is solely a perfunctory session day or on a day when only a committee is meeting.

Section 5-45. Procurement; revolving door prohibition.

(a) No former State employee may, within a period of one year immediately after termination of State employment, knowingly accept employment or receive compensation or fees for services from an employer if the employee, during the year immediately preceding termination of State employment, and on behalf of the State or State agency, negotiated in whole or in part one or more contracts with that employer

aggregating $25,000 or more.

(b) The requirements of this Section may be waived by the appropriate ultimate jurisdictional authority of the former State employee if that ultimate jurisdictional authority finds in writing that the State's negotiations and decisions regarding the procurement of the contract or contracts were not materially affected by any potential for employment of that employee by the employer.

(c) This Section applies only to persons who terminate an affected position on or after the effective date of this Act. ARTICLE 10

GIFT BAN

Section 10-10. Gift ban. Except as otherwise provided in this Article, no member, officer, or employee shall intentionally solicit or accept any gift from any prohibited source or in violation of any federal or State statute, rule, or regulation. This ban applies to and includes the spouse of and immediate family living with the member, officer, or employee. No prohibited source shall intentionally offer or make a gift that violates this Section.

Section 10-15. Gift ban; exceptions. The restriction in Section 10-10 does not apply to the following:

(1) Opportunities, benefits, and services that are available on the same conditions as for the general public.

(2) A contribution that is lawfully made under the Election Code or under this Act or attendance at a fundraising event sponsored by a political organization.

(3) Educational materials and missions, subject to rules adopted by the appropriate ethics commission or by the Auditor General for the Auditor General and employees of the Office of the Auditor General.

(4) Travel expenses for a meeting to discuss State business, subject to rules adopted by the appropriate ethics commission or by the Auditor General for the Auditor General and employees of the Office of the Auditor General.

(5) A gift from a relative, meaning those people related to the individual as father, mother, son, daughter, brother, sister, uncle, aunt, great aunt, great uncle, first cousin, nephew, niece, husband, wife, grandfather, grandmother, grandson, granddaughter, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half brother, half sister, and including the father, mother, grandfather, or grandmother of the individual's spouse and the individual's fiance or fiancee.

(6) Anything provided by an individual on the basis of a personal friendship unless the member, officer, or employee has reason to believe that, under the circumstances, the gift was provided because of the official position or employment of the member, officer, or employee and not because of the personal friendship.

In determining whether a gift is provided on the basis of personal friendship, the member, officer, or employee shall consider the circumstances under which the gift was offered, such as:

(i) the history of the relationship between the individual giving the gift and the recipient of the gift, including any previous exchange of gifts between those individuals;

(ii) whether to the actual knowledge of the member, officer, or employee the individual who gave the gift personally paid for the gift or sought a tax deduction or business reimbursement for the gift; and

(iii) whether to the actual knowledge of the member, officer, or employee the individual who gave the gift also at the same time gave the same or similar gifts to other members, officers, or employees.

(7) Food or refreshments not exceeding $75 per person in value on a single calendar day; provided that the food or refreshments are (i) consumed on the premises from which they were purchased or prepared or (ii) catered. For the purposes of this Section, "catered" means food or refreshments that are purchased ready to eat and delivered by any means.

(8) Intra-governmental and inter-governmental gifts. For the purpose of this Act, "intra-governmental gift" means any gift given to a member, officer, or employee of a State agency from another member, officer, or employee of the same State agency; and "inter-governmental gift" means any gift given to a member, officer, or employee of a State agency, by a member, officer, or employee of another State agency, of a federal agency, or of any governmental entity.

(9) Bequests, inheritances, and other transfers at death.

(10) Any item or items from any one prohibited source during any calendar year having a cumulative total value of less than $100.

Each of the exceptions listed in this Section is mutually exclusive and independent of one another.

Section 10-30. Gift ban; disposition of gifts. A member, officer, or employee does not violate this Act if the member, officer, or employee promptly takes reasonable action to return the prohibited gift to its source or gives the gift or an amount equal to its value to an appropriate charity that is exempt from income

taxation under Section 501 (c)(3) of the Internal Revenue Code of 1986, as now or hereafter amended, renumbered, or succeeded.

Section 10-40. Gift ban; further restrictions. A State agency may adopt or maintain policies that are more restrictive than those set forth in this Article and may continue to follow any existing policies, statutes, or regulations that are more restrictive or are in addition to those set forth in this Article. ARTICLE 15

WHISTLE BLOWER PROTECTION

Section 15-5. Definitions. In this Article:

"Public body" means (1) any officer, member, or State agency; (2) the federal government; (3) any local law enforcement agency or prosecutorial office; (4) any federal or State judiciary, grand or petit jury, law enforcement agency, or prosecutorial office; and (5) any officer, employee, department, agency, or other division of any of the foregoing.

"Supervisor" means an officer, a member, or a State employee who has the authority to direct and control the work performance of a State employee or who has authority to take corrective action regarding any violation of a law, rule, or regulation of which the State employee complains.

"Retaliatory action" means the reprimand, discharge, suspension, demotion, or denial of promotion or transfer of any State employee in the terms and conditions of employment, and that is taken in retaliation for a State employee's involvement in protected activity, as set forth in Section 15-10.

Section 15-10. Protected activity. An officer, a member, or a State agency shall not take any retaliatory action against a State employee because the State employee does any of the following:

(1) Discloses or threatens to disclose to a supervisor or to a public body an activity, policy, or practice of any officer, member, State agency, or other State employee that the State employee reasonably believes is in violation of a law, rule, or regulation.

(2) Provides information to or testifies before any public body conducting an investigation, hearing, or inquiry into any violation of a law, rule, or regulation by any officer, member, State agency, or other State employee.

(3) Assists or participates in a proceeding to enforce the provisions of this Act.

Section 15-20. Burden of proof. A violation of this Article may be established only upon a finding that (i) the State employee engaged in conduct described in Section 15-10 and (ii) that conduct was a contributing factor in the retaliatory action alleged by the State employee. It is not a violation, however, if it is demonstrated that the officer, member, other State employee, or State agency would have taken the same unfavorable personnel action in the absence of that conduct.

Section 15-25. Remedies. An action to obtain civil remedies for a violation of this Article may be initiated by a State employee only after a finding by an ethics commission that a violation of this Article has occurred or upon authorization by the Attorney General. The action shall be commenced in a circuit court of venue within one year after the required finding by the ethics commission or authorization by the Attorney General has been made. The proceeding before the circuit court shall be de novo, and the Administrative Review Law shall not apply to a proceeding under this Article. The State employee may be awarded all remedies necessary to make the State employee whole and to prevent future violations of this Article. Remedies imposed by the court may include, but are not limited to, all of the following:

(1) reinstatement of the employee to either the same position held before the retaliatory action or to an equivalent position;

(2) 2 times the amount of back pay;

(3) interest on the back pay;

(4) the reinstatement of full fringe benefits and seniority rights; and

(5) the payment by the officer, member, or other State employee of reasonable attorneys' fees.

Section 15-35. Preemption. Nothing in this Article shall be deemed to diminish the rights, privileges, or remedies of a State employee under any other federal or State law, rule, or regulation or under any collective bargaining agreement or employment contract. ARTICLE 20

EXECUTIVE ETHICS COMMISSION AND
EXECUTIVE INSPECTOR GENERAL

Section 20-5. Executive Ethics Commission.

(a) The Executive Ethics Commission is created.

(b) The Executive Ethics Commission shall consist of 9 commissioners, each confirmed by a three-fifths vote of the Senate. The Governor shall appoint 5 commissioners, and the Attorney General, Secretary of State, Comptroller, and Treasurer shall each appoint one commissioner. If the Senate is in recess, the appointing authority may make a temporary appointment until the next meeting of the Senate, when the

appointing authority shall make a nomination to fill the office. No more than 5 commissioners may be of the same political party.

The terms of the initial commissioners shall commence on July 1, 2003. Four initial appointees of the Governor, as designated by the Governor, shall serve terms running through June 30, 2007. One initial appointee of the Governor, as designated by the Governor, and the initial appointees of the Attorney General, Secretary of State, Comptroller, and Treasurer shall serve terms running through June 30, 2008. The initial appointments shall be made within 60 days after the effective date of this Act.

After the initial terms, commissioners shall serve for 4-year terms commencing on July 1 of the year of appointment and running through June 30 of the fourth following year. Commissioners may be reappointed to one or more subsequent terms.

Vacancies occurring other than at the end of a term shall be filled by the appointing authority only for the balance of the term of the commissioner whose office is vacant.

Terms shall run regardless of whether the position is filled.

(c) The appointing authorities shall appoint commissioners who have experience holding governmental office or employment and shall appoint commissioners from the general public. A person is not eligible to serve as a commissioner if that person (i) has been convicted of a felony or a crime of dishonesty or moral turpitude, (ii) is, or was within the preceding 12 months, engaged in activities that require registration under the Lobbyist Registration Act, (iii) is related to the appointing authority, or (iv) is a State officer or employee.

(d) The Executive Ethics Commission shall have jurisdiction over all officers and employees of State agencies other than the General Assembly, the Senate, the House of Representatives, the President and Minority Leader of the Senate, the Speaker and Minority Leader of the House of Representatives, the Senate Operations Commission, the legislative support services agencies, and the Office of the Auditor General. The jurisdiction of the Commission is limited to matters arising under this Act.

(e) The Executive Ethics Commission must meet, either in person or by other technological means, at least monthly and as often as necessary. At the first meeting of the Executive Ethics Commission, the commissioners shall choose from their number a chairperson and other officers that they deem appropriate. The terms of officers shall be for 2 years commencing July 1 and running through June 30 of the second following year. Meetings shall be held at the call of the chairperson or any 3 commissioners. Official action by the Commission shall require the affirmative vote of 5 commissioners, and a quorum shall consist of 5 commissioners. Commissioners shall receive no compensation, but may be reimbursed for their reasonable expenses actually incurred in the performance of their duties.

(f) No commissioner or employee of the Executive Ethics Commission may during his or her term of appointment or employment:

(1) become a candidate for any elective office;

(2) hold any other elected or appointed public office except for appointments on governmental advisory boards or study commissions or as otherwise expressly authorized by law;

(3) be actively involved in the affairs of any political party or political organization; or

(4) actively participate in any campaign for any elective office.

(g) An appointing authority may remove a commissioner only for cause.

(h) The Executive Ethics Commission shall appoint an Executive Director. The compensation of the Executive Director shall be as determined by the Commission or by the Compensation Review Board, whichever amount is higher. The Executive Director of the Executive Ethics Commission may employ and determine the compensation of staff, as appropriations permit.

Section 20-10. Offices of Executive Inspectors General.

(a) Five Offices of the Executive Inspector General are created. Each Office shall be under the direction and supervision of an Executive Inspector General.

(b) The Governor, Attorney General, Secretary of State, Comptroller, and Treasurer shall each appoint an Executive Inspector General, without regard to political affiliation and solely on the basis of integrity and demonstrated ability. Each Executive Inspector General shall be confirmed by a three-fifths vote of the Senate. If the Senate is in recess, the appointing authority may make a temporary appointment until the next meeting of the Senate, when the appointing authority shall make a nomination to fill the office.

Nothing in this Article precludes the appointment by the Governor, Attorney General, Secretary of State, Comptroller, or Treasurer of any other inspector general required or permitted by law. The Governor, Attorney General, Secretary of State, Comptroller, and Treasurer each may appoint an existing inspector general as the Executive Inspector General required by this Article, provided that such an inspector general is not prohibited by law, rule, jurisdiction, qualification, or interest from serving as the Executive Inspector

General required by this Article. An appointing authority may not appoint a relative as an Executive Inspector General.

Each Executive Inspector General shall have the following qualifications:

(1) has not been convicted of any felony under the laws of this State, another State, or the United States;

(2) has earned a baccalaureate degree from an institution of higher education; and

(3) has either (A) 5 or more years of service with a federal, State, or local law enforcement agency, at least 2 years of which have been in a progressive investigatory capacity; (B) 5 or more years of service as a federal, State, or local prosecutor; or (C) 5 or more years of service as a senior manager or executive of a federal, State, or local agency.

The term of each initial Executive Inspector General shall commence on July 1, 2003 and shall run through June 30, 2008. The initial appointments shall be made within 60 days after the effective date of this Act.

After the initial term, each Executive Inspector General shall serve for 5-year terms commencing on July 1 of the year of appointment and running through June 30 of the fifth following year. An Executive Inspector General may be reappointed to one or more subsequent terms.

A vacancy occurring other than at the end of a term shall be filled by the appointing authority only for the balance of the term of the Executive Inspector General whose office is vacant.

Terms shall run regardless of whether the position is filled.

(c) The Executive Inspector General appointed by the Attorney General shall have jurisdiction over the Attorney General and all employees of State agencies within the jurisdiction of the Attorney General. The Executive Inspector General appointed by the Secretary of State shall have jurisdiction over the Secretary of State and all employees of State agencies within the jurisdiction of the Secretary of State. The Executive Inspector General appointed by the Comptroller shall have jurisdiction over the Comptroller and all employees of State agencies within the jurisdiction of the Comptroller. The Executive Inspector General appointed by the Treasurer shall have jurisdiction over the Treasurer and all employees of State agencies within the jurisdiction of the Treasurer. The Executive Inspector General appointed by the Governor shall have jurisdiction over the Governor, the Lieutenant Governor, and all employees of executive branch State agencies under the jurisdiction of the Executive Ethics Commission and not within the jurisdiction of the Attorney General, the Secretary of State, the Comptroller, or the Treasurer.

The jurisdiction of each Executive Inspector General is limited to investigating conduct alleged to violate this Act.

(d) The compensation of an Executive Inspector General shall be determined by the appointed authority. Subject to Section 20-45 of this Act, each Executive Inspector General has full authority to organize his or her Office of the Executive Inspector General, including the employment and determination of the compensation of staff, such as deputies, assistants, and other employees, as appropriations permit.

(e) No Executive Inspector General or employee of the Office of the Executive Inspector General may, during his or her term of appointment or employment:

(1) become a candidate for any elective office;

(2) hold any other elected or appointed public office except for appointments on governmental advisory boards or study commissions or as otherwise expressly authorized by law;

(3) be actively involved in the affairs of any political party or political organization; or

(4) actively participate in any campaign for any elective office.

(f) An appointing authority may remove an Executive Inspector General only for cause.

Section 20-15. Duties of the Executive Ethics Commission. In addition to duties otherwise assigned by law, the Executive Ethics Commission shall have the following duties:

(1) To promulgate rules governing the performance of its duties and the exercise of its powers and governing the investigations of the Executive Inspectors General.

(2) To conduct administrative hearings and rule on matters brought before the Commission only upon the receipt of pleadings filed by an Executive Inspector General and not upon its own prerogative. Any other allegations of misconduct received by the Commission from a person other than an Executive Inspector General shall be referred to the Office of the appropriate Executive Inspector General.

(3) To prepare and publish manuals and guides and, working with the Office of the Attorney General, oversee training of employees under its jurisdiction that explains their duties.

(4) To prepare public information materials to facilitate compliance, implementation, and enforcement of this Act.

(5) To submit reports as required by this Act.

(6) To make rulings, issue recommendations, and impose administrative fines, if appropriate, in connection with the implementation and interpretation of this Act. The powers and duties of the Commission are limited to matters clearly within the purview of this Act.

(7) To issue subpoenas with respect to matters pending before the Commission, subject to the provisions of this Article and in the discretion of the Commission, to compel the attendance of witnesses for purposes of testimony and the production of documents and other items for inspection and copying.

Section 20-20. Duties of the Executive Inspectors General. In addition to duties otherwise assigned by law, each Executive Inspector General shall have the following duties:

(1) To receive and investigate allegations of violations of this Act. The Executive Inspector General may receive information through the Office of any Executive Inspector General, through an ethics commission, or through the Executive Ethics Hotline. An investigation may be conducted only in response to information reported to the Executive Inspector General as provided in this Section and not upon his or her own prerogative. The Executive Inspector General shall have the discretion to determine the appropriate means of investigation as permitted by law and as approved in advance by the Attorney General.

(2) To request information relating to an investigation from any person when the Executive Inspector General deems that information necessary in conducting an investigation.

(3) To issue subpoenas, subject to the advance approval of the Attorney General, to compel the attendance of witnesses for the purposes of testimony and production of documents and other items for inspection and copying.

(4) To submit reports as required by this Act.

(5) After finding probable cause, to file pleadings in the name of the Executive Inspector General with the Executive Ethics Commission, through the Attorney General, as provided in this Article.

(6) To assist and coordinate the ethics officers for State agencies under the jurisdiction of the Executive Inspector General and to work with those ethics officers.

(7) To participate in or conduct, when appropriate, multi-jurisdictional investigations.

(8) To request, as the Executive Inspector General deems appropriate, from ethics officers of State agencies under his or her jurisdiction, reports or information on (i) the content of a State agency's ethics training program and (ii) the percentage of new officers and employees who have completed ethics training.

Section 20-23. Ethics Officers. Each officer and the head of each State agency under the jurisdiction of the Executive Ethics Commission shall designate an Ethics Officer for the office or State agency. Ethics Officers shall:

(1) act as liaisons between the State agency and the appropriate Executive Inspector General and between the State agency and the Executive Ethics Commission;

(2) review statements of economic interest and disclosure forms of officers, senior employees, and contract monitors before they are filed with the Secretary of State; and

(3) provide guidance to officers and employees in the interpretation and implementation of this Act. Such guidance shall be based, wherever possible, upon the findings and opinions of the Executive Ethics Commission.

Section 20-25. Executive Ethics Hotline. The Executive Ethics Commission shall create and maintain a toll-free Ethics Hotline for the purpose of receiving reports of allegations relating to conduct subject to the jurisdiction of the Commission. The Commission shall transmit each report to the appropriate Inspector General or other ethics commission in a timely manner.

Section 20-35. Administrative subpoena; compliance. A person duly subpoenaed for testimony, documents, or other items who neglects or refuses to testify or produce documents or other items under the requirements of the subpoena shall be subject to punishment as may be determined by a court of competent jurisdiction, unless (i) the testimony, documents, or other items are covered by the attorney-client privilege or any other privilege or right recognized by law or (ii) the testimony, documents, or other items concern the representation of employees and the negotiation of collective bargaining agreements by a labor organization authorized and recognized under the Illinois Public Labor Relations Act to be the exclusive bargaining representative of employees of the State agency. Nothing in this Section limits a person's right to protection against self-incrimination under the Fifth Amendment of the United States Constitution or Article I, Section 10, of the Constitution of the State of Illinois.

Section 20-40. Collective bargaining agreements. Any investigation or inquiry by an Executive Inspector General or any agent or representative of an Executive Inspector General must be conducted in compliance with the provisions of a collective bargaining agreement that applies to the employees of the relevant State agency and with an awareness of the rights of the employees as set forth by State and federal

law and applicable judicial decisions. Any recommendation for discipline or any action taken against any State employee pursuant to this Act must comply with the provisions of the collective bargaining agreement that applies to the State employee.

Section 20-45. Standing; representation.

(a) Only an Executive Inspector General may bring actions before the Executive Ethics Commission.

(b) The Attorney General shall represent an Executive Inspector General in all proceedings before the Commission, except that the Attorney General may appoint special counsel to represent an Executive Inspector General before the Commission if the Attorney General deems it necessary to avoid any actual, potential, or perceived conflict of interest.

(c) Attorneys or special counsel serving in the Office of an Executive Inspector General shall be appointed or retained by the Attorney General, shall be under the supervision, direction, and control of the Attorney General, and shall serve at the pleasure of the Attorney General. The compensation of any assistant attorneys and special counsel appointed or retained in accordance with this subsection shall be paid by the appropriate Office of the Executive Inspector General.

(d) Any State employee or officer named as a respondent in a complaint is entitled to reimbursement for his or her reasonable attorney's fees and expenses in defending against the complaint if that respondent is not found by the Commission to have violated this Act.

Section 20-50. Investigation reports; complaint procedure.

(a) If an Executive Inspector General, upon the conclusion of an investigation, determines that probable cause exists to file pleadings with the Executive Ethics Commission, then the Executive Inspector General shall issue a summary report of the investigation. The report shall be delivered to the appropriate ultimate jurisdictional authority and to the head of each State agency affected by or involved in the investigation, if appropriate.

(b) The summary report of the investigation shall include the following:

(1) A description of any allegations or other information received by the Executive Inspector General pertinent to the investigation.

(2) A description of any alleged misconduct discovered in the course of the investigation.

(3) Recommendations for any corrective or disciplinary action to be taken in response to any alleged misconduct described in the report, including but not limited to discharge.

(4) Other information the Executive Inspector General deems relevant to the investigation or resulting recommendations.

(c) Not less than 30 days after delivery of the summary report of an investigation under subsection (a), the Executive Inspector General, represented by the Attorney General, may file with the Executive Ethics Commission a petition for leave to file a complaint. The petition shall set forth the alleged violation and the grounds that exist to support probable cause. The petition for leave to file a complaint must be filed with the Commission within 18 months after an alleged violation of this Act.

(d) A copy of the petition must be served on all respondents named in the complaint and on each respondent's ultimate jurisdictional authority in the same manner as process is served under the Code of Civil Procedure.

(e) A respondent may file objections to the petition for leave to file a complaint within 30 days after notice of the petition has been served on the respondent.

(f) The Commission shall meet, either in person or by telephone, in a closed session to review the sufficiency of the complaint. If the Commission finds that complaint is sufficient, the Commission shall grant the petition for leave to file the complaint. The Commission shall issue notice to the Executive Inspector General and all respondents of the Commission's ruling on the sufficiency of the complaint. If the complaint is deemed to sufficiently allege a violation of this Act, then the Commission shall notify the parties and shall include a hearing date scheduled within 4 weeks after the date of the notice, unless all of the parties consent to a later date. If the complaint is deemed not to sufficiently allege a violation, then the Commission shall send by certified mail, return receipt requested, a notice to the parties of the decision to dismiss the complaint, and that notice shall be made public.

(g) On the scheduled date the Commission shall conduct a closed meeting, either in person or, if the parties consent, by telephone, on the complaint and allow all parties the opportunity to present testimony and evidence. All such proceedings shall be transcribed.

(h) Within an appropriate time limit set by rules of the Executive Ethics Commission, the Commission shall (i) dismiss the complaint or (ii) issue a recommendation of discipline to the respondent and the respondent's ultimate jurisdictional authority or impose an administrative fine upon the respondent, or both.

(i) The proceedings on any complaint filed with the Commission shall be conducted pursuant to rules

promulgated by the Commission.

(j) The Commission may designate hearing officers to conduct proceeding as determined by rule of the Commission.

(k) In all proceedings before the Commission, the standard of proof is by a preponderance of the evidence.

Section 20-55. Decisions; recommendations.

(a) All decisions of the Executive Ethics Commission must include a description of the alleged misconduct, the decision of the Commission, including any fines levied and any recommendation of discipline, and the reasoning for that decision. All decisions of the Commission shall be delivered to the head of the appropriate State agency, the appropriate ultimate jurisdictional authority, and the appropriate Executive Inspector General. The Executive Ethics Commission shall promulgate rules for the decision and recommendation process.

(b) If the Executive Ethics Commission issues a recommendation of discipline to an agency head or ultimate jurisdictional authority, that agency head or ultimate jurisdictional authority must respond to that recommendation in 30 days with a written response to the Executive Ethics Commission. This response must include any disciplinary action the agency head or ultimate jurisdictional authority has taken with respect to the officer or employee in question. If the agency head or ultimate jurisdictional authority did not take any disciplinary action, or took a different disciplinary action than that recommended by the Executive Ethics Commission, the agency head or ultimate jurisdictional authority must describe the different action and explain the reasons for the different action in the written response. This response must be served upon the Executive Ethics Commission and the appropriate Executive Inspector General within the 30-day period and is not exempt from the provisions of the Freedom of Information Act.

Section 20-60. Appeals. A decision of the Executive Ethics Commission to impose a fine is subject to judicial review under the Administrative Review Law. All other decisions by the Executive Ethics Commission are final and not subject to review either administratively or judicially.

Section 20-65. Investigations not concluded within 6 months. If any investigation is not concluded within 6 months after its initiation, the appropriate Executive Inspector General shall notify the Executive Ethics Commission and appropriate ultimate jurisdictional authority of the general nature of the allegation or information giving rise to the investigation and the reasons for failure to complete the investigation within 6 months.

Section 20-70. Cooperation in investigations. It is the duty of every officer and employee under the jurisdiction of an Executive Inspector General, including any inspector general serving in any State agency under the jurisdiction of that Executive Inspector General, to cooperate with the Executive Inspector General in any investigation undertaken pursuant to this Act. Failure to cooperate with an investigation of the Executive Inspector General is grounds for disciplinary action, including dismissal, unless the failure is based on (i) the attorney-client privilege or any other privilege or right recognized by law or (ii) a collective bargaining agreement with a labor organization authorized and recognized under the Illinois Public Labor Relations Act to be the exclusive bargaining representative of affected employees.

Nothing in this Section limits a person's right to protection against self-incrimination under the Fifth Amendment of the United States Constitution or Article I, Section 10, of the Constitution of the State of Illinois.

Section 20-80. Referrals of investigations. If an Executive Inspector General determines that any alleged misconduct involves any person not subject to the jurisdiction of the Executive Ethics Commission, that Executive Inspector General shall refer the reported allegations to the appropriate Inspector General, appropriate ethics commission, or other appropriate body. If an Executive Inspector General determines that any alleged misconduct may give rise to criminal penalties, the Executive Inspector General shall refer the allegations regarding that misconduct to the appropriate law enforcement authority.

Section 20-85. Annual reports. Each Executive Inspector General shall submit an annual report to the executive branch constitutional officers and the Executive Ethics Commission, on a date determined by the Executive Ethics Commission, indicating:

(1) the number of allegations received since the date of the last report;

(2) the number of investigations initiated since the date of the last report;

(3) the number of investigations concluded since the date of the last report;

(4) the number of investigations pending as of the reporting date; and

(5) the number of actions filed since the last report and the number of actions pending before the Commission as of the reporting date.

Section 20-90. Confidentiality.

(a) The identity of any individual providing information or reporting any possible or alleged misconduct to an Executive Inspector General, the Executive Ethics Commission, or the Executive Ethics Hotline shall be kept confidential and may not be disclosed without the consent of that individual, unless the individual consents to disclosure of his or her name or disclosure of the individual's identity is otherwise required by law. The confidentiality granted by this subsection does not preclude the disclosure of the identity of a person in any capacity other than as the source of an allegation.

(b) Commissioners, employees, and agents of the Executive Ethics Commission, the Executive Inspectors General, and employees and agents of each Office of an Executive Inspector General shall keep confidential and shall not disclose information exempted from disclosure under the Freedom of Information Act or by this Act.

Section 20-95. Exemptions.

(a) Documents generated by an ethics officer under this Act are exempt from the provisions of the Freedom of Information Act.

(b) Any allegations and related documents submitted to an Executive Inspector General and any pleadings and related documents brought before the Executive Ethics Commission are exempt from the provisions of the Freedom of Information Act so long as the Executive Ethics Commission does not make a finding of a violation of this Act. If the Executive Ethics Commission finds that a violation has occurred, the entire record of proceedings before the Commission, the decision and recommendation, and the mandatory report from the agency head or ultimate jurisdictional authority to the Executive Ethics Commission are not exempt from the provisions of the Freedom of Information Act but information contained therein that is otherwise exempt from the Freedom of Information Act must be redacted before disclosure as provided in Section 8 of the Freedom of Information Act.

(c) Meetings of the Commission under Sections 20-5 and 20-15 of this Act are exempt from the provisions of the Open Meetings Act.

(d) Unless otherwise provided in this Act, all investigatory files and reports of the Office of an Executive Inspector General, other than annual reports, are confidential, are exempt from disclosure under the Freedom of Information Act, and shall not be divulged to any person or agency, except as necessary (i) to the appropriate law enforcement authority if the matter is referred pursuant to this Act, (ii) to the ultimate jurisdiction authority, (iii) to the Executive Ethics Commission; or (iv) to another Inspector General appointed pursuant to this Act. ARTICLE 25

LEGISLATIVE ETHICS COMMISSION AND
LEGISLATIVE INSPECTOR GENERAL

Section 25-5. Legislative Ethics Commission.

(a) The Legislative Ethics Commission is created.

(b) The Legislative Ethics Commission shall consist of 8 commissioners appointed 2 each by the President and Minority Leader of the Senate and the Speaker and Minority Leader of the House of Representatives.

The terms of the initial commissioners shall commence on July 1, 2003. Each appointing authority shall designate one appointee who shall serve for a 2-year term running through June 30, 2005. Each appointing authority shall designate one appointee who shall serve for a 4-year term running through June 30, 2007. The initial appointments shall be made within 60 days after the effective date of this Act.

After the initial terms, commissioners shall serve for 4-year terms commencing on July 1 of the year of appointment and running through June 30 of the fourth following year. Commissioners may be reappointed to one or more subsequent terms.

Vacancies occurring other than at the end of a term shall be filled by the appointing authority only for the balance of the term of the commissioner whose office is vacant.

Terms shall run regardless of whether the position is filled.

(c) The appointing authorities shall appoint commissioners who have experience holding governmental office or employment and shall appoint commissioners from the general public. A person is not eligible to serve as a commissioner if that person (i) has been convicted of a felony or a crime of dishonesty or moral turpitude, (ii) is, or was within the preceding 12 months, engaged in activities that require registration under the Lobbyist Registration Act, (iii) is a relative of the appointing authority, or (iv) is a State officer or employee.

(d) The Legislative Ethics Commission shall have jurisdiction over members of the General Assembly and all State employees whose ultimate jurisdictional authority is (i) a legislative leader, (ii) the Senate Operations Commission, or (iii) the Joint Committee on Legislative Support Services. The jurisdiction of the Commission is limited to matters arising under this Act.

(e) The Legislative Ethics Commission must meet, either in person or by other technological means, at least monthly and as often as necessary. At the first meeting of the Legislative Ethics Commission, the commissioners shall choose from their number a chairperson and other officers that they deem appropriate. The terms of officers shall be for 2 years commencing July 1 and running through June 30 of the second following year. Meetings shall be held at the call of the chairperson or any 3 commissioners. Official action by the Commission shall require the affirmative vote of 5 commissioners, and a quorum shall consist of 5 commissioners. Commissioners shall receive no compensation, but may be reimbursed for their reasonable expenses actually incurred in the performance of their duties.

(f) No commissioner or employee of the Legislative Ethics Commission may during his or her term of appointment or employment:

(1) become a candidate for any elective office;

(2) hold any other elected or appointed public office except for appointments on governmental advisory boards or study commissions or as otherwise expressly authorized by law;

(3) be actively involved in the affairs of any political party or political organization; or

(4) actively participate in any campaign for any elective office.

(g) An appointing authority may remove a commissioner only for cause.

(h) The Legislative Ethics Commission shall appoint an Executive Director. The compensation of the Executive Director shall be as determined by the Commission or by the Compensation Review Board, whichever amount is higher. The Executive Director of the Legislative Ethics Commission may employ and determine the compensation of staff, as appropriations permit.

Section 25-10. Office of Legislative Inspector General.

(a) The Office of the Legislative Inspector General is created. The Office shall be under the direction and supervision of the Legislative Inspector General.

(b) The Legislative Inspector General shall be appointed without regard to political affiliation and solely on the basis of integrity and demonstrated ability. The Legislative Ethics Commission shall diligently search out qualified candidates for Legislative Inspector General and shall make recommendations to the General Assembly.

The Legislative Inspector General shall be appointed by a joint resolution of the Senate and the House of Representatives, which may specify the date on which the appointment takes effect. A joint resolution, or other document as may be specified by the Joint Rules of the General Assembly, appointing the Legislative Inspector General must be certified by the Speaker of the House of Representatives and the President of the Senate as having been adopted by the affirmative vote of three-fifths of the members elected to each house, respectively, and be filed with the Secretary of State. The appointment of the Legislative Inspector General takes effect on the day the appointment is completed by the General Assembly, unless the appointment specifies a later date on which it is to become effective.

The Legislative Inspector General shall have the following qualifications:

(1) has not been convicted of any felony under the laws of this State, another State, or the United States;

(2) has earned a baccalaureate degree from an institution of higher education; and

(3) has either (A) 5 or more years of service with a federal, State, or local law enforcement agency, at least 2 years of which have been in a progressive investigatory capacity; (B) 5 or more years of service as a federal, State, or local prosecutor; or (C) 5 or more years of service as a senior manager or executive of a federal, State, or local agency.

The Legislative Inspector General may not be a relative of a commissioner.

The term of the initial Legislative Inspector General shall commence on July 1, 2003 and shall run through June 30, 2008.

After the initial term, the Legislative Inspector General shall serve for 5-year terms commencing on July 1 of the year of appointment and running through June 30 of the fifth following year. The Legislative Inspector General may be reappointed to one or more subsequent terms.

A vacancy occurring other than at the end of a term shall be filled in the same manner as an appointment only for the balance of the term of the Legislative Inspector General whose office is vacant.

Terms shall run regardless of whether the position is filled.

(c) The Legislative Inspector General shall have jurisdiction over the members of the General Assembly and all State employees whose ultimate jurisdictional authority is (i) a legislative leader, (ii) the Senate Operations Commission, or (iii) the Joint Committee on Legislative Support Services.

The jurisdiction of the Legislative Inspector General is limited to investigating conduct alleged to violate this Act.

(d) The compensation of the Legislative Inspector General shall be determined by the Commission. Subject to Section 25-45 of this Act, the Legislative Inspector General has full authority to organize the Office of the Legislative Inspector General, including the employment and determination of the compensation of staff, such as deputies, assistants, and other employees, as appropriations permit.

(e) No Legislative Inspector General or employee of the Office of the Legislative Inspector General may, during his or her term of appointment or employment:

(1) become a candidate for any elective office;

(2) hold any other elected or appointed public office except for appointments on governmental advisory boards or study commissions or as otherwise expressly authorized by law;

(3) be actively involved in the affairs of any political party or political organization; or

(4) actively participate in any campaign for any elective office.

(f) The Commission may remove the Legislative Inspector General only for cause.

Section 25-15. Duties of the Legislative Ethics Commission. In addition to duties otherwise assigned by law, the Legislative Ethics Commission shall have the following duties:

(1) To promulgate rules governing the performance of its duties and the exercise of its powers and governing the investigations of the Legislative Inspector General.

(2) To conduct administrative hearings and rule on matters brought before the Commission only upon the receipt of pleadings filed by the Legislative Inspector General and not upon its own prerogative. Any other allegations of misconduct received by the Commission from a person other than the Legislative Inspector General shall be referred to the Office of the Legislative Inspector General.

(3) To prepare and publish manuals and guides and, working with the Office of the Attorney General, oversee training of employees under its jurisdiction that explains their duties.

(4) To prepare public information materials to facilitate compliance, implementation, and enforcement of this Act.

(5) To submit reports as required by this Act.

(6) To make rulings, issue recommendations, and impose administrative fines, if appropriate, in connection with the implementation and interpretation of this Act. The powers and duties of the Commission are limited to matters clearly within the purview of this Act.

(7) To issue subpoenas with respect to matters pending before the Commission, subject to the provisions of this Article and in the discretion of the Commission, to compel the attendance of witnesses for purposes of testimony and the production of documents and other items for inspection and copying.

Section 25-20. Duties of the Legislative Inspector General. In addition to duties otherwise assigned by law, the Legislative Inspector General shall have the following duties:

(1) To receive and investigate allegations of violations of this Act. The Legislative Inspector General may receive information through the Office of the Legislative Inspector General, through an ethics commission, or through the Legislative Ethics Hotline. An investigation may be conducted only in response to information reported to the Legislative Inspector General as provided in this Section and not upon his or her own prerogative. The Legislative Inspector General shall have the discretion to determine the appropriate means of investigation as permitted by law and as approved in advance by the Attorney General.

(2) To request information relating to an investigation from any person when the Legislative Inspector General deems that information necessary in conducting an investigation.

(3) To issue subpoenas, subject to the advance approval of the Attorney General, to compel the attendance of witnesses for the purposes of testimony and production of documents and other items for inspection and copying.

(4) To submit reports as required by this Act.

(5) After finding probable cause, to file pleadings in the name of the Legislative Inspector General with the Legislative Ethics Commission, through the Attorney General, as provided in this Article.

(6) To assist and coordinate the ethics officers for State agencies under the jurisdiction of the Legislative Inspector General and to work with those ethics officers.

(7) To participate in or conduct, when appropriate, multi-jurisdictional investigations.

(8) To request, as the Legislative Inspector General deems appropriate, from ethics officers of State agencies under his or her jurisdiction, reports or information on (i) the content of a State agency's ethics training program and (ii) the percentage of new officers and employees who have completed ethics training.

Section 25-23. Ethics Officers. The President and Minority Leader of the Senate and the Speaker and Minority Leader of the House of Representatives shall each appoint an ethics officer for the legislative

members of his or her legislative caucus. The head of each State agency under the jurisdiction of the Legislative Ethics Commission, other than the General Assembly, shall designate an ethics officer for the State agency. Ethics Officers shall:

(1) act as liaisons between the State agency and the Legislative Inspector General and between the State agency and the Legislative Ethics Commission;

(2) review statements of economic interest and disclosure forms of officers, senior employees, and contract monitors before they are filed with the Secretary of State; and

(3) provide guidance to officers and employees in the interpretation and implementation of this Act. Such guidance shall be based, wherever possible, upon the findings and opinions of the Legislative Ethics Commission.

Section 25-25. Legislative Ethics Hotline. The Legislative Ethics Commission shall create and maintain a toll-free Legislative Ethics Hotline for the purpose of receiving reports of allegations relating to conduct subject to the jurisdiction of the Legislative Ethics Commission. The Commission shall transmit each report to the appropriate Inspector General or other ethics commission in a timely manner.

Section 25-35. Administrative subpoena; compliance. A person duly subpoenaed for testimony, documents, or other items who neglects or refuses to testify or produce documents or other items under the requirements of the subpoena shall be subject to punishment as may be determined by a court of competent jurisdiction, unless the testimony, documents, or other items are covered by the attorney-client privilege or any other privilege or right recognized by law. Nothing in this Section limits a person's right to protection against self-incrimination under the Fifth Amendment of the United States Constitution or Article I, Section 10, of the Constitution of the State of Illinois.

Section 25-45. Standing; representation.

(a) Only the Legislative Inspector General may bring actions before the Legislative Ethics Commission.

(b) The Attorney General shall represent the Legislative Inspector General in all proceedings before the Commission, except that the Attorney General may appoint special counsel to represent the Legislative Inspector General before the Commission if the Attorney General deems it necessary to avoid any actual, potential, or perceived conflict of interest.

(c) Attorneys or special counsel serving in the Office of the Legislative Inspector General shall be appointed or retained by the Attorney General, shall be under the supervision, direction, and control of the Attorney General, and shall serve at the pleasure of the Attorney General. The compensation of any assistant attorneys and special counsel appointed or retained in accordance with this subsection shall be paid by the Office of the Legislative Inspector General.

(d) Any State employee or officer named as a respondent in a complaint is entitled to reimbursement for his or her reasonable attorney's fees and expenses in defending against the complaint if that respondent is not found by the Commission to have violated this Act.

Section 25-50. Investigation reports; complaint procedure.

(a) If the Legislative Inspector General, upon the conclusion of an investigation, determines that probable cause exists to file pleadings with the Legislative Ethics Commission, then the Legislative Inspector General shall issue a summary report of the investigation. The report shall be delivered to the appropriate ultimate jurisdictional authority and to the head of each State agency affected by or involved in the investigation, if appropriate.

(b) The summary report of the investigation shall include the following:

(1) A description of any allegations or other information received by the Legislative Inspector General pertinent to the investigation.

(2) A description of any alleged misconduct discovered in the course of the investigation.

(3) Recommendations for any corrective or disciplinary action to be taken in response to any alleged misconduct described in the report, including but not limited to discharge.

(4) Other information the Legislative Inspector General deems relevant to the investigation or resulting recommendations.

(c) Not less than 30 days after delivery of the summary report of an investigation under subsection (a), the Legislative Inspector General, represented by the Attorney General, may file with the Legislative Ethics Commission a petition for leave to file a complaint. The petition shall set forth the alleged violation and the grounds that exist to support probable cause. The petition for leave to file a complaint must be filed with the Commission within 18 months after an alleged violation of this Act.

(d) A copy of the petition must be served on all respondents named in the complaint and on each respondent's ultimate jurisdictional authority in the same manner as process is served under the Code of Civil Procedure.

(e) A respondent may file objections to the petition for leave to file a complaint within 30 days after notice of the petition has been served on the respondent.

(f) The Commission shall meet, either in person or by telephone, in a closed session to review the sufficiency of the complaint. If the Commission finds that complaint is sufficient, the Commission shall grant the petition for leave to file the complaint. The Commission shall issue notice to the Legislative Inspector General and all respondents of the Commission's ruling on the sufficiency of the complaint. If the complaint is deemed to sufficiently allege a violation of this Act, then the Commission shall notify the parties and shall include a hearing date scheduled within 4 weeks after the date of the notice, unless all of the parties consent to a later date. If the complaint is deemed not to sufficiently allege a violation, then the Commission shall send by certified mail, return receipt requested, a notice to the parties of the decision to dismiss the complaint, and that notice shall be made public.

(g) On the scheduled date the Commission shall conduct a closed meeting, either in person or, if the parties consent, by telephone, on the complaint and allow all parties the opportunity to present testimony and evidence. All such proceedings shall be transcribed.

(h) Within an appropriate time limit set by rules of the Legislative Ethics Commission, the Commission shall (i) dismiss the complaint or (ii) issue a recommendation of discipline to the respondent and the respondent's ultimate jurisdictional authority or impose an administrative fine upon the respondent, or both.

(i) The proceedings on any complaint filed with the Commission shall be conducted pursuant to rules promulgated by the Commission.

(j) The Commission may designate hearing officers to conduct proceeding as determined by rule of the Commission.

(k) In all proceedings before the Commission, the standard of proof is by a preponderance of the evidence.

Section 25-55. Decisions; recommendations.

(a) All decisions of the Legislative Ethics Commission must include a description of the alleged misconduct, the decision of the Commission, including any fines levied and any recommendation of discipline, and the reasoning for that decision. All decisions of the Commission shall be delivered to the head of the appropriate State agency, the appropriate ultimate jurisdictional authority, and the Legislative Inspector General. The Legislative Ethics Commission shall promulgate rules for the decision and recommendation process.

(b) If the Legislative Ethics Commission issues a recommendation of discipline to an agency head or ultimate jurisdictional authority, that agency head or ultimate jurisdictional authority must respond to that recommendation in 30 days with a written response to the Legislative Ethics Commission. This response must include any disciplinary action the agency head or ultimate jurisdictional authority has taken with respect to the officer or employee in question. If the agency head or ultimate jurisdictional authority did not take any disciplinary action, or took a different disciplinary action than that recommended by the Legislative Ethics Commission, the agency head or ultimate jurisdictional authority must describe the different action and explain the reasons for the different action in the written response. This response must be served upon the Legislative Ethics Commission and the Legislative Inspector General within the 30-day period and is not exempt from the provisions of the Freedom of Information Act.

Section 25-60. Appeals. A decision of the Legislative Ethics Commission to impose a fine is subject to judicial review under the Administrative Review Law. All other decisions by the Legislative Ethics Commission are final and not subject to review either administratively or judicially.

Section 25-65. Investigations not concluded within 6 months. If any investigation is not concluded within 6 months after its initiation, the Legislative Inspector General shall notify the Legislative Ethics Commission and appropriate ultimate jurisdictional authority of the general nature of the allegation or information giving rise to the investigation and the reasons for failure to complete the investigation within 6 months.

Section 25-70. Cooperation in investigations. It is the duty of every officer and employee under the jurisdiction of the Legislative Inspector General, including any inspector general serving in any State agency under the jurisdiction of the Legislative Inspector General, to cooperate with the Legislative Inspector General in any investigation undertaken pursuant to this Act. Failure to cooperate with an investigation of the Legislative Inspector General is grounds for disciplinary action, including dismissal, unless the failure is based on the attorney-client privilege or any other privilege or right recognized by law.

Nothing in this Section limits a person's right to protection against self-incrimination under the Fifth Amendment of the United States Constitution or Article I, Section 10, of the Constitution of the State of Illinois.

Section 25-80. Referrals of investigations. If the Legislative Inspector General determines that any alleged misconduct involves any person not subject to the jurisdiction of the Legislative Ethics Commission, the Legislative Inspector General shall refer the reported allegations to the appropriate ethics commission or other appropriate body. If the Legislative Inspector General determines that any alleged misconduct may give rise to criminal penalties, the Legislative Inspector General shall refer the allegations regarding that misconduct to the appropriate law enforcement authority.

Section 25-85. Annual reports. The Legislative Inspector General shall submit an annual report to the General Assembly and the Legislative Ethics Commission, on a date determined by the Legislative Ethics Commission, indicating:

(1) the number of allegations received since the date of the last report;

(2) the number of investigations initiated since the date of the last report;

(3) the number of investigations concluded since the date of the last report;

(4) the number of investigations pending as of the reporting date; and

(5) the number of actions filed since the last report and the number of actions pending before the Commission as of the reporting date.

Section 25-90. Confidentiality.

(a) The identity of any individual providing information or reporting any possible or alleged misconduct to the Legislative Inspector General, the Legislative Ethics Commission, or the Legislative Ethics Hotline shall be kept confidential and may not be disclosed without the consent of that individual, unless the individual consents to disclosure of his or her name or disclosure of the individual's identity is otherwise required by law. The confidentiality granted by this subsection does not preclude the disclosure of the identity of a person in any capacity other than as the source of an allegation.

(b) Commissioners, employees, and agents of the Legislative Ethics Commission, the Legislative Inspector General, and employees and agents of the Office of the Legislative Inspector General shall keep confidential and shall not disclose information exempted from disclosure under the Freedom of Information Act or by this Act.

Section 25-95. Exemptions.

(a) Documents generated by an ethics officer under this Act are exempt from the provisions of the Freedom of Information Act.

(b) Any allegations and related documents submitted to the Legislative Inspector General and any pleadings and related documents brought before the Legislative Ethics Commission are exempt from the provisions of the Freedom of Information Act so long as the Legislative Ethics Commission does not make a finding of a violation of this Act. If the Legislative Ethics Commission finds that a violation has occurred, the entire record of proceedings before the Commission, the decision and recommendation, and the mandatory report from the agency head or ultimate jurisdictional authority to the Legislative Ethics Commission are not exempt from the provisions of the Freedom of Information Act but information contained therein that is exempt from the Freedom of Information Act must be redacted before disclosure as provided in Section 8 of the Freedom of Information Act.

(c) Meetings of the Commission under Sections 25-5 and 25-15 of this Act are exempt from the provisions of the Open Meetings Act.

(d) Unless otherwise provided in this Act, all investigatory files and reports of the Office of the Legislative Inspector General, other than annual reports, are confidential, are exempt from disclosure under the Freedom of Information Act, and shall not be divulged to any person or agency, except as necessary (i) to the appropriate law enforcement authority if the matter is referred pursuant to this Act, (ii) to the ultimate jurisdiction authority, or (iii) to the Legislative Ethics Commission. ARTICLE 30

AUDITOR GENERAL

Section 30-5. Appointment of Inspector General.

(a) The Auditor General shall appoint an Inspector General (i) to investigate allegations of violations of Articles 5 and 10 by State officers and employees under his or her jurisdiction and (ii) to perform other duties and exercise other powers assigned to the Inspectors General by this or any other Act. The Inspector General shall be appointed within 6 months after the effective date of this Act.

(b) The Auditor General shall provide by rule for the operation of his or her Inspector General.

(c) The Auditor General may appoint an existing inspector general as the Inspector General required by this Article, provided that such an inspector general is not prohibited by law, rule, jurisdiction, qualification, or interest from serving as the Inspector General required by this Article.

The Auditor General may not appoint a relative as the Inspector General required by this Article.

Section 30-10. Ethics Officers. The Auditor General shall designate an Ethics Officer for the office of

the Auditor General. The ethics officer shall:

(1) act as liaison between the Office of the Auditor General and the Inspector General appointed under this Article;

(2) review statements of economic interest and disclosure forms of officers, senior employees, and contract monitors before they are filed with the Secretary of State; and

(3) provide guidance to officers and employees in the interpretation and implementation of this Act.

ARTICLE 50

PENALTIES

Section 50-5. Penalties.

(a) A person is guilty of a Class A misdemeanor if that person intentionally violates any provision of Section 5-15, 5-30, 5-40, or 5-45 or Article 15.

(b) A person who intentionally violates any provision of Section 5-20 or Section 5-35 is guilty of a business offense subject to a fine of at least $1,001 and up to $5,000.

(c) A person who intentionally violates any provision of Article 10 is guilty of a business offense and subject to a fine of at least $1,001 and up to $5,000.

(d) Any person who intentionally makes a false report alleging a violation of any provision of this Act to an ethics commission, an inspector general, the State Police, a State's Attorney, the Attorney General, or any other law enforcement official is guilty of a Class A misdemeanor.

(e) An ethics commission may levy an administrative fine of up to $5,000 against any person who violates this Act, who intentionally obstructs or interferes with an investigation conducted under this Act by an inspector general, or who intentionally makes a false or frivolous allegation of a violation of this Act.

(f) In addition to any other penalty that may apply, whether criminal or civil, a director, a supervisor, or a State employee who intentionally violates any provision of Section 5-15, 5-20, 5-30, 5-35, or 5-40 or Article 10 or Article 15 is subject to discipline or discharge by the appropriate ultimate jurisdictional authority. ARTICLE 70

GOVERNMENTAL ENTITIES

Section 70-5. Adoption by governmental entities.

(a) Within 6 months after the effective date of this Act, each governmental entity shall adopt an ordinance or resolution that regulates, in a manner no less restrictive than Section 5-15 and Article 10 of this Act, (i) the political activities of officers and employees of the governmental entity and (ii) the soliciting and accepting of gifts by and the offering and making of gifts to officers and employees of the governmental entity.

(b) The Attorney General shall develop model ordinances and resolutions for the purpose of this Article and shall advise governmental entities on their contents and adoption.

(c) As used in this Article, (i) an "officer" means an elected or appointed official; regardless of whether the official is compensated, and (ii) an "employee" means a full-time, part-time, or contractual employee.

Section 70-10. Penalties. A governmental entity may provide in the ordinance or resolution required by this Article for penalties similar to those provided in this Act for similar conduct.

Section 70-15. Home rule preemption. This Article is a denial and limitation of home rule powers and functions in accordance with subsection (i) of Section 6 of Article VII of the Illinois Constitution. A home rule unit may not regulate the political activities of its officers and employees and the soliciting, offering, accepting, and making of gifts in a manner less restrictive than the provisions of this Act. ARTICLE 90

AMENDATORY PROVISIONS

Section 90-3. The Illinois Administrative Procedure Act is amended by adding Section 5-165 as follows:

(5 ILCS 100/5-165 new)

Sec. 5-165. Ex parte communications in rulemaking.

(a) Notwithstanding any law to the contrary, this Section applies to ex parte communications made during the rulemaking process.

(b) "Ex parte communication" means any written or oral communication by any person required to be registered under the Lobbyist Registration Act to an agency, agency head, administrative law judge, or other agency employee during the rulemaking period that imparts material information or argument regarding potential action concerning general, emergency, or peremptory rulemaking under this Act. For purposes of this Section, the rulemaking period begins upon the commencement of the first notice period with respect to general rulemaking under Section 5-40, upon the filing of a notice of emergency rulemaking under Section 5-45, or upon the filing of a notice of rulemaking with respect to peremptory rulemaking under Section 5-50. "Ex parte communication" does not include the following: (i) statements by a person

publicly made in a public forum; (ii) statements regarding matters of procedure and practice, such as the format of public comments, the number of copies required, the manner of filing such comments, and the status of a rulemaking proceeding; and (iii) statements made by a State official or State employee.

(c) An ex parte communication received by any agency head, agency employee, or administrative law judge shall be made a part of the record of the rulemaking proceeding, including all written communications, all written responses to the communications, and a memorandum stating the substance of all oral communications and all responses made and the identity of each person from whom the ex parte communication was received. The disclosure shall also contain the date of any ex parte communication.

Section 90-4. The Open Meetings Act is amended by changing Section 1.02 as follows:

(5 ILCS 120/1.02) (from Ch. 102, par. 41.02)

Sec. 1.02. For the purposes of this Act:

"Meeting" means any gathering of a majority of a quorum of the members of a public body held for the purpose of discussing public business.

"Public body" includes all legislative, executive, administrative or advisory bodies of the State, counties, townships, cities, villages, incorporated towns, school districts and all other municipal corporations, boards, bureaus, committees or commissions of this State, and any subsidiary bodies of any of the foregoing including but not limited to committees and subcommittees which are supported in whole or in part by tax revenue, or which expend tax revenue, except the General Assembly and committees or commissions thereof. "Public body" includes tourism boards and convention or civic center boards located in counties that are contiguous to the Mississippi River with populations of more than 250,000 but less than 300,000. "Public body" includes the Health Facilities Planning Board. "Public body" does not include a child death review team or the Illinois Child Death Review Teams Executive Council established under the Child Death Review Team Act or an ethics commission~~, ethics officer, or ultimate jurisdictional authority~~ acting under the State Officials and Employees Ethics Act ~~State Gift Ban Act as provided by Section 80 of that Act~~. (Source: P.A. 91-782, eff. 6-9-00; 92-468, eff. 8-22-01.)

Section 90-5. The Freedom of Information Act is amended by changing Section 7 as follows:

(5 ILCS 140/7) (from Ch. 116, par. 207)

Sec. 7. Exemptions. (1) The following shall be exempt from inspection and copying:

(a) Information specifically prohibited from disclosure by federal or State law or rules and regulations adopted under federal or State law.

(b) Information that, if disclosed, would constitute a clearly unwarranted invasion of personal privacy, unless the disclosure is consented to in writing by the individual subjects of the information. The disclosure of information that bears on the public duties of public employees and officials shall not be considered an invasion of personal privacy. Information exempted under this subsection (b) shall include but is not limited to:

(i) files and personal information maintained with respect to clients, patients, residents, students or other individuals receiving social, medical, educational, vocational, financial, supervisory or custodial care or services directly or indirectly from federal agencies or public bodies;

(ii) personnel files and personal information maintained with respect to employees, appointees or elected officials of any public body or applicants for those positions;

(iii) files and personal information maintained with respect to any applicant, registrant or licensee by any public body cooperating with or engaged in professional or occupational registration, licensure or discipline;

(iv) information required of any taxpayer in connection with the assessment or collection of any tax unless disclosure is otherwise required by State statute; and

(v) information revealing the identity of persons who file complaints with or provide information to administrative, investigative, law enforcement or penal agencies; provided, however, that identification of witnesses to traffic accidents, traffic accident reports, and rescue reports may be provided by agencies of local government, except in a case for which a criminal investigation is ongoing, without constituting a clearly unwarranted per se invasion of personal privacy under this subsection.

(c) Records compiled by any public body for administrative enforcement proceedings and any law enforcement or correctional agency for law enforcement purposes or for internal matters of a public body, but only to the extent that disclosure would:

(i) interfere with pending or actually and reasonably contemplated law enforcement proceedings conducted by any law enforcement or correctional agency;

(ii) interfere with pending administrative enforcement proceedings conducted by any public

body;

(iii) deprive a person of a fair trial or an impartial hearing;

(iv) unavoidably disclose the identity of a confidential source or confidential information furnished only by the confidential source;

(v) disclose unique or specialized investigative techniques other than those generally used and known or disclose internal documents of correctional agencies related to detection, observation or investigation of incidents of crime or misconduct;

(vi) constitute an invasion of personal privacy under subsection (b) of this Section;

(vii) endanger the life or physical safety of law enforcement personnel or any other person; or

(viii) obstruct an ongoing criminal investigation.

(d) Criminal history record information maintained by State or local criminal justice agencies, except the following which shall be open for public inspection and copying:

(i) chronologically maintained arrest information, such as traditional arrest logs or blotters;

(ii) the name of a person in the custody of a law enforcement agency and the charges for which that person is being held;

(iii) court records that are public;

(iv) records that are otherwise available under State or local law; or

(v) records in which the requesting party is the individual identified, except as provided under part (vii) of paragraph (c) of subsection (1) of this Section.

"Criminal history record information" means data identifiable to an individual and consisting of descriptions or notations of arrests, detentions, indictments, informations, pre-trial proceedings, trials, or other formal events in the criminal justice system or descriptions or notations of criminal charges (including criminal violations of local municipal ordinances) and the nature of any disposition arising therefrom, including sentencing, court or correctional supervision, rehabilitation and release. The term does not apply to statistical records and reports in which individuals are not identified and from which their identities are not ascertainable, or to information that is for criminal investigative or intelligence purposes.

(e) Records that relate to or affect the security of correctional institutions and detention facilities.

(f) Preliminary drafts, notes, recommendations, memoranda and other records in which opinions are expressed, or policies or actions are formulated, except that a specific record or relevant portion of a record shall not be exempt when the record is publicly cited and identified by the head of the public body. The exemption provided in this paragraph (f) extends to all those records of officers and agencies of the General Assembly that pertain to the preparation of legislative documents.

(g) Trade secrets and commercial or financial information obtained from a person or business where the trade secrets or information are proprietary, privileged or confidential, or where disclosure of the trade secrets or information may cause competitive harm, including all information determined to be confidential under Section 4002 of the Technology Advancement and Development Act. Nothing contained in this paragraph (g) shall be construed to prevent a person or business from consenting to disclosure.

(h) Proposals and bids for any contract, grant, or agreement, including information which if it were disclosed would frustrate procurement or give an advantage to any person proposing to enter into a contractor agreement with the body, until an award or final selection is made. Information prepared by or for the body in preparation of a bid solicitation shall be exempt until an award or final selection is made.

(i) Valuable formulae, computer geographic systems, designs, drawings and research data obtained or produced by any public body when disclosure could reasonably be expected to produce private gain or public loss.

(j) Test questions, scoring keys and other examination data used to administer an academic examination or determined the qualifications of an applicant for a license or employment.

(k) Architects' plans and engineers' technical submissions for projects not constructed or developed in whole or in part with public funds and for projects constructed or developed with public funds, to the extent that disclosure would compromise security.

(l) Library circulation and order records identifying library users with specific materials.

(m) Minutes of meetings of public bodies closed to the public as provided in the Open Meetings Act until the public body makes the minutes available to the public under Section 2.06 of the Open Meetings Act.

(n) Communications between a public body and an attorney or auditor representing the public body

that would not be subject to discovery in litigation, and materials prepared or compiled by or for a public body in anticipation of a criminal, civil or administrative proceeding upon the request of an attorney advising the public body, and materials prepared or compiled with respect to internal audits of public bodies.

(o) Information received by a primary or secondary school, college or university under its procedures for the evaluation of faculty members by their academic peers.

(p) Administrative or technical information associated with automated data processing operations, including but not limited to software, operating protocols, computer program abstracts, file layouts, source listings, object modules, load modules, user guides, documentation pertaining to all logical and physical design of computerized systems, employee manuals, and any other information that, if disclosed, would jeopardize the security of the system or its data or the security of materials exempt under this Section.

(q) Documents or materials relating to collective negotiating matters between public bodies and their employees or representatives, except that any final contract or agreement shall be subject to inspection and copying.

(r) Drafts, notes, recommendations and memoranda pertaining to the financing and marketing transactions of the public body. The records of ownership, registration, transfer, and exchange of municipal debt obligations, and of persons to whom payment with respect to these obligations is made.

(s) The records, documents and information relating to real estate purchase negotiations until those negotiations have been completed or otherwise terminated. With regard to a parcel involved in a pending or actually and reasonably contemplated eminent domain proceeding under Article VII of the Code of Civil Procedure, records, documents and information relating to that parcel shall be exempt except as may be allowed under discovery rules adopted by the Illinois Supreme Court. The records, documents and information relating to a real estate sale shall be exempt until a sale is consummated.

(t) Any and all proprietary information and records related to the operation of an intergovernmental risk management association or self-insurance pool or jointly self-administered health and accident cooperative or pool.

(u) Information concerning a university's adjudication of student or employee grievance or disciplinary cases, to the extent that disclosure would reveal the identity of the student or employee and information concerning any public body's adjudication of student or employee grievances or disciplinary cases, except for the final outcome of the cases.

(v) Course materials or research materials used by faculty members.

(w) Information related solely to the internal personnel rules and practices of a public body.

(x) Information contained in or related to examination, operating, or condition reports prepared by, on behalf of, or for the use of a public body responsible for the regulation or supervision of financial institutions or insurance companies, unless disclosure is otherwise required by State law.

(y) Information the disclosure of which is restricted under Section 5-108 of the Public Utilities Act.

(z) Manuals or instruction to staff that relate to establishment or collection of liability for any State tax or that relate to investigations by a public body to determine violation of any criminal law.

(aa) Applications, related documents, and medical records received by the Experimental Organ Transplantation Procedures Board and any and all documents or other records prepared by the Experimental Organ Transplantation Procedures Board or its staff relating to applications it has received.

(bb) Insurance or self insurance (including any intergovernmental risk management association or self insurance pool) claims, loss or risk management information, records, data, advice or communications.

(cc) Information and records held by the Department of Public Health and its authorized representatives relating to known or suspected cases of sexually transmissible disease or any information the disclosure of which is restricted under the Illinois Sexually Transmissible Disease Control Act.

(dd) Information the disclosure of which is exempted under Section 30 of the Radon Industry Licensing Act.

(ee) Firm performance evaluations under Section 55 of the Architectural, Engineering, and Land Surveying Qualifications Based Selection Act.

(ff) Security portions of system safety program plans, investigation reports, surveys, schedules, lists, data, or information compiled, collected, or prepared by or for the Regional Transportation Authority under Section 2.11 of the Regional Transportation Authority Act or the St. Clair County Transit District

under the Bi-State Transit Safety Act.

(gg) Information the disclosure of which is restricted and exempted under Section 50 of the Illinois Prepaid Tuition Act.

(hh) Information the disclosure of which is exempted under the State Officials and Employees Ethics Act ~~Section 80 of the State Gift Ban Act~~.

(ii) Beginning July 1, 1999, information that would disclose or might lead to the disclosure of secret or confidential information, codes, algorithms, programs, or private keys intended to be used to create electronic or digital signatures under the Electronic Commerce Security Act.

(jj) Information contained in a local emergency energy plan submitted to a municipality in accordance with a local emergency energy plan ordinance that is adopted under Section 11-21.5-5 of the Illinois Municipal Code.

(kk) Information and data concerning the distribution of surcharge moneys collected and remitted by wireless carriers under the Wireless Emergency Telephone Safety Act.

(2) This Section does not authorize withholding of information or limit the availability of records to the public, except as stated in this Section or otherwise provided in this Act. (Source: P.A. 91-137, eff. 7-16-99; 91-357, eff. 7-29-99; 91-660, eff. 12-22-99; 92-16, eff. 6-28-01; 92-241, eff. 8-3-01; 92-281, eff. 8-7-01; 92-645, eff. 7-11-02; 92-651, eff. 7-11-02.)

Section 90-5.5. The Illinois Public Labor Relations Act is amended by changing Section 3 as follows:

(5 ILCS 315/3) (from Ch. 48, par. 1603)

Sec. 3. Definitions. As used in this Act, unless the context otherwise requires:

(a) "Board" means the Illinois Labor Relations Board or, with respect to a matter over which the jurisdiction of the Board is assigned to the State Panel or the Local Panel under Section 5, the panel having jurisdiction over the matter.

(b) "Collective bargaining" means bargaining over terms and conditions of employment, including hours, wages, and other conditions of employment, as detailed in Section 7 and which are not excluded by Section 4.

(c) "Confidential employee" means an employee who, in the regular course of his or her duties, assists and acts in a confidential capacity to persons who formulate, determine, and effectuate management policies with regard to labor relations or who, in the regular course of his or her duties, has authorized access to information relating to the effectuation or review of the employer's collective bargaining policies.

(d) "Craft employees" means skilled journeymen, crafts persons, and their apprentices and helpers.

(e) "Essential services employees" means those public employees performing functions so essential that the interruption or termination of the function will constitute a clear and present danger to the health and safety of the persons in the affected community.

(f) "Exclusive representative", except with respect to non-State fire fighters and paramedics employed by fire departments and fire protection districts, non-State peace officers, and peace officers in the Department of State Police, means the labor organization that has been (i) designated by the Board as the representative of a majority of public employees in an appropriate bargaining unit in accordance with the procedures contained in this Act, (ii) historically recognized by the State of Illinois or any political subdivision of the State before July 1, 1984 (the effective date of this Act) as the exclusive representative of the employees in an appropriate bargaining unit, or (iii) after July 1, 1984 (the effective date of this Act) recognized by an employer upon evidence, acceptable to the Board, that the labor organization has been designated as the exclusive representative by a majority of the employees in an appropriate bargaining unit.

With respect to non-State fire fighters and paramedics employed by fire departments and fire protection districts, non-State peace officers, and peace officers in the Department of State Police, "exclusive representative" means the labor organization that has been (i) designated by the Board as the representative of a majority of peace officers or fire fighters in an appropriate bargaining unit in accordance with the procedures contained in this Act, (ii) historically recognized by the State of Illinois or any political subdivision of the State before January 1, 1986 (the effective date of this amendatory Act of 1985) as the exclusive representative by a majority of the peace officers or fire fighters in an appropriate bargaining unit, or (iii) after January 1, 1986 (the effective date of this amendatory Act of 1985) recognized by an employer upon evidence, acceptable to the Board, that the labor organization has been designated as the exclusive representative by a majority of the peace officers or fire fighters in an appropriate bargaining unit.

(g) "Fair share agreement" means an agreement between the employer and an employee organization under which all or any of the employees in a collective bargaining unit are required to pay their proportionate share of the costs of the collective bargaining process, contract administration, and pursuing

matters affecting wages, hours, and other conditions of employment, but not to exceed the amount of dues uniformly required of members. The amount certified by the exclusive representative shall not include any fees for contributions related to the election or support of any candidate for political office. Nothing in this subsection (g) shall preclude an employee from making voluntary political contributions in conjunction with his or her fair share payment.

(g-1) "Fire fighter" means, for the purposes of this Act only, any person who has been or is hereafter appointed to a fire department or fire protection district or employed by a state university and sworn or commissioned to perform fire fighter duties or paramedic duties, except that the following persons are not included: part-time fire fighters, auxiliary, reserve or voluntary fire fighters, including paid on-call fire fighters, clerks and dispatchers or other civilian employees of a fire department or fire protection district who are not routinely expected to perform fire fighter duties, or elected officials.

(g-2) "General Assembly of the State of Illinois" means the legislative branch of the government of the State of Illinois, as provided for under Article IV of the Constitution of the State of Illinois, and includes but is not limited to the House of Representatives, the Senate, the Speaker of the House of Representatives, the Minority Leader of the House of Representatives, the President of the Senate, the Minority Leader of the Senate, the Joint Committee on Legislative Support Services and any legislative support services agency listed in the Legislative Commission Reorganization Act of 1984.

(h) "Governing body" means, in the case of the State, the State Panel of the Illinois Labor Relations Board, the Director of the Department of Central Management Services, and the Director of the Department of Labor; the county board in the case of a county; the corporate authorities in the case of a municipality; and the appropriate body authorized to provide for expenditures of its funds in the case of any other unit of government.

(i) "Labor organization" means any organization in which public employees participate and that exists for the purpose, in whole or in part, of dealing with a public employer concerning wages, hours, and other terms and conditions of employment, including the settlement of grievances.

(j) "Managerial employee" means an individual who is engaged predominantly in executive and management functions and is charged with the responsibility of directing the effectuation of management policies and practices.

(k) "Peace officer" means, for the purposes of this Act only, any persons who have been or are hereafter appointed to a police force, department, or agency and sworn or commissioned to perform police duties, except that the following persons are not included: part-time police officers, special police officers, auxiliary police as defined by Section 3.1-30-20 of the Illinois Municipal Code, night watchmen, "merchant police", court security officers as defined by Section 3-6012.1 of the Counties Code, temporary employees, traffic guards or wardens, civilian parking meter and parking facilities personnel or other individuals specially appointed to aid or direct traffic at or near schools or public functions or to aid in civil defense or disaster, parking enforcement employees who are not commissioned as peace officers and who are not armed and who are not routinely expected to effect arrests, parking lot attendants, clerks and dispatchers or other civilian employees of a police department who are not routinely expected to effect arrests, or elected officials.

(l) "Person" includes one or more individuals, labor organizations, public employees, associations, corporations, legal representatives, trustees, trustees in bankruptcy, receivers, or the State of Illinois or any political subdivision of the State or governing body, but does not include the General Assembly of the State of Illinois or any individual employed by the General Assembly of the State of Illinois.

(m) "Professional employee" means any employee engaged in work predominantly intellectual and varied in character rather than routine mental, manual, mechanical or physical work; involving the consistent exercise of discretion and adjustment in its performance; of such a character that the output produced or the result accomplished cannot be standardized in relation to a given period of time; and requiring advanced knowledge in a field of science or learning customarily acquired by a prolonged course of specialized intellectual instruction and study in an institution of higher learning or a hospital, as distinguished from a general academic education or from apprenticeship or from training in the performance of routine mental, manual, or physical processes; or any employee who has completed the courses of specialized intellectual instruction and study prescribed in this subsection (m) and is performing related work under the supervision of a professional person to qualify to become a professional employee as defined in this subsection (m).

(n) "Public employee" or "employee", for the purposes of this Act, means any individual employed by a public employer, including interns and residents at public hospitals, but excluding all of the following: employees of the General Assembly of the State of Illinois; elected officials; executive heads of a

department; members of boards or commissions; the Executive Inspectors General; employees of each Office of an Executive Inspector General; commissioners and employees of the Executive Ethics Commission; the Legislative Inspector General; employees of the Office of the Legislative Inspector General; commissioners and employees of the Legislative Ethics Commission; employees of any agency, board or commission created by this Act; employees appointed to State positions of a temporary or emergency nature; all employees of school districts and higher education institutions except firefighters and peace officers employed by a state university; managerial employees; short-term employees; confidential employees; independent contractors; and supervisors except as provided in this Act.

Notwithstanding Section 9, subsection (c), or any other provisions of this Act, all peace officers above the rank of captain in municipalities with more than 1,000,000 inhabitants shall be excluded from this Act.

(o) "Public employer" or "employer" means the State of Illinois; any political subdivision of the State, unit of local government or school district; authorities including departments, divisions, bureaus, boards, commissions, or other agencies of the foregoing entities; and any person acting within the scope of his or her authority, express or implied, on behalf of those entities in dealing with its employees. "Public employer" or "employer" as used in this Act, however, does not mean and shall not include the General Assembly of the State of Illinois, the Executive Ethics Commission, the Offices of the Executive Inspectors General, the Legislative Ethics Commission, the Office of the Legislative Inspector General, and educational employers or employers as defined in the Illinois Educational Labor Relations Act, except with respect to a state university in its employment of firefighters and peace officers. County boards and county sheriffs shall be designated as joint or co-employers of county peace officers appointed under the authority of a county sheriff. Nothing in this subsection (o) shall be construed to prevent the State Panel or the Local Panel from determining that employers are joint or co-employers.

(p) "Security employee" means an employee who is responsible for the supervision and control of inmates at correctional facilities. The term also includes other non-security employees in bargaining units having the majority of employees being responsible for the supervision and control of inmates at correctional facilities.

(q) "Short-term employee" means an employee who is employed for less than 2 consecutive calendar quarters during a calendar year and who does not have a reasonable assurance that he or she will be rehired by the same employer for the same service in a subsequent calendar year.

(r) "Supervisor" is an employee whose principal work is substantially different from that of his or her subordinates and who has authority, in the interest of the employer, to hire, transfer, suspend, lay off, recall, promote, discharge, direct, reward, or discipline employees, to adjust their grievances, or to effectively recommend any of those actions, if the exercise of that authority is not of a merely routine or clerical nature, but requires the consistent use of independent judgment. Except with respect to police employment, the term "supervisor" includes only those individuals who devote a preponderance of their employment time to exercising that authority, State supervisors notwithstanding. In addition, in determining supervisory status in police employment, rank shall not be determinative. The Board shall consider, as evidence of bargaining unit inclusion or exclusion, the common law enforcement policies and relationships between police officer ranks and certification under applicable civil service law, ordinances, personnel codes, or Division 2.1 of Article 10 of the Illinois Municipal Code, but these factors shall not be the sole or predominant factors considered by the Board in determining police supervisory status.

Notwithstanding the provisions of the preceding paragraph, in determining supervisory status in fire fighter employment, no fire fighter shall be excluded as a supervisor who has established representation rights under Section 9 of this Act. Further, in new fire fighter units, employees shall consist of fire fighters of the rank of company officer and below. If a company officer otherwise qualifies as a supervisor under the preceding paragraph, however, he or she shall not be included in the fire fighter unit. If there is no rank between that of chief and the highest company officer, the employer may designate a position on each shift as a Shift Commander, and the persons occupying those positions shall be supervisors. All other ranks above that of company officer shall be supervisors.

(s) (1) "Unit" means a class of jobs or positions that are held by employees whose collective interests may suitably be represented by a labor organization for collective bargaining. Except with respect to non-State fire fighters and paramedics employed by fire departments and fire protection districts, non-State peace officers, and peace officers in the Department of State Police, a bargaining unit determined by the Board shall not include both employees and supervisors, or supervisors only, except as provided in paragraph (2) of this subsection (s) and except for bargaining units in existence on July 1, 1984 (the effective date of this Act). With respect to non-State fire fighters and paramedics employed by fire departments and fire protection districts, non-State peace officers, and peace officers in the Department

of State Police, a bargaining unit determined by the Board shall not include both supervisors and nonsupervisors, or supervisors only, except as provided in paragraph (2) of this subsection (s) and except for bargaining units in existence on January 1, 1986 (the effective date of this amendatory Act of 1985). A bargaining unit determined by the Board to contain peace officers shall contain no employees other than peace officers unless otherwise agreed to by the employer and the labor organization or labor organizations involved. Notwithstanding any other provision of this Act, a bargaining unit, including a historical bargaining unit, containing sworn peace officers of the Department of Natural Resources (formerly designated the Department of Conservation) shall contain no employees other than such sworn peace officers upon the effective date of this amendatory Act of 1990 or upon the expiration date of any collective bargaining agreement in effect upon the effective date of this amendatory Act of 1990 covering both such sworn peace officers and other employees.

(2) Notwithstanding the exclusion of supervisors from bargaining units as provided in paragraph (1) of this subsection (s), a public employer may agree to permit its supervisory employees to form bargaining units and may bargain with those units. This Act shall apply if the public employer chooses to bargain under this subsection.

(Source: P.A. 90-14, eff. 7-1-97; 90-655, eff. 7-30-98; 91-798, eff. 7-9-00.)

(5 ILCS 320/Act rep.)

Section 90-6. The State Employees Political Activity Act is repealed on the effective date of the State Officials and Employees Ethics Act.

(5 ILCS 395/Act rep.)

Section 90-6.5. The Whistle Blower Protection Act is repealed on the effective date of the State Officials and Employees Ethics Act.

Section 90-7. The Illinois Governmental Ethics Act is amended by adding Article 3A as follows:

(5 ILCS 420/Art. 3A heading new)

ARTICLE 3A

GOVERNMENTAL APPOINTEES

(5 ILCS 420/3A-5 new)

Sec. 3A-5. Definitions. As used in this Article:

"Late term appointee" means a person who is appointed to an office by a Governor who does not succeed himself or herself as Governor, whose appointment requires the advice and consent of the Senate, and whose appointment is confirmed by the Senate 90 or fewer days before the end of the appointing Governor's term.

"Succeeding Governor" means the Governor in office immediately after a Governor who appoints a late term appointee.

(5 ILCS 420/3A-10 new)

Sec. 3A-10. Late term appointee's term of office. A late term appointee shall serve no longer than the sixtieth day of the term of office of the succeeding Governor.

(5 ILCS 420/3A-15 new)

Sec. 3A-15. Vacancy created. Upon the earlier of the resignation of a late term appointee or the conclusion of the sixtieth day of the term of the succeeding Governor, that appointed office shall be considered vacant. The succeeding Governor may then make an appointment to fill that vacancy, regardless of whether the statute that creates the appointed office provides for appointment to fill a vacancy. All other requirements of law applicable to that appointed office shall apply to the succeeding Governor's appointee, including but not limited to eligibility, qualifications, and confirmation by the Senate.

(5 ILCS 420/3A-20 new)

Sec. 3A-20. Term of appointee. The term of office of an appointee filling a vacancy created under Section 3A-15 shall be the term of any appointee filling a vacancy as provided by the statute that creates the appointed office. If the statute that creates the appointed office does not specify the term to be served by an appointee filling a vacancy, the term of the appointee shall be for the remainder of the term the late term appointee would have otherwise been entitled to fill.

(5 ILCS 420/3A-25 new)

Sec. 3A-25. Reappointment. Nothing in this Article prohibits a succeeding Governor from reappointing an otherwise qualified late term appointee to fill the vacancy created under Section 3A-15.

(5 ILCS 420/3A-30 new)

Sec. 3A-30. Disclosure.

(a) Upon appointment to a board, commission, authority, or task force authorized or created by State law, a person must file with the Secretary of State a disclosure of all contracts the person or his or her

spouse or immediate family members living with the person have with the State and all contracts between the State and any entity in which the person or his or her spouse or immediate family members living with the person have a majority financial interest.

(b) Violation of this Section is a business offense punishable by a fine of $1,001.

(c) The Secretary of State must adopt rules for the implementation and administration of this Section. Disclosures filed under this Section are public records.

(5 ILCS 420/3A-35 new)

Sec. 3A-35. Conflicts of interests.

(a) In addition to the provisions of subsection (a) of Section 50-13 of the Illinois Procurement Code, it is unlawful for an appointed member of a board, commission, authority, or task force authorized or created by State law or by executive order of the Governor, the spouse of the appointee, or an immediate family member of the appointee living in the appointee's residence to have or acquire a contract or have or acquire a direct pecuniary interest in a contract with the State that relates to the board, commission, authority, or task force of which he or she is an appointee during and for one year after the conclusion of the person's term of office.

(b) If (i) a person subject to subsection (a) is entitled to receive more than 7 1/2% of the total distributable income of a partnership, association, corporation, or other business entity or (ii) a person subject to subsection (a) together with his or her spouse and immediate family members living in that person's residence are entitled to receive more than 15%, in the aggregate, of the total distributable income of a partnership, association, corporation, or other business entity then it is unlawful for that partnership, association, corporation, or other business entity to have or acquire a contract or a direct pecuniary interest in a contract prohibited by subsection (a) during and for one year after the conclusion of the person's term of office.

(5 ILCS 425/Act rep.)

Section 90-8. The State Gift Ban Act is repealed upon the effective date of the State Officials and Employees Ethics Act.

Section 90-10. The Election Code is amended by changing Sections 9-1.5, 9-3, 9-4, 9-8.10, 9-8.15, 9-9.5, 9-10, 9-23, and 9-27.5 and by adding Sections 9-1.14 and 9-30 as follows:

(10 ILCS 5/9-1.5) (from Ch. 46, par. 9-1.5)

Sec. 9-1.5. Expenditure defined

"Expenditure" means-

(1) a payment, distribution, purchase, loan, advance, deposit, or gift of money or anything of value, in connection with the nomination for election, or election, of any person to public office, in connection with the election of any person as ward or township committeeman in counties of 3,000,000 or more population, or in connection with any question of public policy. "Expenditure" also includes a payment, distribution, purchase, loan, advance, deposit, or gift of money or anything of value that constitutes an electioneering communication regardless of whether the communication is made in concert or cooperation with or at the request, suggestion, or knowledge of the candidate, the candidate's authorized local political committee, a State political committee, or any of their agents. However, expenditure does not include -

(a) the use of real or personal property and the cost of invitations, food, and beverages, voluntarily provided by an individual in rendering voluntary personal services on the individual's residential premises for candidate-related activities; provided the value of the service provided does not exceed an aggregate of $150 in a reporting period;

(b) the sale of any food or beverage by a vendor for use in a candidate's campaign at a charge less than the normal comparable charge, if such charge for use in a candidate's campaign is at least equal to the cost of such food or beverage to the vendor.

(2) a transfer of funds between political committees. (Source: P.A. 89-405, eff. 11-8-95.)

(10 ILCS 5/9-1.14 new)

Sec. 9-1.14. Electioneering communication defined.

(a) "Electioneering communication" means, for the purposes of this Article, any form of communication, in whatever medium, including but not limited to, newspaper, radio, television, or Internet communications, that refers to a clearly identified candidate, candidates, or political party and is made within (i) 60 days before a general election for the office sought by the candidate or (ii) 30 days before a general primary election for the office sought by the candidate.

(b) "Electioneering communication" does not include:

(1) A communication, other than an advertisement, appearing in a news story, commentary, or

editorial distributed through the facilities of any legitimate news organization, unless the facilities are owned or controlled by any political party, political committee, or candidate.

(2) A communication made solely to promote a candidate debate or forum that is made by or on behalf of the person sponsoring the debate or forum.

(3) A communication made as part of a non-partisan activity designed to encourage individuals to vote or to register to vote.

(4) A communication by an organization operating and remaining in good standing under Section 501(c)(3) of the Internal Revenue Code of 1986.

(10 ILCS 5/9-3) (from Ch. 46, par. 9-3)

Sec. 9-3. Every state political committee and every local political committee shall file with the State Board of Elections, and every local political committee shall file with the county clerk, a statement of organization within 10 business days of the creation of such committee, except any political committee created within the 30 days before an election shall file a statement of organization within 5 business days. A political committee that acts as both a state political committee and a local political committee shall file a copy of each statement of organization with the State Board of Elections and the county clerk. The Board shall impose a civil penalty of $25 per business day upon political committees for failing to file or late filing of a statement of organization, except that for committees formed to support candidates for statewide office, the civil penalty shall be $50 per business day. Such penalties shall not exceed $5,000, and shall not exceed $10,000 for statewide office political committees. There shall be no fine if the statement is mailed and postmarked at least 72 hours prior to the filing deadline.

In addition to the civil penalties authorized by this Section, the State Board of Elections or any other affected political committee may apply to the circuit court for a temporary restraining order or a preliminary or permanent injunction against the political committee to cease the expenditure of funds and to cease operations until the statement of organization is filed.

For the purpose of this Section, "statewide office" means the Governor, Lieutenant Governor, Secretary of State, Attorney General, State Treasurer, and State Comptroller.

The statement of organization shall include -

(a) the name and address of the political committee (the name of the political committee must include the name of any sponsoring entity);

(b) the scope, area of activity, party affiliation, candidate affiliation and his county of residence, and purposes of the political committee;

(c) the name, address, and position of each custodian of the committee's books and accounts;

(d) the name, address, and position of the committee's principal officers, including the chairman, treasurer, and officers and members of its finance committee, if any;

(e) (Blank);

(f) a statement of what specific disposition of residual fund will be made in the event of the dissolution or termination of the committee;

(g) a listing of all banks or other financial institutions, safety deposit boxes, and any other repositories or custodians of funds used by the committee;

(h) the amount of funds available for campaign expenditures as of the filing date of the committee's statement of organization.

For purposes of this Section, a "sponsoring entity" is (i) any person, political committee, organization, corporation, or association that contributes at least 33% of the total funding of the political committee or (ii) any person or other entity that is registered or is required to register under the Lobbyist Registration Act and contributes at least 33% of the total funding of the political committee. (Source: P.A. 90-495, eff. 1-1-98; 90-737, eff. 1-1-99.)

(10 ILCS 5/9-4) (from Ch. 46, par. 9-4)

Sec. 9-4. The statement of organization required by this Article to be filed in accordance with Section 9-3 shall be verified, dated, and signed by either the treasurer of the political committee making the statement or the candidate on whose behalf the statement is made, and shall contain substantially the following:

STATEMENT OF ORGANIZATION

(a) name and address of the political committee:

.....

(b) scope, area of activity, party affiliation, candidate affiliation and his county of residence, and purposes of the political committee:

.....
.....
.....
.....

(c) name, address, and position of each custodian of the committee's books and accounts:

.....
.....

(d) name, address, and position of the committee's principal officers, including the chairman, treasurer, and officers and members of its finance committee, if any:

.....
.....
.....

(e) a statement of what specific disposition of residual funds will be made in the event of the dissolution or termination of the committee:

.....
.....

(f) a listing of all banks or other financial institutions, safety deposit boxes, and any other repositories or custodians of funds used by the committee:

.....
.....

(g) the amount of funds available for campaign expenditures as of the filing date of the committee's statement of organization:

.....

VERIFICATION:

"I declare that this statement of organization (including any accompanying schedules and statements) has been examined by me and to the best of my knowledge and belief is a true, correct and complete statement of organization as required by Article 9 of The Election Code. I understand that ~~the penalty for~~ willfully filing a false or incomplete statement is a business offense subject to a fine of at least $1,001 and up to $5,000 ~~shall be a fine not to exceed $500 or imprisonment in a penal institution other than the penitentiary not to exceed 6 months, or both fine and imprisonment~~."

....

(date of filing) (signature of person making the statement)

(Source: P.A. 90-495, eff. 1-1-98.)

(10 ILCS 5/9-8.10)

Sec. 9-8.10. Use of political committee and other reporting organization funds.

(a) A political committee, or organization subject to Section 9-7.5, shall not make expenditures:

(1) In violation of any law of the United States or of this State.

(2) Clearly in excess of the fair market value of the services, materials, facilities, or other things of value received in exchange.

(3) For satisfaction or repayment of any debts other than loans made to the committee or to the public official or candidate on behalf of the committee or repayment of goods and services purchased by the committee under a credit agreement. Nothing in this Section authorizes the use of campaign funds to repay personal loans. The repayments shall be made by check written to the person who made the loan or credit agreement. The terms and conditions of any loan or credit agreement to a committee shall be set forth in a written agreement, including but not limited to the method and amount of repayment, that shall be executed by the chairman or treasurer of the committee at the time of the loan or credit agreement. The loan or agreement shall also set forth the rate of interest for the loan, if any, which may not substantially exceed the prevailing market interest rate at the time the agreement is executed.

(4) For the satisfaction or repayment of any debts or for the payment of any expenses relating to a personal residence. Campaign funds may not be used as collateral for home mortgages.

(5) For clothing or personal laundry expenses, except clothing items rented by the public official or candidate for his or her own use exclusively for a specific campaign-related event, provided that committees may purchase costumes, novelty items, or other accessories worn primarily to advertise the candidacy.

(6) For the travel expenses of any person unless the travel is necessary for fulfillment of political, governmental, or public policy duties, activities, or purposes.

(7) For membership or club dues charged by organizations, clubs, or facilities that are primarily

engaged in providing health, exercise, or recreational services; provided, however, that funds received under this Article may be used to rent the clubs or facilities for a specific campaign-related event.

(8) In payment for anything of value or for reimbursement of any expenditure for which any person has been reimbursed by the State or any person. For purposes of this item (8), a per diem allowance is not a reimbursement.

(9) For the purchase of or installment payment for a motor vehicle unless the political committee can demonstrate that purchase of a motor vehicle is more cost-effective than leasing a motor vehicle as permitted under this item (9). A political committee may lease or purchase and insure, maintain, and repair a motor vehicle if the vehicle will be used primarily for campaign purposes or for the performance of governmental duties. A committee shall not make expenditures for use of the vehicle for non-campaign or non-governmental purposes. Persons using vehicles not purchased or leased by a political committee may be reimbursed for actual mileage for the use of the vehicle for campaign purposes or for the performance of governmental duties. The mileage reimbursements shall be made at a rate not to exceed the standard mileage rate method for computation of business expenses under the Internal Revenue Code.

(10) Directly for an individual's tuition or other educational expenses, except for governmental or political purposes directly related to a candidate's or public official's duties and responsibilities.

(11) For payments to a public official or candidate or his or her family member unless for compensation for services actually rendered by that person. The provisions of this item (11) do not apply to expenditures by a political committee in an aggregate amount not exceeding the amount of funds reported to and certified by the State Board or county clerk as available as of June 30, 1998, in the semi-annual report of contributions and expenditures filed by the political committee for the period concluding June 30, 1998.

(b) The Board shall have the authority to investigate, upon receipt of a verified complaint, violations of the provisions of this Section. The Board may levy a fine on any person who knowingly makes expenditures in violation of this Section and on any person who knowingly makes a malicious and false accusation of a violation of this Section. The Board may act under this subsection only upon the affirmative vote of at least 5 of its members. The fine shall not exceed $500 for each expenditure of $500 or less and shall not exceed the amount of the expenditure plus $500 for each expenditure greater than $500. The Board shall also have the authority to render rulings and issue opinions relating to compliance with this Section.

(c) Nothing in this Section prohibits the expenditure of funds of (i) a political committee controlled by an officeholder or by a candidate or (ii) an organization subject to Section 9-7.5 to defray the ordinary and necessary expenses of an officeholder in connection with the performance of governmental duties. For the purposes of this subsection, "ordinary and necessary expenses" include, but are not limited to, expenses in relation to the operation of the district office of a member of the General Assembly. (Source: P.A. 90-737, eff. 1-1-99.)

(10 ILCS 5/9-8.15)

Sec. 9-8.15. Contributions on State property. In addition to any other provision of this Code, the solicitation, acceptance, offer, and making of contributions on State property by public officials, State employees, candidates for elective office, and others are subject to the State Officials and Employees Ethics Act. If a political committee receives and retains a contribution that is in violation of Section 5-35 of the State Officials and Employees Ethics Act, then the State Board may impose a civil penalty upon that political committee in an amount equal to 100% of that contribution. ~~Contributions shall not be knowingly offered or accepted on a face to face basis by public officials or employees or by candidates on State property except as provided in this Section.~~

~~Contributions may be solicited, offered, or accepted on State property on a face to face basis by public officials or employees or by candidates at a fundraising event for which the State property is leased or rented.~~

~~Anyone who knowingly offers or accepts contributions on State property in violation of this Section is guilty of a business offense subject to a fine of $5,000, except that for contributions offered or accepted for State officers and candidates and political committees formed for statewide office, the fine shall not exceed $10,000. For the purpose of this Section, "statewide office" and "State officer" means the Governor, Lieutenant Governor, Attorney General, Secretary of State, Comptroller, and Treasurer.~~ (Source: P.A. 90-737, eff. 1-1-99.)

(10 ILCS 5/9-9.5)

Sec. 9-9.5. Disclosures in political communications ~~Disclosure on political literature~~. Any political

committee, organized under the Election Code, that makes an expenditure for a pamphlet, circular, handbill, radio, television, or print advertisement, or other communication directed at voters and mentioning the name of a candidate in the next upcoming election shall ensure that the name of the political committee paying for any part of the communication, including, but not limited to, its preparation and distribution, is identified clearly within the communication as the payor. This Section does not apply to items that are too small to contain the required disclosure. ~~Any pamphlet, circular, handbill, advertisement, or other political literature that supports or opposes any public official, candidate for public office, or question of public policy, or that would have the effect of supporting or opposing any public official, candidate for public office, or question of public policy, shall contain the name of the individual or organization that authorized, caused to be authorized, paid for, caused to be paid for, or distributed the pamphlet, circular, handbill, advertisement, or other political literature. If the individual or organization includes an address, it must be an actual personal or business address of the individual or business address of the organization.~~ (Source: P.A. 90-737, eff. 1-1-99.)

(10 ILCS 5/9-10) (from Ch. 46, par. 9-10)

Sec. 9-10. Financial reports. (a) The treasurer of every state political committee and the treasurer of every local political committee shall file with the Board, and the treasurer of every local political committee shall file with the county clerk, reports of campaign contributions, and semi-annual reports of campaign contributions and expenditures on forms to be prescribed or approved by the Board. The treasurer of every political committee that acts as both a state political committee and a local political committee shall file a copy of each report with the State Board of Elections and the county clerk. Entities subject to Section 9-7.5 shall file reports required by that Section at times provided in this Section and are subject to the penalties provided in this Section.

(b) Reports of campaign contributions shall be filed no later than the 15th day next preceding each election including a primary election in connection with which the political committee has accepted or is accepting contributions or has made or is making expenditures. Such reports shall be complete as of the 30th day next preceding each election including a primary election. The Board shall assess a civil penalty not to exceed $5,000 for a violation of this subsection, except that for State officers and candidates and political committees formed for statewide office, the civil penalty may not exceed $10,000. The fine, however, shall not exceed $500 for a first filing violation for filing less than 10 days after the deadline. There shall be no fine if the report is mailed and postmarked at least 72 hours prior to the filing deadline. For the purpose of this subsection, "statewide office" and "State officer" means the Governor, Lieutenant Governor, Attorney General, Secretary of State, Comptroller, and Treasurer. However, a continuing political committee that neither accepts contributions nor makes expenditures on behalf of or in opposition to any candidate or public question on the ballot at an election shall not be required to file the reports heretofore prescribed but may file in lieu thereof a Statement of Nonparticipation in the Election with the Board or the Board and the county clerk.

(b-5) Notwithstanding the provisions of subsection (b) and Section 1.25 of the Statute on Statutes, any contribution of more than $500 ~~or more~~ received in the interim between the last date of the period covered by the last report filed under subsection (b) prior to the election and the date of the election shall be filed with and must actually be received by the State Board of Elections ~~reported~~ within 2 business days after ~~its~~ receipt of such contribution. The State Board shall allow filings of reports of contributions of more than $500 under this subsection (b-5) by political committees that are not required to file electronically to be made by facsimile transmission. For the purpose of this subsection, a contribution is considered received on the date the public official, candidate, or political committee (or equivalent person in the case of a reporting entity other than a political committee) actually receives it or, in the case of goods or services, 2 business days after the date the public official, candidate, committee, or other reporting entity receives the certification required under subsection (b) of Section 9-6. Failure to report each contribution is a separate violation of this subsection. In the final disposition of any matter by the Board on or after the effective date of this amendatory Act of the 93rd General Assembly, the Board may ~~shall~~ impose fines for violations of this subsection not to exceed 100% of the total amount of the contributions that were untimely reported, but in no case when a fine is imposed shall it be less than 10% of the total amount of the contributions that were untimely reported. When considering the amount of the fine to be imposed, the Board shall consider, but is not limited to, the following factors:

(1) whether in the Board's opinion the violation was committed inadvertently, negligently, knowingly, or intentionally;

(2) the number of days the contribution was reported late; and

(3) past violations of Sections 9-3 and 9-10 of this Article by the committee. ~~as follows:~~

~~(1) if the political committee's or other reporting entity's total receipts, total expenditures, and balance remaining at the end of the last reporting period were each $5,000 or less, then $100 per business day for the first violation, $200 per business day for the second violation, and $300 per business day for the third and subsequent violations.~~

~~(2) if the political committee's or other reporting entity's total receipts, total expenditures, and balance remaining at the end of the last reporting period were each more than $5,000, then $200 per business day for the first violation, $400 per business day for the second violation, and $600 per business day for the third and subsequent violations.~~

(c) In addition to such reports the treasurer of every political committee shall file semi-annual reports of campaign contributions and expenditures no later than July 31st, covering the period from January 1st through June 30th immediately preceding, and no later than January 31st, covering the period from July 1st through December 31st of the preceding calendar year. Reports of contributions and expenditures must be filed to cover the prescribed time periods even though no contributions or expenditures may have been received or made during the period. The Board shall assess a civil penalty not to exceed $5,000 for a violation of this subsection, except that for State officers and candidates and political committees formed for statewide office, the civil penalty may not exceed $10,000. The fine, however, shall not exceed $500 for a first filing violation for filing less than 10 days after the deadline. There shall be no fine if the report is mailed and postmarked at least 72 hours prior to the filing deadline. For the purpose of this subsection, "statewide office" and "State officer" means the Governor, Lieutenant Governor, Attorney General, Secretary of State, Comptroller, and Treasurer.

(d) A copy of each report or statement filed under this Article shall be preserved by the person filing it for a period of two years from the date of filing. (Source: P.A. 90-737, eff. 1-1-99.)

(10 ILCS 5/9-23) (from Ch. 46, par. 9-23)

Sec. 9-23. Whenever the Board, pursuant to Section 9-21, has issued an order, or has approved a written stipulation, agreed settlement or consent order, directing a person determined by the Board to be in violation of any provision of this Article or any regulation adopted thereunder, to cease or correct such violation or otherwise comply with this Article and such person fails or refuses to comply with such order, stipulation, settlement or consent order within the time specified by the Board, the Board, after affording notice and an opportunity for a public hearing, may impose a civil penalty on such person in an amount not to exceed $5,000; except that for State officers and candidates and political committees formed for statewide office, the civil penalty may not exceed $10,000. For the purpose of this Section, "statewide office" and "State officer" means the Governor, Lieutenant Governor, Attorney General, Secretary of State, Comptroller, and Treasurer.

Civil penalties imposed on any such person by the Board shall be enforceable in the Circuit Court. The Board shall petition the Court for an order to enforce collection of the penalty and, if the Court finds it has jurisdiction over the person against whom the penalty was imposed, the Court shall issue the appropriate order. Any civil penalties collected by the Court shall be forwarded to the State Treasurer.

In addition to or in lieu of the imposition of a civil penalty, the board may report such violation and the failure or refusal to comply with the order of the Board to the Attorney General and the appropriate State's Attorney.

~~The name of a person who has not paid a civil penalty imposed against him or her under this Section shall not appear upon any ballot for any office in any election while the penalty is unpaid.~~ (Source: P.A. 90-737, eff. 1-1-99.)

(10 ILCS 5/9-27.5)

Sec. 9-27.5. Fundraising in Sangamon County ~~within 50 miles of Springfield~~. In addition to any other provision of this Code, fundraising events in Sangamon County by certain executive branch officers and candidates, legislative branch members and candidates, political caucuses, and political committees are subject to the State Officials and Employees Ethics Act. If a political committee receives and retains a contribution that is in violation of Section 5-40 of the State Officials and Employees Ethics Act, then the State Board may impose a civil penalty upon that political committee in an amount equal to 100% of that contribution. ~~Except as provided in this Section, any executive branch constitutional officer, any candidate for an executive branch constitutional office, any member of the General Assembly, any candidate for the General Assembly, any political caucus of the General Assembly, or any political committee on behalf of any of the foregoing may not hold a fundraising function in or within 50 miles of Springfield on any day the legislature is in session (i) during the period beginning 90 days before the later of the dates scheduled by either house of the General Assembly for the adjournment of the spring session and ending on the later of the actual adjournment dates of either house of the spring session and (ii) during fall veto session. For~~

~~purposes of this Section, the legislature is not considered to be in session on a day that is solely a perfunctory session day or on a day when only a committee is meeting.~~

~~This Section does not apply to members and political committees of members of the General Assembly whose districts are located, in whole or in part, in or within 50 miles of Springfield and candidates and political committees of candidates for the General Assembly from districts located, in whole or in part, in or within 50 miles of Springfield, provided that the fundraising function takes place within the member's or candidate's district.~~ (Source: P.A. 90-737, eff. 1-1-99.)

(10 ILCS 5/9-30 new)

Sec. 9-30. Ballot forfeiture. The name of a person who has not paid a civil penalty imposed against him or her under this Article shall not appear upon any ballot for any office in any election while the penalty is unpaid.

Section 90-11. The Personnel Code is amended by changing Sections 4c and 8b.6 as follows:

(20 ILCS 415/4c) (from Ch. 127, par. 63b104c)

Sec. 4c. General exemptions. The following positions in State service shall be exempt from jurisdictions A, B, and C, unless the jurisdictions shall be extended as provided in this Act:

(1) All officers elected by the people.

(2) All positions under the Lieutenant Governor, Secretary of State, State Treasurer, State Comptroller, State Board of Education, Clerk of the Supreme Court, and Attorney General.

(3) Judges, and officers and employees of the courts, and notaries public.

(4) All officers and employees of the Illinois General Assembly, all employees of legislative commissions, all officers and employees of the Illinois Legislative Reference Bureau, the Legislative Research Unit, and the Legislative Printing Unit.

(5) All positions in the Illinois National Guard and Illinois State Guard, paid from federal funds or positions in the State Military Service filled by enlistment and paid from State funds.

(6) All employees of the Governor at the executive mansion and on his immediate personal staff.

(7) Directors of Departments, the Adjutant General, the Assistant Adjutant General, the Director of the Illinois Emergency Management Agency, members of boards and commissions, and all other positions appointed by the Governor by and with the consent of the Senate.

(8) The presidents, other principal administrative officers, and teaching, research and extension faculties of Chicago State University, Eastern Illinois University, Governors State University, Illinois State University, Northeastern Illinois University, Northern Illinois University, Western Illinois University, the Illinois Community College Board, Southern Illinois University, Illinois Board of Higher Education, University of Illinois, State Universities Civil Service System, University Retirement System of Illinois, and the administrative officers and scientific and technical staff of the Illinois State Museum.

(9) All other employees except the presidents, other principal administrative officers, and teaching, research and extension faculties of the universities under the jurisdiction of the Board of Regents and the colleges and universities under the jurisdiction of the Board of Governors of State Colleges and Universities, Illinois Community College Board, Southern Illinois University, Illinois Board of Higher Education, Board of Governors of State Colleges and Universities, the Board of Regents, University of Illinois, State Universities Civil Service System, University Retirement System of Illinois, so long as these are subject to the provisions of the State Universities Civil Service Act.

(10) The State Police so long as they are subject to the merit provisions of the State Police Act.

(11) The scientific staff of the State Scientific Surveys and the Waste Management and Research Center.

(12) The technical and engineering staffs of the Department of Transportation, the Department of Nuclear Safety, the Pollution Control Board, and the Illinois Commerce Commission, and the technical and engineering staff providing architectural and engineering services in the Department of Central Management Services.

(13) All employees of the Illinois State Toll Highway Authority.

(14) The Secretary of the Industrial Commission.

(15) All persons who are appointed or employed by the Director of Insurance under authority of Section 202 of the Illinois Insurance Code to assist the Director of Insurance in discharging his responsibilities relating to the rehabilitation, liquidation, conservation, and dissolution of companies that are subject to the jurisdiction of the Illinois Insurance Code.

(16) All employees of the St. Louis Metropolitan Area Airport Authority.

(17) All investment officers employed by the Illinois State Board of Investment.

(18) Employees of the Illinois Young Adult Conservation Corps program, administered by the

Illinois Department of Natural Resources, authorized grantee under Title VIII of the Comprehensive Employment and Training Act of 1973, 29 USC 993.

(19) Seasonal employees of the Department of Agriculture for the operation of the Illinois State Fair and the DuQuoin State Fair, no one person receiving more than 29 days of such employment in any calendar year.

(20) All "temporary" employees hired under the Department of Natural Resources' Illinois Conservation Service, a youth employment program that hires young people to work in State parks for a period of one year or less.

(21) All hearing officers of the Human Rights Commission.

(22) All employees of the Illinois Mathematics and Science Academy.

(23) All employees of the Kankakee River Valley Area Airport Authority.

(24) The commissioners and employees of the Executive Ethics Commission.

(25) The Executive Inspectors General and employees of each Office of an Executive Inspector General.

(26) The commissioners and employees of the Legislative Ethics Commission.

(27) The Legislative Inspector General and employees of the Office of the Legislative Inspector General.

(Source: P.A. 90-490, eff. 8-17-97; 91-214, eff. 1-1-00; 91-357, eff. 7-29-99.)

(20 ILCS 415/8b.6) (from Ch. 127, par. 63b108b.6)

Sec. 8b.6. For a period of probation not to exceed one year before appointment or promotion is complete, and during which period a probationer may with the consent of the Director of Central Management Services, be discharged or reduced in class or rank, or replaced on the eligible list. For a person appointed to a term appointment under Section 8b.18 or 8b.19, the period of probation shall not be less than 6 months. (Source: P.A. 82-789.)

Section 90-12. The General Assembly Operations Act is amended by changing Sections 4 and 5 as follows:

(25 ILCS 10/4) (from Ch. 63, par. 23.4)

Sec. 4. Senate Operations Commission. (a) There is created a Senate Operations Commission to consist of the following: The President of the Senate, 3 Assistant Majority Leaders, the Minority Leader, one Assistant Minority Leader, and one member of the Senate appointed by the President of the Senate. The Senate Operations Commission shall have the following powers and duties: Commission shall have responsibility for the operation of the Senate in relation to the Senate Chambers, Senate offices, committee rooms and all other rooms and physical facilities used by the Senate, all equipment, furniture, and supplies used by the Senate. The Commission shall have the authority to hire all professional staff and employees necessary for the proper operation of the Senate and authority to receive and expend appropriations for the purposes set forth in this Act whether the General Assembly be in session or not. Professional staff and employees may be employed as full-time employees, part-time employees, or contractual employees. The Secretary of the Senate shall serve as Secretary and Administrative Officer of the Commission. Pursuant to the policies and direction of the Commission, he shall have direct supervision of all equipment, furniture, and supplies used by the Senate.

(b) The Senate Operations Commission shall adopt and implement personnel policies for professional staff and employees under its jurisdiction and control as required by the State Officials and Employees Ethics Act. (Source: P.A. 78-7.)

(25 ILCS 10/5) (from Ch. 63, par. 23.5)

Sec. 5. Speaker of the House; operations, employees, and expenditures. (a) The Speaker of the House of Representatives shall have responsibility for the operation of the House in relation to the House Chambers, House offices, committee rooms and all other rooms and physical facilities used by the House, all equipment, furniture, and supplies used by the House. The Speaker of the House of Representatives shall have the authority to hire all professional staff and employees necessary for the proper operation of the House. Professional staff and employees may be employed as full-time employees, part-time employees, or contractual employees. The Speaker of the House of Representatives shall have the authority to receive and expend appropriations for the purposes set forth in this Act whether the General Assembly be in session or not.

(b) The Speaker of the House of Representatives shall adopt and implement personnel policies for professional staff and employees under his or her jurisdiction and control as required by the State Officials and Employees Ethics Act. (Source: Laws 1967, p. 1214.)

Section 90-15. The General Assembly Compensation Act is amended by changing Section 4 as follows:

(25 ILCS 115/4) (from Ch. 63, par. 15.1)

Sec. 4. Office allowance. Beginning July 1, 2001, each member of the House of Representatives is authorized to approve the expenditure of not more than $61,000 per year and each member of the Senate is authorized to approve the expenditure of not more than $73,000 per year to pay for "personal services", "contractual services", "commodities", "printing", "travel", "operation of automotive equipment", "telecommunications services", as defined in the State Finance Act, and the compensation of one or more legislative assistants authorized pursuant to this Section, in connection with his or her legislative duties and not in connection with any political campaign. On July 1, 2002 and on July 1 of each year thereafter, the amount authorized per year under this Section for each member of the Senate and each member of the House of Representatives shall be increased by a percentage increase equivalent to the lesser of (i) the increase in the designated cost of living index or (ii) 5%. The designated cost of living index is the index known as the "Employment Cost Index, Wages and Salaries, By Occupation and Industry Groups: State and Local Government Workers: Public Administration" as published by the Bureau of Labor Statistics of the U.S. Department of Labor for the calendar year immediately preceding the year of the respective July 1st increase date. The increase shall be added to the then current amount, and the adjusted amount so determined shall be the annual amount beginning July 1 of the increase year until July 1 of the next year. No increase under this provision shall be less than zero.

A member may purchase office equipment if the member certifies to the Secretary of the Senate or the Clerk of the House, as applicable, that the purchase price, whether paid in lump sum or installments, amounts to less than would be charged for renting or leasing the equipment over its anticipated useful life. All such equipment must be purchased through the Secretary of the Senate or the Clerk of the House, as applicable, for proper identification and verification of purchase.

Each member of the General Assembly is authorized to employ one or more legislative assistants, who shall be solely under the direction and control of that member, for the purpose of assisting the member in the performance of his or her official duties. A legislative assistant may be employed pursuant to this Section as a full-time employee, part-time employee, or contractual employee ~~either under contract or as a State employee~~, at the discretion of the member. If employed as a State employee, a legislative assistant shall receive employment benefits on the same terms and conditions that apply to other employees of the General Assembly. Each member shall adopt and implement personnel policies for legislative assistants under his or her direction and control relating to work time requirements, documentation for reimbursement for travel on official State business, compensation, and the earning and accrual of State benefits for those legislative assistants who may be eligible to receive those benefits. The policies shall also require legislative assistants to periodically submit time sheets documenting, in quarter-hour increments, the time spent each day on official State business. The policies shall require the time sheets to be submitted on paper, electronically, or both and to be maintained in either paper or electronic format by the applicable fiscal office for a period of at least 2 years. Contractual employees may satisfy the time sheets requirement by complying with the terms of their contract, which shall provide for a means of compliance with this requirement. A member may satisfy the requirements of this paragraph by adopting and implementing the personnel policies promulgated by that member's legislative leader under the State Officials and Employees Ethics Act with respect to that member's legislative assistants.

As used in this Section the term "personal services" shall include contributions of the State under the Federal Insurance Contribution Act and under Article 14 of the Illinois Pension Code. As used in this Section the term "contractual services" shall not include improvements to real property unless those improvements are the obligation of the lessee under the lease agreement. Beginning July 1, 1989, as used in the Section, the term "travel" shall be limited to travel in connection with a member's legislative duties and not in connection with any political campaign. Beginning on the effective date of this amendatory Act of the 93rd General Assembly ~~July 1, 1989~~, as used in this Section, the term "printing" includes, but is not limited to, newsletters, brochures, certificates, congratulatory mailings, ~~including but not limited to~~ greeting or welcome messages, anniversary or birthday cards, and congratulations for prominent achievement cards. As used in this Section, the term "printing" includes fees for non-substantive resolutions charged by the Clerk of the House of Representatives under subsection (c-5) of Section 1 of the Legislative Materials Act. No newsletter or brochure that is paid for, in whole or in part, with funds provided under this Section may be printed or mailed during a period beginning February 1 of the year of a general primary election and ending the day after the general primary election and during a period beginning September 1 of the year of a general election and ending the day after the general election. Nothing in this Section shall be construed to authorize expenditures for lodging and meals while a member is in attendance at sessions of the General Assembly.

Any utility bill for service provided to a member's district office for a period including portions of 2 consecutive fiscal years may be paid from funds appropriated for such expenditure in either fiscal year.

If a vacancy occurs in the office of Senator or Representative in the General Assembly, any office equipment in the possession of the vacating member shall transfer to the member's successor; if the successor does not want such equipment, it shall be transferred to the Secretary of the Senate or Clerk of the House of Representatives, as the case may be, and if not wanted by other members of the General Assembly then to the Department of Central Management Services for treatment as surplus property under the State Property Control Act. Each member, on or before June 30th of each year, shall conduct an inventory of all equipment purchased pursuant to this Act. Such inventory shall be filed with the Secretary of the Senate or the Clerk of the House, as the case may be. Whenever a vacancy occurs, the Secretary of the Senate or the Clerk of the House, as the case may be, shall conduct an inventory of equipment purchased.

In the event that a member leaves office during his or her term, any unexpended or unobligated portion of the allowance granted under this Section shall lapse. The vacating member's successor shall be granted an allowance in an amount, rounded to the nearest dollar, computed by dividing the annual allowance by 365 and multiplying the quotient by the number of days remaining in the fiscal year.

From any appropriation for the purposes of this Section for a fiscal year which overlaps 2 General Assemblies, no more than 1/2 of the annual allowance per member may be spent or encumbered by any member of either the outgoing or incoming General Assembly, except that any member of the incoming General Assembly who was a member of the outgoing General Assembly may encumber or spend any portion of his annual allowance within the fiscal year.

The appropriation for the annual allowances permitted by this Section shall be included in an appropriation to the President of the Senate and to the Speaker of the House of Representatives for their respective members. The President of the Senate and the Speaker of the House shall voucher for payment individual members' expenditures from their annual office allowances to the State Comptroller, subject to the authority of the Comptroller under Section 9 of the State Comptroller Act. (Source: P.A. 90-569, eff. 1-28-98; 91-952, eff. 7-1-01.)

Section 90-20. The Legislative Commission Reorganization Act of 1984 is amended by adding Section 9-2.5 as follows:

(25 ILCS 130/9-2.5 new)

Sec. 9-2.5. Newsletters and brochures. The Legislative Printing Unit may not print for any member of the General Assembly any newsletters or brochures during the period beginning February 1 of the year of a general primary election and ending the day after the general primary election and during a period beginning September 1 of the year of a general election and ending the day after the general election. A member of the General Assembly may not mail, during a period beginning February 1 of the year of a general primary election and ending the day after the general primary election and during a period beginning September 1 of the year of a general election and ending the day after the general election, any newsletters or brochures that were printed, at any time, by the Legislative Printing Unit.

Section 90-25. The General Assembly Staff Assistants Act is amended by changing Sections 1a and 2 as follows:

(25 ILCS 160/1a) (from Ch. 63, par. 131.1)

Sec. 1a. Staff assistants; employment; allocation. There shall be such staff assistants for the General Assembly as necessary. Staff assistants may be employed as full-time employees, part-time employees, or contractual employees. Of the staff assistants so provided, one half the total number shall be for the Senate and one half for the House of Representatives. Of the assistants provided for the Senate, one half shall be designated by the President and one half by the minority leader. Of the assistants provided for the House of Representatives, one half shall be designated by the Speaker and one half by the minority leader. (Source: P.A. 78-4.)

(25 ILCS 160/2) (from Ch. 63, par. 132)

Sec. 2. Staff assistants; assignments.

(a) During the period the General Assembly is in session, the staff assistants shall be assigned by the legislative leadership of the respective parties to perform research and render other assistance to the members of that party on such committees as may be designated.

(b) During the period when the General Assembly is not in session, the staff assistants shall perform such services as may be assigned by the President and Minority Leader of the Senate and the Speaker and Minority Leader of the House of Representatives ~~party leadership~~.

(c) The President and Minority Leader of the Senate and the Speaker and Minority Leader of the House

of Representatives shall each adopt and implement personnel policies for staff assistants under their respective jurisdiction and control as required by the State Officials and Employees Ethics Act. (Source: Laws 1967, p. 280.)

Section 90-30. The Lobbyist Registration Act is amended by adding Section 3.1 and changing Sections 3, 5, 6, 6.5, and 7 as follows:

(25 ILCS 170/3) (from Ch. 63, par. 173)

Sec. 3. Persons required to register. (a) Except as provided in Sections 4 and 9, the following persons shall register with the Secretary of State as provided herein:

(1) Any person who, for compensation or otherwise, either individually or as an employee or contractual employee of another person, undertakes to influence executive, legislative or administrative action.

(2) Any person who employs another person for the purposes of influencing executive, legislative or administrative action.

(b) It is a violation of this Act to engage in lobbying or to employ any person for the purpose of lobbying who is not registered with the Office of the Secretary of State, except upon condition that the person register and the person does in fact register within 2 business days after being employed or retained for lobbying services ~~10 working days of an agreement to conduct any lobbying activity~~. (Source: P.A. 88-187.)

(25 ILCS 170/3.1 new)

Sec. 3.1. Prohibition on serving on boards and commissions. Notwithstanding any other law of this State, a person required to be registered under this Act may not serve on a board, commission, authority, or task force authorized or created by State law or by executive order of the Governor; except that this restriction does not apply to any of the following:

(1) a registered lobbyist serving in an elective public office, whether elected or appointed to fill a vacancy;

(2) a registered lobbyist serving on a State advisory body that makes nonbinding recommendations to an agency of State government but does not make binding recommendations or determinations or take any other substantive action; and

(3) a registered lobbyist serving on a board, council, commission, authority, task force, or other equivalent entity that makes nonbinding recommendations to a county, municipality, school district, or community college district but does not make binding recommendations or determinations or take any other substantive action. This item (3) does not include any special district or other limited purpose unit of local government, except those specifically enumerated in this item (3).

(25 ILCS 170/5) (from Ch. 63, par. 175)

Sec. 5. Lobbyist registration and disclosure. Every person required to register under Section 3 shall ~~each and every year, or~~ before any ~~such~~ service is performed which requires the person to register, but in any event not later than 2 business days after being employed or retained, and on or before each January 31 and July 31 thereafter, file in the Office of the Secretary of State a written statement containing the following information with respect to each person or entity employing or retaining the person required to register:

(a) The registrant's name, ~~and~~ permanent address, e-mail address, if any, fax number, if any, business telephone number, and temporary address, if the registrant has a temporary address while lobbying ~~of the registrant~~.

(a-5) If the registrant is an organization or business entity, the information required under subsection (a) for each person associated with the registrant who will be lobbying, regardless of whether lobbying is a significant part of his or her duties.

(b) The name and address of the person or persons employing or retaining registrant to perform such services or on whose behalf the registrant appears.

(c) A brief description of the executive, legislative, or administrative action in reference to which such service is to be rendered.

(c-5) Each executive and legislative branch agency the registrant expects to lobby during the registration period.

(c-6) The nature of the client's business, by indicating all of the following categories that apply: (1) banking and financial services, (2) manufacturing, (3) education, (4) environment, (5) healthcare, (6) insurance, (7) community interests, (8) labor, (9) public relations or advertising, (10) marketing or sales, (11) hospitality, (12) engineering, (13) information or technology products or services, (14) social

services, (15) public utilities, (16) racing or wagering, (17) real estate or construction, (18) telecommunications, (19) trade or professional association, (20) travel or tourism, (21) transportation, and (22) other (setting forth the nature of that other business).

The registrant must file an amendment to the statement within 14 calendar days to report any substantial change or addition to the information previously filed, except that a registrant must file an amendment to the statement to disclose a new agreement to retain the registrant for lobbying services before any service is performed which requires the person to register, but in any event not later than 2 business days after entering into the retainer agreement.

Not later than 12 months after the effective date of this amendatory Act of the 93rd General Assembly, or as soon thereafter as the Secretary of State has provided adequate software to the persons required to file, all statements and amendments to statements required to be filed shall be filed electronically. The Secretary of State shall promptly make all filed statements and amendments to statements publicly available by means of a searchable database that is accessible through the World Wide Web. The Secretary of State shall provide all software necessary to comply with this provision to all persons required to file. The Secretary of State shall implement a plan to provide computer access and assistance to persons required to file electronically.

Persons required to register under this Act shall, on an annual basis, remit a single, annual and nonrefundable $100 ~~$50~~ registration fee and a picture of the registrant. A registrant may, in lieu of submitting a picture on an annual basis, authorize the Secretary of State to use any photo identification available in any database maintained by the Secretary of State for other purposes. All fees shall be deposited into the Lobbyist Registration Administration Fund for administration and enforcement of this Act. The increase in the fee from $50 to $100 by this amendatory Act of the 93rd General Assembly is intended to be used to implement and maintain electronic filing of reports under this Act. (Source: P.A. 88-187.)

(25 ILCS 170/6) (from Ch. 63, par. 176)

Sec. 6. Reports. (a) Except as otherwise provided in this Section, every person required to register as prescribed in Section 3 shall report, verified under oath pursuant to Section 1-109 of the Code of Civil Procedure, to the Secretary of State all expenditures for lobbying made or incurred by the lobbyist on his behalf or the behalf of his employer. In the case where an individual is solely employed by another person to perform job related functions any part of which includes lobbying, the employer shall be responsible for reporting all lobbying expenditures incurred on the employer's behalf as shall be identified by the lobbyist to the employer preceding such report. Persons who contract with another person to perform lobbying activities shall be responsible for reporting all lobbying expenditures incurred on the employer's behalf. Any additional lobbying expenses incurred by the employer which are separate and apart from those incurred by the contractual employee shall be reported by the employer.

(b) The report shall itemize each individual expenditure or transaction over $100 and shall include the name of the official on whose behalf the expenditure was made, the name of the client on whose behalf the expenditure was made, the total amount of the expenditure, the date on which the expenditure occurred and the subject matter of the lobbying activity, if any.

Expenditures attributable to lobbying officials shall be listed and reported according to the following categories:

(1) travel and lodging on behalf of others.
(2) meals, beverages and other entertainment.
(3) gifts.
(4) honoraria.

Individual expenditures required to be reported as described herein which are equal to or less than $100 in value need not be itemized but are required to be categorized and reported by officials in an aggregate total in a manner prescribed by rule of the Secretary of State.

Expenditures incurred for hosting receptions, benefits and other large gatherings held for purposes of goodwill or otherwise to influence executive, legislative or administrative action to which there are 25 or more State officials invited shall be reported listing only the total amount of the expenditure, the date of the event, and the estimated number of officials in attendance.

Each individual expenditure required to be reported shall include all expenses made for or on behalf of State officials and members of the immediate family of those persons.

The category travel and lodging includes, but is not limited to, all travel and living accommodations made for or on behalf of State officials in the capital during sessions of the General Assembly.

Reasonable and bona fide expenditures made by the registrant who is a member of a legislative or State

study commission or committee while attending and participating in meetings and hearings of such commission or committee need not be reported.

Reasonable and bona fide expenditures made by the registrant for personal sustenance, lodging, travel, office expenses and clerical or support staff need not be reported.

Salaries, fees, and other compensation paid to the registrant for the purposes of lobbying need not be reported.

Any contributions required to be reported under Article 9 of the Election Code need not be reported.

The report shall include: (1) the name of each State government entity lobbied; (2) whether the lobbying involved executive, legislative, or administrative action, or a combination; (3) the names of the persons who performed the lobbyist services; and (4) a brief description of the legislative, executive, or administrative action involved.

Except as otherwise provided in this subsection, gifts and honoraria returned or reimbursed to the registrant within 30 days of the date of receipt shall ~~need~~ not be reported.

A gift or honorarium returned or reimbursed to the registrant within 10 days after the official receives a copy of a report pursuant to Section 6.5 shall not be included in the final report unless the registrant informed the official, contemporaneously with the receipt of the gift or honorarium, that the gift or honorarium is a reportable expenditure pursuant to this Act.

(c) Reports under this Section shall be filed by July 31, for expenditures from the previous January 1 through the later of June 30 or the final day of the regular General Assembly session, and by January 31, for expenditures from the entire previous calendar year.

Registrants who made no reportable expenditures during a reporting period shall file a report stating that no expenditures were incurred. Such reports shall be filed in accordance with the deadlines as prescribed in this subsection.

A registrant who terminates employment or duties which required him to register under this Act shall give the Secretary of State, within 30 days after the date of such termination, written notice of such termination and shall include therewith a report of the expenditures described herein, covering the period of time since the filing of his last report to the date of termination of employment. Such notice and report shall be final and relieve such registrant of further reporting under this Act, unless and until he later takes employment or assumes duties requiring him to again register under this Act.

(d) Failure to file any such report within the time designated or the reporting of incomplete information shall constitute a violation of this Act.

A registrant shall preserve for a period of 2 years all receipts and records used in preparing reports under this Act.

(e) Within 30 days after a filing deadline, the lobbyist shall notify each official on whose behalf an expenditure has been reported. Notification shall include the name of the registrant, the total amount of the expenditure, the date on which the expenditure occurred, and the subject matter of the lobbying activity. (Source: P.A. 90-78, eff. 1-1-98.)

(25 ILCS 170/6.5)

Sec. 6.5. Response to report by official. (a) Every person required to register as prescribed in Section 3 and required to file a report with the Secretary of State as prescribed in Section 6 shall, at least 25 days before ~~the deadline for~~ filing the report, provide a copy of the report to each official listed in the report by first class mail or hand delivery. An official may, within 10 days after receiving the copy of the report, provide written objections to the report by first class mail or hand delivery to the person required to file the report. If those written objections conflict with the final report that is filed, the written objections shall be filed along with the report.

(b) Failure to provide a copy of the report to an official listed in the report within the time designated in this Section is a violation of this Act. (Source: P.A. 90-737, eff. 1-1-99.)

(25 ILCS 170/7) (from Ch. 63, par. 177)

Sec. 7. Duties of the Secretary of State. It shall be the duty of the Secretary of State to provide appropriate forms for the registration and reporting of information required by this Act and to keep such registrations and reports on file in his office for 3 years from the date of filing. He shall also provide and maintain a register with appropriate blanks and indexes so that the information required in Sections 5 and 6 of this Act may be accordingly entered. Such records shall be considered public information and open to public inspection.

A report filed under this Act is due in the Office of the Secretary of State no later than the close of business on the date on which it is required to be filed.

Within 10 days after a filing deadline, the Secretary of State shall notify persons he determines are

required to file but have failed to do so.

Not later than 12 months after the effective date of this amendatory Act of the 93rd General Assembly, or as soon thereafter as the Secretary of State has provided adequate software to the persons required to file, all reports required under this Act shall be filed electronically. The Secretary of State shall promptly make all filed reports publicly available by means of a searchable database that is accessible through the World Wide Web. The Secretary of State shall provide all software necessary to comply with this provision to all persons required to file. The Secretary of State shall implement a plan to provide computer access and assistance to persons required to file electronically.

Not later than 12 months after the effective date of this amendatory Act of the 93rd General Assembly, the Secretary of State shall include registrants' pictures when publishing or posting on his or her website the information required in Section 5. (Source: P.A. 88-187.)

Section 90-35. The Illinois Procurement Code is amended by changing Sections 50-13 and 50-30 as follows:

(30 ILCS 500/50-13)

Sec. 50-13. Conflicts of interest. (a) Prohibition. It is unlawful for any person holding an elective office in this State, holding a seat in the General Assembly, or appointed to or employed in any of the offices or agencies of State government and who receives compensation for such employment in excess of 60% of the salary of the Governor of the State of Illinois, or who is an officer or employee of the Capital Development Board or the Illinois Toll Highway Authority, or who is the spouse or minor child of any such person to have or acquire any contract, or any direct pecuniary interest in any contract therein, whether for stationery, printing, paper, or any services, materials, or supplies, that will be wholly or partially satisfied by the payment of funds appropriated by the General Assembly of the State of Illinois or in any contract of the Capital Development Board or the Illinois Toll Highway Authority.

(b) Interests. It is unlawful for any firm, partnership, association, or corporation, in which any person listed in subsection (a) is entitled to receive (i) more than 7 1/2% of the total distributable income or (ii) an amount in excess of the salary of the Governor, to have or acquire any such contract or direct pecuniary interest therein.

(c) Combined interests. It is unlawful for any firm, partnership, association, or corporation, in which any person listed in subsection (a) together with his or her spouse or minor children is entitled to receive (i) more than 15%, in the aggregate, of the total distributable income or (ii) an amount in excess of 2 times the salary of the Governor, to have or acquire any such contract or direct pecuniary interest therein.

(c-5) Appointees and firms. In addition to any provisions of this Code, the interests of certain appointees and their firms are subject to Section 3A-35 of the Illinois Governmental Ethics Act.

(d) Securities. Nothing in this Section invalidates the provisions of any bond or other security previously offered or to be offered for sale or sold by or for the State of Illinois.

(e) Prior interests. This Section does not affect the validity of any contract made between the State and an officer or employee of the State or member of the General Assembly, his or her spouse, minor child, or other immediate family member living in his or her residence or any combination of those persons if that contract was in existence before his or her election or employment as an officer, member, or employee. The contract is voidable, however, if it cannot be completed within 365 days after the officer, member, or employee takes office or is employed.

(f) Exceptions.

(1) Public aid payments. This Section does not apply to payments made for a public aid recipient.

(2) Teaching. This Section does not apply to a contract for personal services as a teacher or school administrator between a member of the General Assembly or his or her spouse, or a State officer or employee or his or her spouse, and any school district, public community college district, the University of Illinois, Southern Illinois University, Illinois State University, Eastern Illinois University, Northern Illinois University, Western Illinois University, Chicago State University, Governor State University, or Northeastern Illinois University.

(3) Ministerial duties. This Section does not apply to a contract for personal services of a wholly ministerial character, including but not limited to services as a laborer, clerk, typist, stenographer, page, bookkeeper, receptionist, or telephone switchboard operator, made by a spouse or minor child of an elective or appointive State officer or employee or of a member of the General Assembly.

(4) Child and family services. This Section does not apply to payments made to a member of the General Assembly, a State officer or employee, his or her spouse or minor child acting as a foster parent, homemaker, advocate, or volunteer for or in behalf of a child or family served by the Department of Children and Family Services.

(5) Licensed professionals. Contracts with licensed professionals, provided they are competitively bid or part of a reimbursement program for specific, customary goods and services through the Department of Children and Family Services, the Department of Human Services, the Department of Public Aid, the Department of Public Health, or the Department on Aging.

(g) Penalty. A person convicted of a violation of this Section is guilty of a business offense and shall be fined not less than $1,000 nor more than $5,000. (Source: P.A. 90-572, eff. 2-6-98.)

(30 ILCS 500/50-30)

Sec. 50-30. Revolving door prohibition. (a) Chief procurement officers, associate procurement officers, State purchasing officers, their designees whose principal duties are directly related to State procurement, and executive officers confirmed by the Senate are expressly prohibited for a period of 2 years after terminating an affected position from engaging in any procurement activity relating to the State agency most recently employing them in an affected position for a period of at least 6 months. The prohibition includes but is not limited to: lobbying the procurement process; specifying; bidding; proposing bid, proposal, or contract documents; on their own behalf or on behalf of any firm, partnership, association, or corporation. This subsection ~~Section~~ applies only to persons who terminate an affected position on or after January 15, 1999.

(b) In addition to any other provisions of this Code, employment of former State employees is subject to the State Officials and Employees Ethics Act. (Source: P.A. 90-572, eff. 2-6-98.)

Section 90-37. The Raffles Act is amended by changing Section 8.1 as follows:

(230 ILCS 15/8.1) (from Ch. 85, par. 2308.1)

Sec. 8.1. (a) Political Committees. For the purposes of this Section the terms defined in this subsection have the meanings given them.

"Net Proceeds" means the gross receipts from the conduct of raffles, less reasonable sums expended for prizes, license fees and other reasonable operating expenses incurred as a result of operating a raffle.

"Raffle" means a form of lottery, as defined in Section 28-2 (b) of the "Criminal Code of 1961", conducted by a political committee licensed under this Section, in which:

(1) the player pays or agrees to pay something of value for a chance, represented and differentiated by a number or by a combination of numbers or by some other medium, one or more of which chances is to be designated the winning chance;

(2) the winning chance is to be determined through a drawing or by some other method based on an element of chance by an act or set of acts on the part of persons conducting or connected with the lottery, except that the winning chance shall not be determined by the outcome of a publicly exhibited sporting contest.

"Unresolved claim" means a claim for civil penalty under Sections ~~Section~~ 9-3, 9-10, and 9-23 of The Election Code which has been begun by the State Board of Elections, has been disputed by the political committee under the applicable rules of the State Board of Elections, and has not been finally decided either by the State Board of Elections, or, where application for review has been made to the Courts of Illinois, remains finally undecided by the Courts.

"Owes" means that a political committee has been finally determined under applicable rules of the State Board of Elections to be liable for a civil penalty under Sections ~~Section~~ 9-3, 9-10, and 9-23 of The Election Code.

(b) ~~(1)~~ Licenses issued pursuant to this Section shall be valid for one raffle or for a specified number of raffles to be conducted during a specified period not to exceed one year and may be suspended or revoked for any violation of this Section. The State Board of Elections shall act on a license application within 30 days from the date of application.

~~(2) Licenses shall be issued only to political committees which have been in existence continuously for a period of 1 year immediately before making application for a license and which have had during that entire 1 year period a bona fide membership engaged in carrying out their objects.~~

(c) Licenses issued by the State Board of Elections are subject to the following restrictions:

(1) No political committee shall conduct raffles or chances without having first obtained a license therefor pursuant to this Section.

(2) The application for license shall be prepared in accordance with regulations of the State Board of Elections and must specify the area or areas within the State in which raffle chances will be sold or issued, the time period during which raffle chances will be sold or issued, the time of determination of winning chances and the location or locations at which winning chances will be determined.

(3) A license authorizes the licensee to conduct raffles as defined in this Section.

The following are ineligible for any license under this Section:

(i) any political committee which has an officer who has been convicted of a felony;

(ii) any political committee which has an officer who is or has been a professional gambler or gambling promoter;

(iii) any political committee which has an officer who is not of good moral character;

(iv) any political committee which has an officer who is also an officer of a firm or corporation in which a person defined in (i), (ii) or (iii) has a proprietary, equitable or credit interest, or in which such a person is active or employed;

(v) any political committee in which a person defined in (i), (ii) or (iii) is an officer, director, or employee, whether compensated or not;

(vi) any political committee in which a person defined in (i), (ii) or (iii) is to participate in the management or operation of a raffle as defined in this Section;

(vii) any committee which, at the time of its application for a license to conduct a raffle, owes the State Board of Elections any unpaid civil penalty authorized by Sections ~~Section~~ 9-3, 9-10, and 9-23 of The Election Code, or is the subject of an unresolved claim for a civil penalty under Sections ~~Section~~ 9-3, 9-10, and 9-23 of The Election Code;

(viii) any political committee which, at the time of its application to conduct a raffle, has not submitted any report or document required to be filed by Article 9 of The Election Code and such report or document is more than 10 days overdue.

(d) (1) The conducting of raffles is subject to the following restrictions:

(i) The entire net proceeds of any raffle must be exclusively devoted to the lawful purposes of the political committee permitted to conduct that game.

(ii) No person except a bona fide member of the political committee may participate in the management or operation of the raffle.

(iii) No person may receive any remuneration or profit for participating in the management or operation of the raffle.

(iv) Raffle chances may be sold or issued only within the area specified on the license and winning chances may be determined only at those locations specified on the license.

(v) A person under the age of 18 years may participate in the conducting of raffles or chances only with the permission of a parent or guardian. A person under the age of 18 years may be within the area where winning chances are being determined only when accompanied by his parent or guardian.

(2) If a lessor rents premises where a winning chance or chances on a raffle are determined, the lessor shall not be criminally liable if the person who uses the premises for the determining of winning chances does not hold a license issued under the provisions of this Section.

(e) (1) Each political committee licensed to conduct raffles and chances shall keep records of its gross receipts, expenses and net proceeds for each single gathering or occasion at which winning chances are determined. All deductions from gross receipts for each single gathering or occasion shall be documented with receipts or other records indicating the amount, a description of the purchased item or service or other reason for the deduction, and the recipient. The distribution of net proceeds shall be itemized as to payee, purpose, amount and date of payment.

(2) Each political committee licensed to conduct raffles shall report on the next report due to be filed under Article 9 of The Election Code its gross receipts, expenses and net proceeds from raffles, and the distribution of net proceeds itemized as required in this subsection.

Such reports shall be included in the regular reports required of political committees by Article 9 of The Election Code.

(3) Records required by this subsection shall be preserved for 3 years, and political committees shall make available their records relating to operation of raffles for public inspection at reasonable times and places.

(f) Violation of any provision of this Section is a Class C misdemeanor.

(g) Nothing in this Section shall be construed to authorize the conducting or operating of any gambling scheme, enterprise, activity or device other than raffles as provided for herein. (Source: P.A. 86-394; 86-1028; 86-1301; 87-1271.)

Section 90-40. The State Lawsuit Immunity Act is amended by changing Section 1 as follows:

(745 ILCS 5/1) (from Ch. 127, par. 801)

Sec. 1. Except as provided in the ~~"~~Illinois Public Labor Relations Act~~"~~, ~~enacted by the 83rd General Assembly, or except as provided in "AN ACT to create~~ the Court of Claims Act, and the State Officials and Employees Ethics Act ~~to prescribe its powers and duties, and to repeal AN ACT herein named", filed July~~

~~17, 1945, as amended~~, the State of Illinois shall not be made a defendant or party in any court. (Source: P.A. 83-1012.) ARTICLE 99

MISCELLANEOUS PROVISIONS

Section 99-5. Severability. The provisions of this Act are severable under Section 1.31 of the Statute on Statutes.

Section 99-15. Closed sessions; vote requirement. This Act authorizes the ethics commissions of the executive branch and legislative branch to conduct closed sessions, hearings, and meetings in certain circumstances. In order to meet the requirements of subsection (c) of Section 5 of Article IV of the Illinois Constitution, the General Assembly determines that closed sessions, hearings, and meetings of the ethics commissions, including the ethics commission for the legislative branch, are required by the public interest. Thus, this Act is enacted by the affirmative vote of two-thirds of the members elected to each house of the General Assembly.

Section 99-99. 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 adopted and the bill, as amended, was advanced to the order of Third Reading

SENATE BILL 969. Having been read by title a second time on May 27, 2003, and held on the order of Second Reading, the same was again taken up.

Representative Currie offered the following amendment and moved its adoption.

AMENDMENT NO. 1

AMENDMENT NO. 1____. Amend Senate Bill 969 by replacing everything after the enacting clause with the following:

"Section 1. Short title. This Act may be cited as the Tax Delinquency Amnesty Act.

Section 5. Definitions. As used in this Act:

"Department" means the Illinois Department of Revenue.

"Rules" means any rules adopted or forms prescribed by the Department.

"Taxable period" means any period of time for which any tax is imposed by and owed to the State of Illinois.

"Taxpayer" means any person, corporation, or other entity subject to any tax, except for the motor fuel use tax, imposed by any law of the State of Illinois and payable to the State of Illinois.

Section 10. Amnesty program. The Department shall establish an amnesty program for all taxpayers owing any tax imposed by reason of or pursuant to authorization by any law of the State of Illinois and collected by the Department.

The amnesty program shall be for a period from October 1, 2003 through November 15, 2003.

The amnesty program shall provide that, upon payment by a taxpayer of all taxes due from that taxpayer to the State of Illinois for any taxable period ending after June 30, 1983 and prior to July 1, 2002, the Department shall abate and not seek to collect any interest or penalties that may be applicable and the Department shall not seek civil or criminal prosecution for any taxpayer for the period of time for which amnesty has been granted to the taxpayer. Failure to pay all taxes due to the State for a taxable period shall invalidate any amnesty granted under this Act. Amnesty shall be granted only if all amnesty conditions are satisfied by the taxpayer.

Amnesty shall not be granted to taxpayers who are a party to any criminal investigation or to any civil or criminal litigation that is pending in any circuit court or appellate court or the Supreme Court of this State for nonpayment, delinquency, or fraud in relation to any State tax imposed by any law of the State of Illinois.

Voluntary payments made under this Act shall be made by cash, check, guaranteed remittance, or ACH debit.

The Department shall adopt rules as necessary to implement the provisions of this Act.

Except as otherwise provided in this Section, all money collected under this Act that would otherwise be deposited into the General Revenue Fund shall be deposited as follows: (i) one-half into the Common School Fund; (ii) one-half into the General Revenue Fund. Two percent of all money collected under this Act shall be deposited by the State Treasurer into the Tax Compliance and Administration Fund and,

subject to appropriation, shall be used by the Department to cover costs associated with the administration of this Act.

Section 905. The Uniform Penalty and Interest Act is amended by changing Sections 3-2, 3-3, 3-4, 3-5, 3-6, and 3-7.5 as follows:

(35 ILCS 735/3-2) (from Ch. 120, par. 2603-2)

Sec. 3-2. Interest. (a) Interest paid by the Department to taxpayers and interest charged to taxpayers by the Department shall be paid at the annual rate determined by the Department. That rate shall be the underpayment rate established under Section 6621 of the Internal Revenue Code.

(b) The interest rate shall be adjusted on a semiannual basis, on January 1 and July 1, based upon the underpayment rate going into effect on that January 1 or July 1 under Section 6621 of the Internal Revenue Code.

(c) This subsection (c) is applicable to returns due on and before December 31, 2000. Interest shall be simple interest calculated on a daily basis. Interest shall accrue upon tax and penalty due. If notice and demand is made for the payment of any amount of tax due and if the amount due is paid within 30 days after the date of such notice and demand, interest under this Section on the amount so paid shall not be imposed for the period after the date of the notice and demand.

(c-5) This subsection (c-5) is applicable to returns due on and after January 1, 2001. Interest shall be simple interest calculated on a daily basis. Interest shall accrue upon tax due. If notice and demand is made for the payment of any amount of tax due and if the amount due is paid within 30 days after the date of the notice and demand, interest under this Section on the amount so paid shall not be imposed for the period after the date of the notice and demand.

(d) No interest shall be paid upon any overpayment of tax if the overpayment is refunded or a credit approved within 90 days after the last date prescribed for filing the original return, or within 90 days of the receipt of the processable return, or within 90 days after the date of overpayment, whichever date is latest, as determined without regard to processing time by the Comptroller or without regard to the date on which the credit is applied to the taxpayer's account. In order for an original return to be processable for purposes of this Section, it must be in the form prescribed or approved by the Department, signed by the person authorized by law, and contain all information, schedules, and support documents necessary to determine the tax due and to make allocations of tax as prescribed by law. For the purposes of computing interest, a return shall be deemed to be processable unless the Department notifies the taxpayer that the return is not processable within 90 days after the receipt of the return; however, interest shall not accumulate for the period following this date of notice. Interest on amounts refunded or credited pursuant to the filing of an amended return or claim for refund shall be determined from the due date of the original return or the date of overpayment, whichever is later, to the date of payment by the Department without regard to processing time by the Comptroller or the date of credit by the Department or without regard to the date on which the credit is applied to the taxpayer's account. If a claim for refund relates to an overpayment attributable to a net loss carryback as provided by Section 207 of the Illinois Income Tax Act, the date of overpayment shall be the last day of the taxable year in which the loss was incurred.

(e) Interest on erroneous refunds. Any portion of the tax imposed by an Act to which this Act is applicable or any interest or penalty which has been erroneously refunded and which is recoverable by the Department shall bear interest from the date of payment of the refund. However, no interest will be charged if the erroneous refund is for an amount less than $500 and is due to a mistake of the Department.

(f) If a taxpayer has a tax liability that is eligible for amnesty under the Tax Delinquency Amnesty Act and the taxpayer fails to satisfy the tax liability during the amnesty period provided for in that Act, then the interest charged by the Department under this Section shall be imposed at a rate that is 200% of the rate that would otherwise be imposed under this Section. (Source: P.A. 91-803, eff. 1-1-01.)

(35 ILCS 735/3-3) (from Ch. 120, par. 2603-3)

Sec. 3-3. Penalty for failure to file or pay. (a) This subsection (a) is applicable before January 1, 1996. A penalty of 5% of the tax required to be shown due on a return shall be imposed for failure to file the tax return on or before the due date prescribed for filing determined with regard for any extension of time for filing (penalty for late filing or nonfiling). If any unprocessable return is corrected and filed within 21 days after notice by the Department, the late filing or nonfiling penalty shall not apply. If a penalty for late filing or nonfiling is imposed in addition to a penalty for late payment, the total penalty due shall be the sum of the late filing penalty and the applicable late payment penalty. Beginning on the effective date of this amendatory Act of 1995, in the case of any type of tax return required to be filed more frequently than annually, when the failure to file the tax return on or before the date prescribed for filing (including any extensions) is shown to be nonfraudulent and has not occurred in the 2 years immediately preceding the

failure to file on the prescribed due date, the penalty imposed by Section 3-3(a) shall be abated.

(a-5) This subsection (a-5) is applicable to returns due on and after January 1, 1996 and on or before December 31, 2000. A penalty equal to 2% of the tax required to be shown due on a return, up to a maximum amount of $250, determined without regard to any part of the tax that is paid on time or by any credit that was properly allowable on the date the return was required to be filed, shall be imposed for failure to file the tax return on or before the due date prescribed for filing determined with regard for any extension of time for filing. However, if any return is not filed within 30 days after notice of nonfiling mailed by the Department to the last known address of the taxpayer contained in Department records, an additional penalty amount shall be imposed equal to the greater of $250 or 2% of the tax shown on the return. However, the additional penalty amount may not exceed $5,000 and is determined without regard to any part of the tax that is paid on time or by any credit that was properly allowable on the date the return was required to be filed (penalty for late filing or nonfiling). If any unprocessable return is corrected and filed within 30 days after notice by the Department, the late filing or nonfiling penalty shall not apply. If a penalty for late filing or nonfiling is imposed in addition to a penalty for late payment, the total penalty due shall be the sum of the late filing penalty and the applicable late payment penalty. In the case of any type of tax return required to be filed more frequently than annually, when the failure to file the tax return on or before the date prescribed for filing (including any extensions) is shown to be nonfraudulent and has not occurred in the 2 years immediately preceding the failure to file on the prescribed due date, the penalty imposed by Section 3-3(a-5) shall be abated.

(a-10) This subsection (a-10) is applicable to returns due on and after January 1, 2001. A penalty equal to 2% of the tax required to be shown due on a return, up to a maximum amount of $250, reduced by any tax that is paid on time or by any credit that was properly allowable on the date the return was required to be filed, shall be imposed for failure to file the tax return on or before the due date prescribed for filing determined with regard for any extension of time for filing. However, if any return is not filed within 30 days after notice of nonfiling mailed by the Department to the last known address of the taxpayer contained in Department records, an additional penalty amount shall be imposed equal to the greater of $250 or 2% of the tax shown on the return. However, the additional penalty amount may not exceed $5,000 and is determined without regard to any part of the tax that is paid on time or by any credit that was properly allowable on the date the return was required to be filed (penalty for late filing or nonfiling). If any unprocessable return is corrected and filed within 30 days after notice by the Department, the late filing or nonfiling penalty shall not apply. If a penalty for late filing or nonfiling is imposed in addition to a penalty for late payment, the total penalty due shall be the sum of the late filing penalty and the applicable late payment penalty. In the case of any type of tax return required to be filed more frequently than annually, when the failure to file the tax return on or before the date prescribed for filing (including any extensions) is shown to be nonfraudulent and has not occurred in the 2 years immediately preceding the failure to file on the prescribed due date, the penalty imposed by Section 3-3(a-10) shall be abated.

(b) This subsection is applicable before January 1, 1998. A penalty of 15% of the tax shown on the return or the tax required to be shown due on the return shall be imposed for failure to pay:

(1) the tax shown due on the return on or before the due date prescribed for payment of that tax, an amount of underpayment of estimated tax, or an amount that is reported in an amended return other than an amended return timely filed as required by subsection (b) of Section 506 of the Illinois Income Tax Act (penalty for late payment or nonpayment of admitted liability); or

(2) the full amount of any tax required to be shown due on a return and which is not shown (penalty for late payment or nonpayment of additional liability), within 30 days after a notice of arithmetic error, notice and demand, or a final assessment is issued by the Department. In the case of a final assessment arising following a protest and hearing, the 30-day period shall not begin until all proceedings in court for review of the final assessment have terminated or the period for obtaining a review has expired without proceedings for a review having been instituted. In the case of a notice of tax liability that becomes a final assessment without a protest and hearing, the penalty provided in this paragraph (2) shall be imposed at the expiration of the period provided for the filing of a protest.

(b-5) This subsection is applicable to returns due on and after January 1, 1998 and on or before December 31, 2000. A penalty of 20% of the tax shown on the return or the tax required to be shown due on the return shall be imposed for failure to pay:

(1) the tax shown due on the return on or before the due date prescribed for payment of that tax, an amount of underpayment of estimated tax, or an amount that is reported in an amended return other than an amended return timely filed as required by subsection (b) of Section 506 of the Illinois Income Tax Act (penalty for late payment or nonpayment of admitted liability); or

(2) the full amount of any tax required to be shown due on a return and which is not shown (penalty for late payment or nonpayment of additional liability), within 30 days after a notice of arithmetic error, notice and demand, or a final assessment is issued by the Department. In the case of a final assessment arising following a protest and hearing, the 30-day period shall not begin until all proceedings in court for review of the final assessment have terminated or the period for obtaining a review has expired without proceedings for a review having been instituted. In the case of a notice of tax liability that becomes a final assessment without a protest and hearing, the penalty provided in this paragraph (2) shall be imposed at the expiration of the period provided for the filing of a protest.

(b-10) This subsection (b-10) is applicable to returns due on and after January 1, 2001. A penalty shall be imposed for failure to pay:

(1) the tax shown due on a return on or before the due date prescribed for payment of that tax, an amount of underpayment of estimated tax, or an amount that is reported in an amended return other than an amended return timely filed as required by subsection (b) of Section 506 of the Illinois Income Tax Act (penalty for late payment or nonpayment of admitted liability). The amount of penalty imposed under this subsection (b-10)(1) shall be 2% of any amount that is paid no later than 30 days after the due date, 5% of any amount that is paid later than 30 days after the due date and not later than 90 days after the due date, 10% of any amount that is paid later than 90 days after the due date and not later than 180 days after the due date, and 15% of any amount that is paid later than 180 days after the due date. If notice and demand is made for the payment of any amount of tax due and if the amount due is paid within 30 days after the date of the notice and demand, then the penalty for late payment or nonpayment of admitted liability under this subsection (b-10)(1) on the amount so paid shall not accrue for the period after the date of the notice and demand.

(2) the full amount of any tax required to be shown due on a return and that is not shown (penalty for late payment or nonpayment of additional liability), within 30 days after a notice of arithmetic error, notice and demand, or a final assessment is issued by the Department. In the case of a final assessment arising following a protest and hearing, the 30-day period shall not begin until all proceedings in court for review of the final assessment have terminated or the period for obtaining a review has expired without proceedings for a review having been instituted. The amount of penalty imposed under this subsection (b-10)(2) shall be 20% of any amount that is not paid within the 30-day period. In the case of a notice of tax liability that becomes a final assessment without a protest and hearing, the penalty provided in this subsection (b-10)(2) shall be imposed at the expiration of the period provided for the filing of a protest.

(c) For purposes of the late payment penalties, the basis of the penalty shall be the tax shown or required to be shown on a return, whichever is applicable, reduced by any part of the tax which is paid on time and by any credit which was properly allowable on the date the return was required to be filed.

(d) A penalty shall be applied to the tax required to be shown even if that amount is less than the tax shown on the return.

(e) This subsection (e) is applicable to returns due before January 1, 2001. If both a subsection (b)(1) or (b-5)(1) penalty and a subsection (b)(2) or (b-5)(2) penalty are assessed against the same return, the subsection (b)(2) or (b-5)(2) penalty shall be assessed against only the additional tax found to be due.

(e-5) This subsection (e-5) is applicable to returns due on and after January 1, 2001. If both a subsection (b-10)(1) penalty and a subsection (b-10)(2) penalty are assessed against the same return, the subsection (b-10)(2) penalty shall be assessed against only the additional tax found to be due.

(f) If the taxpayer has failed to file the return, the Department shall determine the correct tax according to its best judgment and information, which amount shall be prima facie evidence of the correctness of the tax due.

(g) The time within which to file a return or pay an amount of tax due without imposition of a penalty does not extend the time within which to file a protest to a notice of tax liability or a notice of deficiency.

(h) No return shall be determined to be unprocessable because of the omission of any information requested on the return pursuant to Section 2505-575 of the Department of Revenue Law (20 ILCS 2505/2505-575).

(i) If a taxpayer has a tax liability that is eligible for amnesty under the Tax Delinquency Amnesty Act and the taxpayer fails to satisfy the tax liability during the amnesty period provided for in that Act, then the penalty imposed by the Department under this Section shall be imposed in an amount that is 200% of the amount that would otherwise be imposed under this Section. (Source: P.A. 91-239, eff. 1-1-00; 91-803, eff. 1-1-01; 92-742, eff. 7-25-02.)

(35 ILCS 735/3-4) (from Ch. 120, par. 2603-4)

Sec. 3-4. Penalty for failure to file correct information returns. (a) Failure to file correct information returns - imposition of penalty.

(1) In general. Unless otherwise provided in a tax Act, in the case of a failure described in paragraph (2) of this subsection (a) by any person with respect to an information return, that person shall pay a penalty of $5 for each return or statement with respect to which the failure occurs, but the total amount imposed on that person for all such failures during any calendar year shall not exceed $25,000.

(2) Failures subject to penalty. The following failures are subject to the penalty imposed in paragraph (1) of this subsection (a):

(A) any failure to file an information return with the Department on or before the required filing date, or

(B) any failure to include all of the information required to be shown on the return or the inclusion of incorrect information.

(b) Reduction where correction in specified period.

(1) Correction within 60 days. If any failure described in subsection (a) (2) is corrected within 60 days after the required filing date:

(A) the penalty imposed by subsection (a) shall be reduced by 50%; and

(B) the total amount imposed on the person for all such failures during any calendar year which are so corrected shall not exceed 50% of the maximum prescribed in subsection (a) (1).

(c) Information return defined. An information return is any tax return required by a tax Act to be filed with the Department that does not, by law, require the payment of a tax liability.

(d) If a taxpayer has a tax liability that is eligible for amnesty under the Tax Delinquency Amnesty Act and the taxpayer fails to satisfy the tax liability during the amnesty period provided for in that Act, then the penalty imposed by the Department under this Section shall be imposed in an amount that is 200% of the amount that would otherwise be imposed under this Section. (Source: P.A. 87-205.)

(35 ILCS 735/3-5) (from Ch. 120, par. 2603-5)

Sec. 3-5. Penalty for negligence. (a) If any return or amended return is prepared negligently, but without intent to defraud, and filed, in addition to any penalty imposed under Section 3-3 of this Act, a penalty shall be imposed in an amount equal to 20% of any resulting deficiency.

(b) Negligence includes any failure to make a reasonable attempt to comply with the provisions of any tax Act and includes careless, reckless, or intentional disregard of the law or regulations.

(c) No penalty shall be imposed under this Section if it is shown that failure to comply with the tax Act is due to reasonable cause. A taxpayer is not negligent if the taxpayer shows substantial authority to support the return as filed.

(d) If a taxpayer has a tax liability that is eligible for amnesty under the Tax Delinquency Amnesty Act and the taxpayer fails to satisfy the tax liability during the amnesty period provided for in that Act, then the penalty imposed by the Department shall be imposed in an amount that is 200% of the amount that would otherwise be imposed in accordance with this Section. (Source: P.A. 87-205; 87-1189.)

(35 ILCS 735/3-6) (from Ch. 120, par. 2603-6)

Sec. 3-6. Penalty for fraud. (a) If any return or amended return is filed with intent to defraud, in addition to any penalty imposed under Section 3-3 of this Act, a penalty shall be imposed in an amount equal to 50% of any resulting deficiency.

(b) If any claim is filed with intent to defraud, a penalty shall be imposed in an amount equal to 50% of the amount fraudulently claimed for credit or refund.

(c) If a taxpayer has a tax liability that is eligible for amnesty under the Tax Delinquency Amnesty Act and the taxpayer fails to satisfy the tax liability during the amnesty period provided for in that Act, then the penalty imposed by the Department under this Section shall be imposed in an amount that is 200% of the amount that would otherwise be imposed under this Section. (Source: P.A. 87-205.)

(35 ILCS 735/3-7.5)

Sec. 3-7.5. Bad check penalty. (a) In addition to any other penalty provided in this Act, a penalty of $25 shall be imposed on any person who issues a check or other draft to the Department that is not honored upon presentment. The penalty imposed under this Section shall be deemed assessed at the time of presentment of the check or other draft and shall be treated for all purposes, including collection and allocation, as part of the tax or other liability for which the check or other draft represented payment.

(b) If a taxpayer has a tax liability that is eligible for amnesty under the Tax Delinquency Amnesty Act and the taxpayer fails to satisfy the tax liability during the amnesty period provided for in that Act, then the penalty imposed by the Department under this Section shall be imposed in an amount that is 200% of the amount that would otherwise be imposed under this Section. (Source: P.A. 91-803, eff. 1-1-01.)

Section 999. 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 adopted and the bill, as amended, was advanced to the order of Third Reading.

SENATE BILL ON THIRD READING

The following bill and any amendments adopted thereto were printed and laid upon the Members' desks. Any amendments pending were tabled pursuant to Rule 40(a).

On motion of Representative Colvin, SENATE BILL 969 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:

116, Yeas; 0, Nays; 0, Answering Present.

(ROLL CALL 43)

This bill, as amended, having received the votes of a constitutional majority of the Members elected, was declared passed.

Ordered that the Clerk inform the Senate and ask their concurrence in the House amendment/s adopted.

DISTRIBUTION OF SUPPLEMENTAL CALENDAR

Supplemental Calendar No. 2 was distributed to the Members at 6:00 o'clock p.m.

CONCURRENCES AND NON-CONCURRENCES IN SENATE AMENDMENTS TO HOUSE BILLS

Senate Amendments numbered 1 and 3 to HOUSE BILL 235, having been printed, were taken up for consideration.

Representative Franks moved that the House concur with the Senate in the adoption of Senate Amendments numbered 1 and 3.

And on that motion, a vote was taken resulting as follows:

89, Yeas; 27, Nays; 0, Answering Present.

(ROLL CALL 44)

The motion prevailed and the House concurred with the Senate in the adoption of Senate Amendments numbered 1 and 3 to HOUSE BILL 235.

Ordered that the Clerk inform the Senate.

SENATE BILL ON SECOND READING

SENATE BILL 878. Having been printed, was taken up and read by title a second time.

Representative Jerry Mitchell offered the following amendments and moved their adoption:

AMENDMENT NO. 1

AMENDMENT NO. 1____. Amend Senate Bill 878 by replacing everything after the enacting clause with the following:

"Section 5. The School Code is amended by changing Sections 2-3.25a, 2-3.25b, 2-3.25c, 2-3.25d, 2-3.25e, 2-3.25f, 2-3.25g, 2-3.25h, 2-3.25i, 2-3.25j, 7-8, 7A-15, 11A-17, 11B-14, 11D-12, and 21-27 and adding Sections 2-3.25m and 2-3.25n as follows:

(105 ILCS 5/2-3.25a) (from Ch. 122, par. 2-3.25a)

Sec. 2-3.25a. "School district" defined; additional standards. (a) For the purposes of this Section and Sections 3.25b, 3.25c, 3.25d, 3.25e, and 3.25f of this Code, "school district" includes other public entities responsible for administering public schools, such as cooperatives, joint agreements, charter schools, special charter districts, regional offices of education, local agencies, and the Department of Human Services.

(b) In addition to the standards established pursuant to Section 2-3.25, the State Board of Education shall develop recognition standards for student performance and school improvement in all public schools operated by school districts. The indicators to determine adequate yearly progress ~~assess student performance and school improvement~~ shall ~~include but need not~~ be limited to the State assessment of student performance in reading and mathematics, ~~local assessment results,~~ student attendance rates at the elementary school level, ~~retention rates, expulsion rates~~, ~~and~~ graduation rates at the high school level, and participation rates on student assessments. The standards shall be designed to permit the measurement of ~~a school district to measure~~ student performance and school improvement by schools and school districts ~~school buildings~~ compared to student performance and school improvement for the preceding academic years.

~~The provisions of this Section are subject to the provisions of Section 2-3.25k.~~ (Source: P.A. 89-398, eff. 8-20-95.)

(105 ILCS 5/2-3.25b) (from Ch. 122, par. 2-3.25b)

Sec. 2-3.25b. Recognition levels. The State Board of Education shall, consistent with adopted recognition standards, provide for levels of recognition or nonrecognition. The State Board of Education shall promulgate rules governing the procedures whereby school districts may appeal a recognition level.

~~Subject to the provisions of Section 2-3.25k,~~ The State Board of Education shall have the authority to collect from schools and school districts the information, data, test results, student performance and school improvement indicators as may be necessary to implement and carry out the purposes of this Act. (Source: P.A. 89-398, eff. 8-20-95.)

(105 ILCS 5/2-3.25c) (from Ch. 122, par. 2-3.25c)

Sec. 2-3.25c. Rewards and acknowledgements. The State Board of Education shall implement a system of rewards for school districts, and the schools themselves, ~~to recognize and reward schools~~ whose students and schools consistently meet adequate yearly progress criteria for 2 or more consecutive years and a system to acknowledge schools and districts that meet adequate yearly progress criteria in a given year as specified in Section 2-3.25d of this Code ~~perform at high levels or which demonstrate outstanding improvement~~.

If a school or school district meets adequate yearly progress criteria for 2 consecutive school years, that school or district shall be exempt from review and approval of its improvement plan for the next 2 succeeding school years. (Source: P.A. 87-559.)

(105 ILCS 5/2-3.25d) (from Ch. 122, par. 2-3.25d)

Sec. 2-3.25d. Academic early warning and watch status ~~list~~. (a) Those schools that do not meet adequate yearly progress criteria, as specified by the State Board of Education, for 2 consecutive annual calculations, shall be placed on academic early warning status for the next school year. Schools on academic early warning status that do not meet adequate yearly progress criteria for a third annual calculation shall remain on academic early warning status. Schools on academic early warning status that do not meet adequate yearly progress criteria for a fourth annual calculation shall be placed on initial academic watch status. Schools on academic watch status that do not meet adequate yearly progress criteria for a fifth or subsequent annual calculation shall remain on academic watch status. Schools on academic early warning or academic watch status that meet adequate yearly progress criteria for one annual calculation shall be acknowledged for making improvement and shall maintain their current statuses for the next school year. Schools on academic early warning or academic watch status that meet adequate yearly progress criteria for 2 consecutive annual calculations shall be considered as having met expectations and shall be removed from any status designation.

The school district of a school placed on either academic early warning status or academic watch status may appeal the status to the State Board of Education in accordance with Section 2-3.25m of this Code.

A school district that has one or more schools on academic early warning or academic watch status shall prepare a revised School Improvement Plan or amendments thereto setting forth the district's expectations for removing each school from academic early warning or academic watch status and for improving student performance in the affected school or schools. Districts operating under Article 34 of this Code may prepare the School Improvement Plan required under Section 34-2.4 of this Code.

The revised School Improvement Plan for a school that is initially placed on academic early warning

status or that remains on academic early warning status after a third annual calculation must be approved by the school board (and by the school's local school council in a district operating under Article 34 of this Code, unless the school is on probation pursuant to subsection (c) of Section 34-8.3 of this Code).

The revised School Improvement Plan for a school placed on initial academic watch status after a fourth annual calculation must be approved by the school board (and by the school's local school council in a district operating under Article 34 of this Code, unless the school is on probation pursuant to subsection (c) of Section 34-8.3 of this Code) and the State Superintendent of Education.

The revised School Improvement Plan for a school that remains on academic watch status after a fifth annual calculation must be approved by the school board (and by the school's local school council in a district operating under Article 34 of this Code, unless the school is on probation pursuant to subsection (c) of Section 34-8.3 of this Code) and the State Superintendent of Education. In addition, the district must develop a school restructuring plan for the school that must be approved by the school board (and by the school's local school council in a district operating under Article 34 of this Code) and subsequently approved by the State Superintendent of Education.

A school on academic watch status that does not meet adequate yearly progress criteria for a sixth annual calculation shall implement its approved school restructuring plan beginning with the next school year, subject to the State interventions specified in Section 2-3.25f of this Code.

(b) Those school districts that do not meet adequate yearly progress criteria, as specified by the State Board of Education, for 2 consecutive annual calculations, shall be placed on academic early warning status for the next school year. Districts on academic early warning status that do not meet adequate yearly progress criteria for a third annual calculation shall remain on academic early warning status. Districts on academic early warning status that do not meet adequate yearly progress criteria for a fourth annual calculation shall be placed on initial academic watch status. Districts on academic watch status that do not meet adequate yearly progress criteria for a fifth or subsequent annual calculation shall remain on academic watch status. Districts on academic early warning or academic watch status that meet adequate yearly progress criteria for one annual calculation shall be acknowledged for making improvement and shall maintain their current statuses for the next school year. Districts on academic early warning or academic watch status that meet adequate yearly progress criteria for 2 consecutive annual calculations shall be considered as having met expectations and shall be removed from any status designation.

A district placed on either academic early warning status or academic watch status may appeal the status to the State Board of Education in accordance with Section 2-3.25m of this Code.

Districts on academic early warning or academic watch status shall prepare a District Improvement Plan or amendments thereto setting forth the district's expectations for removing the district from academic early warning or academic watch status and for improving student performance in the district.

The District Improvement Plan for a district that is initially placed on academic early warning status must be approved by the school board.

The revised District Improvement Plan for a district that remains on academic early warning status after a third annual calculation must be approved by the school board.

The revised District Improvement Plan for a district on initial academic watch status after a fourth annual calculation must be approved by the school board and the State Superintendent of Education.

The Revised District Improvement Plan for a district that remains on academic watch status after a fifth annual calculation must be approved by the school board and the State Superintendent of Education. In addition, the district must develop a district restructuring plan that must be approved by the school board and the State Superintendent of Education.

A district on academic watch status that does not meet adequate yearly progress criteria for a sixth annual calculation shall implement its approved district restructuring plan beginning with the next school year, subject to the State interventions specified in Section 2-3.25f of this Code.

(c) All revised School and District Improvement Plans shall be developed in collaboration with staff in the affected school or school district. All revised School and District Improvement Plans shall be developed, submitted, and approved pursuant to rules adopted by the State Board of Education. The revised Improvement Plan shall address measurable outcomes for improving student performance so that such performance meets adequate yearly progress criteria as specified by the State Board of Education.

(d) All federal requirements apply to schools and school districts utilizing federal funds under Title I, Part A of the federal Elementary and Secondary Education Act of 1965. ~~Those schools that are not meeting the standards of academic performance measured by the State assessment of student performance as specified by the State Board of Education may be placed on an academic watch list established by the State Superintendent of Education after serving for 2 years on the State Board of Education Early Academic~~

~~Warning List and shall be subject to an on-site visitation to determine whether extenuating circumstances exist as to why a school or schools should not be placed on an academic watch list by the State Superintendent of Education.~~

~~A school district that has one or more schools on the academic watch list shall submit a revised School Improvement Plan or amendments thereto setting forth the district's expectations for removing each school in the district from the academic watch list and for improving student performance in that school. Districts operating under Article 34 of The School Code may submit the School Improvement Plan required under Section 34-2.4. If any district submits a School Improvement Plan which exceeds 2 years in duration, the Plan shall contain provisions for evaluation and determination as to the improvement of student performance or school improvement after no later than 2 years. The revised School Improvement Plan or amendments thereto shall be developed in consultation with the staff of the affected school and must be approved by the local board of education and the school's local school council for districts operating under Article 34 of the School Code. Revised School Improvement Plans must be submitted for approval to the State Superintendent of Education pursuant to rules and regulations promulgated by the State Board of Education. The revised School Improvement Plan shall address specific, measurable outcomes for improving student performance so that such performance equals or exceeds standards set for the school by the State Board of Education.~~

~~A school or schools shall remain on the academic watch list for at least one full academic year. During each academic year for which a school is on the academic watch list it shall continue to be evaluated and assessed by the State Board of Education as to whether it is meeting outcomes identified in its revised School Improvement Plan.~~

~~The provisions of this Section are subject to the provisions of Section 2-3.25k.~~ (Source: P.A. 89-398, eff. 8-20-95; 89-698, eff. 1-14-97.)

(105 ILCS 5/2-3.25e) (from Ch. 122, par. 2-3.25e)

Sec. 2-3.25e. School and district improvement panels ~~panel~~. A school or school district ~~that has a school~~ on ~~the~~ academic watch status ~~list~~ shall have a school or district improvement panel appointed by the State Superintendent of Education. Members appointed to the panel shall include, but not be limited to, individuals who are familiar with educational issues. The State Superintendent of Education shall designate one member of the panel to serve as chairman. Any panel appointed for a school operated under Article 34 of the School Code shall include one or more members selected from the school's subdistrict council and one or more members from the school's local school council. The school or district improvement panel shall (1) assist the school or district in the development and implementation of a revised ~~School~~ Improvement Plan and amendments thereto and~~,~~ (2) make progress reports and comments to the State Superintendent of Education pursuant to rules promulgated by the State Board of Education~~, and (3) have the authority to review and approve or disapprove all actions of the board of education that pertain to implementation of the revised School Improvement Plan. The revised School Improvement Plan must be developed in consultation with the staff of the affected school and approved by the appropriate board of education and for districts operated under Article 34 of the School Code the school's local school council. Following that approval, the plan shall be submitted to the State Superintendent of Education for approval.~~

~~The provisions of this Section are subject to the provisions of Section 2-3.25k.~~ (Source: P.A. 89-398, eff. 8-20-95; 89-698, eff. 1-14-97.)

(105 ILCS 5/2-3.25f) (from Ch. 122, par. 2-3.25f)

Sec. 2-3.25f. State interventions. (a) A school or school district must submit the required revised Improvement Plan pursuant to rules adopted by the State Board of Education. The State Board of Education shall provide technical assistance to assist with the development and implementation of the improvement plan. ~~School districts that fail to submit required School Improvement Plans or fail to obtain approval of such plans pursuant to rules adopted by the State Board of Education may have State funds withheld until such plans are submitted.~~

Schools or school districts that fail to make reasonable efforts to implement an approved ~~School~~ Improvement Plan may suffer loss of State funds by school district, attendance center, or program as the State Board of Education deems appropriate.

~~The provisions of this subsection (a) relating to submission and approval of School Improvement Plans are subject to the provisions of Section 2-3.25k.~~

(b) In addition, if after 3 ~~2~~ years following its placement on ~~the~~ academic watch status ~~list~~ a school district or school remains on ~~the~~ academic watch status ~~list~~, the State Board of Education shall take one of the following actions for the district or school:

(1) ~~1.~~ The State Board of Education may authorize the State Superintendent of Education to direct

the regional superintendent of schools to remove school board members pursuant to Section 3-14.28 of this Code. Prior to such direction the State Board of Education shall permit members of the local board of education to present written and oral comments to the State Board of Education. The State Board of Education may direct the State Superintendent of Education to appoint an Independent Authority that shall exercise such powers and duties as may be necessary to operate a school or school district for purposes of improving pupil performance and school improvement. The State Superintendent of Education shall designate one member of the Independent Authority to serve as chairman. The Independent Authority shall serve for a period of time specified by the State Board of Education upon the recommendation of the State Superintendent of Education.~~; or~~

(2) ~~2.~~ The State Board of Education may (A) change the recognition status of the school district or school to nonrecognized ~~(a) nonrecognize the school district or school~~, or (B) ~~(b) may~~ authorize the State Superintendent of Education to direct the reassignment of pupils or reassign or replace school district personnel who are relevant to the failure to meet adequate yearly progress criteria ~~and administrative staff~~. If a school district is nonrecognized in its entirety, it shall automatically be dissolved on July 1 following that nonrecognition and its territory realigned with another school district or districts by the regional board of school trustees in accordance with the procedures set forth in Section 7-11 of the School Code. The effective date of the nonrecognition of a school shall be July 1 following the nonrecognition.

(c) All federal requirements apply to schools and school districts utilizing federal funds under Title I, Part A of the federal Elementary and Secondary Education Act of 1965. (Source: P.A. 89-398, eff. 8-20-95; 89-698, eff. 1-14-97.)

(105 ILCS 5/2-3.25g) (from Ch. 122, par. 2-3.25g)

Sec. 2-3.25g. Waiver or modification of mandates within the School Code and administrative rules and regulations. Notwithstanding any other provisions of this School Code or any other law of this State to the contrary, school districts may petition the State Board of Education for the waiver or modification of the mandates of this School Code or of the administrative rules and regulations promulgated by the State Board of Education. Waivers or modifications of administrative rules and regulations and modifications of mandates of this School Code may be requested when a school district demonstrates that it can address the intent of the rule or mandate in a more effective, efficient, or economical manner or when necessary to stimulate innovation or improve student performance. Waivers of mandates of the School Code may be requested when the waivers are necessary to stimulate innovation or improve student performance. Waivers may not be requested from laws, rules, and regulations pertaining to special education, teacher certification, or teacher tenure and seniority or from compliance with the No Child Left Behind Act of 2001 (Public Law 107-110).

School districts, as a matter of inherent managerial policy, and any Independent Authority established under Section 2-3.25f may submit an application for a waiver or modification authorized under this Section. Each application must include a written request by the school district or Independent Authority and must demonstrate that the intent of the mandate can be addressed in a more effective, efficient, or economical manner or be based upon a specific plan for improved student performance and school improvement. Any district requesting a waiver or modification for the reason that intent of the mandate can be addressed in a more economical manner shall include in the application a fiscal analysis showing current expenditures on the mandate and projected savings resulting from the waiver or modification. Applications and plans developed by school districts must be approved by each board of education following a public hearing on the application and plan and the opportunity for the board to hear testimony from educators directly involved in its implementation, parents, and students. The public hearing must be preceded by at least one published notice occurring at least 7 days prior to the hearing in a newspaper of general circulation within the school district that sets forth the time, date, place, and general subject matter of the hearing. The school district must notify in writing the affected exclusive collective bargaining agent of the district's intent to seek approval of a waiver or modification and of the hearing to be held to take testimony from educators. The affected exclusive collective bargaining agents shall be notified of such public hearing at least 7 days prior to the date of the hearing and shall be allowed to attend such public hearing.

A request for a waiver or modification of administrative rules and regulations or for a modification of mandates contained in this School Code shall be submitted to the State Board of Education within 15 days after approval by the board of education. Following receipt of the request, the State Board shall have 45 days to review the application and request. If the State Board fails to disapprove the application within that 45 day period, the waiver or modification shall be deemed granted. The State Board may disapprove any request if it is not based upon sound educational practices, endangers the health or safety of students or

staff, compromises equal opportunities for learning, or fails to demonstrate that the intent of the rule or mandate can be addressed in a more effective, efficient, or economical manner or have improved student performance as a primary goal. Any request disapproved by the State Board may be appealed to the General Assembly by the requesting school district as outlined in this Section.

A request for a waiver from mandates contained in this School Code shall be submitted to the State Board within 15 days after approval by the board of education. The State Board shall review the applications and requests for completeness and shall compile the requests in reports to be filed with the General Assembly. The State Board shall file reports outlining the waivers requested by school districts and appeals by school districts of requests disapproved by the State Board with the Senate and the House of Representatives before each May 1 and October 1. The General Assembly may disapprove the report of the State Board in whole or in part within 30 calendar days after each house of the General Assembly next convenes after the report is filed by adoption of a resolution by a record vote of the majority of members elected in each house. If the General Assembly fails to disapprove any waiver request or appealed request within such 30 day period, the waiver or modification shall be deemed granted. Any resolution adopted by the General Assembly disapproving a report of the State Board in whole or in part shall be binding on the State Board.

An approved waiver or modification may remain in effect for a period not to exceed 5 school years and may be renewed upon application by the school district. However, such waiver or modification may be changed within that 5-year period by a local school district board following the procedure as set forth in this Section for the initial waiver or modification request. If neither the State Board of Education nor the General Assembly disapproves, the change is deemed granted.

On or before February 1, 1998, and each year thereafter, the State Board of Education shall submit a cumulative report summarizing all types of waiver mandates and modifications of mandates granted by the State Board or the General Assembly. The report shall identify the topic of the waiver along with the number and percentage of school districts for which the waiver has been granted. The report shall also include any recommendations from the State Board regarding the repeal or modification of waived mandates. (Source: P.A. 89-3, eff. 2-27-95; 89-626, eff. 8-9-96; 90-62, eff. 7-3-97; 90-462, eff. 8-17-97; 90-655, eff. 7-30-98.)

(105 ILCS 5/2-3.25h) (from Ch. 122, par. 2-3.25h)

Sec. 2-3.25h. Technical assistance; State support services. Schools, school districts, local school councils, school improvement panels, and any Independent Authority established under Section 2-3.25f may receive technical assistance that ~~through~~ the State Board of Education shall make available. Such technical assistance shall ~~may~~ include without limitation~~, but shall not be limited to,~~ assistance in the areas of curriculum evaluation, the instructional process, student performance, school environment, staff effectiveness, school and community relations, parental involvement, resource management, ~~and~~ leadership, data analysis processes and tools, school improvement plan guidance and feedback, information regarding scientifically based research-proven curriculum and instruction, and professional development opportunities for teachers and administrators. (Source: P.A. 87-559.)

(105 ILCS 5/2-3.25i) (from Ch. 122, par. 2-3.25i)

Sec. 2-3.25i. Rules. The State Board of Education shall promulgate rules and regulations necessary to implement the provisions of Public Act 87-559 and this amendatory Act of the 93rd General Assembly ~~1991~~. The State Board of Education may waive any of its rules or regulations which conflict with Public Act 87-559 or this amendatory Act of the 93rd General Assembly except those requirements for special education and teacher certification. (Source: P.A. 87-559.)

(105 ILCS 5/2-3.25j) (from Ch. 122, par. 2-3.25j)

Sec. 2-3.25j. Implementation. Commencing with the 1992-93 school year and thereafter the provisions of this amendatory Act and any rules adopted hereunder shall be implemented on a schedule identified by the State Board of Education and incorporated as an integral part of the recognition process of the State Board of Education. ~~The provisions of this Section and the authority of the State Board of Education to adopt rules as provided in this Section are subject to the provisions of Section 2-3.25k.~~ (Source: P.A. 89-398, eff. 8-20-95.)

(105 ILCS 5/2-3.25m new)

Sec. 2-3.25m. Appeals. The appeals process outlined in this Section applies to all appeals from school districts pertaining to school or district status levels, recognition levels, or corrective action. The State Board of Education shall provide notice and an opportunity for hearing to the affected school district. The hearing shall take place not later than 30 calendar days following receipt of the written appeal. The appeals advisory committee created as specified in this Section may extend the hearing under special

circumstances, in consultation with the State Superintendent of Education. The State Board of Education may take into account exceptional or uncontrollable circumstances.

The State Board of Education shall process school and district appeals through an appeals advisory committee. The committee shall be composed of 9 members appointed by the State Superintendent of Education as follows:

(1) One representative of the Illinois Education Association.

(2) One representative of the Illinois Federation of Teachers.

(3) One representative of the Illinois Association of School Administrators.

(4) One representative of the Illinois Association of School Boards.

(5) One representative of business.

(6) One representative of City of Chicago School District 299.

(7) One representative of the Illinois Principals Association.

(8) One representative of the Illinois Congress of Parents and Teachers.

(9) One representative at-large.

Five members of the committee shall serve for terms of 2 years, and 4 members shall serve for terms of 3 years. The State Superintendent of Education shall appoint initial members on or before July 1, 2003. The committee shall annually elect one member as chairperson.

The committee shall hear appeals and, within 30 calendar days after a hearing, make recommendations for action to the State Superintendent of Education. The committee shall recommend action to the State Superintendent of Education on all appeals. The State Board of Education shall make all final determinations.

(105 ILCS 5/2-3.25n new)

Sec. 2-3.25n. No Child Left Behind Act; requirements and construction.

(a) The changes in the State accountability system made by this amendatory Act of the 93rd General Assembly are a direct result of the federal No Child Left Behind Act of 2001 (Public Law 107-110), which requires that each state develop and implement a single, statewide accountability system applicable to all schools and school districts.

(b) As provided in the federal No Child Left Behind Act of 2001 (Public Law 107-110), nothing in this amendatory Act of the 93rd General Assembly shall be construed to alter or otherwise affect the rights, remedies, and procedures afforded school district or school employees under federal, State, or local law (including applicable rules, regulations, or court orders) or under the terms of collective bargaining agreements, memoranda of understanding, or other agreements between such employees and their employers.

(105 ILCS 5/7-8) (from Ch. 122, par. 7-8)

Sec. 7-8. Limitation on successive petitions. No territory, nor any part thereof, which is involved in any proceeding to change the boundaries of a school district by detachment from or annexation to such school district of such territory, and which is not so detached nor annexed, shall be again involved in proceedings to change the boundaries of such school district for at least two years after final determination of such first proceeding unless during that 2 year period a petition filed is substantially different than any other previously filed petition during the previous 2 years or if a school district involved is placed on ~~the State Board of Education's~~ academic watch status ~~list~~ or the financial watch list by the State Board of Education or is certified as being in financial difficulty during that 2 year period or if such first proceeding involved a petition brought under Section 7-2b of this Article 7. (Source: P.A. 87-1139; 88-386.)

(105 ILCS 5/7A-15) (from Ch. 122, par. 7A-15)

Sec. 7A-15. Limitation on successive petitions. No unit school district that is involved in any proceeding under this Article to be dissolved and converted into an elementary school district (with all territory within the unit school district proposed to be so dissolved to be concurrently annexed to a contiguous high school district), and which is not so dissolved or converted into an elementary school district, shall be again involved in proceedings under this Article to dissolve and convert into an elementary school district for at least two years after final determination of such first proceeding unless during that 2 year period a petition filed is substantially different than any other previously filed petition during the previous 2 years or if a school district involved is placed on ~~the State Board of Education's~~ academic watch status ~~list~~ or the financial watch list by the State Board of Education or is certified as being in financial difficulty during that 2 year period. (Source: P.A. 87-1139.)

(105 ILCS 5/11A-17)

Sec. 11A-17. Limitation on successive petitions. No territory or any part thereof that is not included within any unit school district and that is involved in a proceeding under this Article to be organized into a

community unit school district, and that is not by that proceeding organized into a community unit school district, shall be again involved in proceedings under this Article to be organized into a community unit school district for at least two years after final determination of such first proceeding unless during that 2 year period a petition filed is substantially different than any other previously filed petition during the previous 2 years or if a school district involved is placed on ~~the State Board of Education's~~ academic watch status ~~list~~ or the financial watch list by the State Board of Education or is certified as being in financial difficulty during that 2 year period.

No unit school district that is involved in any proceeding under this Article to be organized along with any other unit school district or districts or territory into a community unit school district and that is not by that proceeding so organized into a community unit school district, and no unit district that is involved in any proceeding under this Article to be divided into 2 or more parts and as divided included in 2 or more community unit school districts and that is not by that proceeding so divided and included in other community unit school districts, shall be again involved in proceedings under this Article to be organized into a community unit school district or divided and included in other community unit school districts for at least two years after final determination of such first proceeding unless during that 2 year period a petition filed is substantially different than any other previously filed petition during the previous 2 years or if a school district involved is placed on ~~the State Board of Education's~~ academic watch status ~~list~~ or the financial watch list by the State Board of Education or is certified as being in financial difficulty during that 2 year period. (Source: P.A. 87-1139; 88-45; 88-555, eff. 7-27-94.)

(105 ILCS 5/11B-14) (from Ch. 122, par. 11B-14)

Sec. 11B-14. Limitation on successive petitions. No elementary or high school district that is involved in any proceeding under this Article to be formed into and included as part of a combined school district to be established in that proceeding, and that is not so formed into and included as part of a combined school district in that proceeding, shall be again involved in proceedings under this Article for at least two years after final determination of such first proceeding unless during that 2 year period a petition filed is substantially different than any other previously filed petition during the previous 2 years or if a school district involved is placed on ~~the State Board of Education's~~ academic watch status ~~list~~ or the financial watch list by the State Board of Education or is certified as being in financial difficulty during that 2 year period. (Source: P.A. 87-1139.)

(105 ILCS 5/11D-12) (from Ch. 122, par. 11D-12)

Sec. 11D-12. Limitation on successive petitions. No unit or high school district that is involved in any proceeding under this Article to be dissolved and formed into a new high school district and new elementary school districts, and that is not by those proceedings so dissolved and formed into a new high school district and new elementary school districts, shall be again involved in proceedings under this Article to be dissolved and formed into a new high school district and new elementary school districts for at least two years after final determination of such first proceeding unless during that 2 year period a petition filed is substantially different than any other previously filed petition during the previous 2 years or if a school district involved is placed on ~~the State Board of Education's~~ academic watch status ~~list~~ or the financial watch list by the State Board of Education or is certified as being in financial difficulty during that 2 year period. (Source: P.A. 87-1139; 88-45.)

(105 ILCS 5/21-27)

Sec. 21-27. The Illinois Teaching Excellence Program. The Illinois Teaching Excellence Program is hereby established to provide categorical funding for monetary incentives and bonuses for teachers who are employed by school districts and who hold a Master Certificate. The State Board of Education shall allocate and distribute to each school district an amount as annually appropriated by the General Assembly from federal funds for the Illinois Teaching Excellence Program. Unless otherwise provided by appropriation, each school district's annual allocation shall be the sum of the amounts earned for the following incentives and bonuses:

(1) An annual payment of $3,000 to be paid to each teacher who successfully completes the program leading to and who receives a Master Certificate and is employed as a teacher by a school district. The school district shall distribute this payment to each eligible teacher as a single payment or in not more than 3 payments.

(2) An annual incentive equal to $1,000 shall be paid to each teacher who holds a Master Certificate, who is employed as a teacher by a school district, and who agrees, in writing, to provide 60 hours of mentoring during that year to classroom teachers. This mentoring may include, either singly or in combination, (i) providing high quality professional development for new and experienced teachers, and (ii) assisting National Board for Professional Teaching Standards (NBPTS) candidates through the

NBPTS certification process. The school district shall distribute 50% of each annual incentive payment upon completion of 30 hours of the required mentoring and the remaining 50% of the incentive upon completion of the required 60 hours of mentoring. Credit may not be granted by a school district for mentoring or related services provided during a regular school day or during the total number of days of required service for the school year.

(3) An annual incentive equal to $3,000 shall be paid to each teacher who holds a Master Certificate, who is employed as a teacher by a school district, and who agrees, in writing, to provide 60 hours of mentoring during that year to classroom teachers in schools on ~~the~~ academic early warning status ~~List~~ or in schools in which 50% or more of the students receive free or reduced price lunches, or both. The school district shall distribute 50% of each annual incentive payment upon completion of 30 hours of the required mentoring and the remaining 50% of the incentive upon completion of the required 60 hours of mentoring. Credit may not be granted by a school district for mentoring or related services provided during a regular school day or during the total number of days of required service for the school year.

Each regional superintendent of schools shall provide information about the Master Certificate Program of the National Board for Professional Teaching Standards (NBPTS) and this amendatory Act of the 91st General Assembly to each individual seeking to register or renew a certificate under Section 21-14 of this Code. (Source: P.A. 91-606, eff. 8-16-99; 92-796, eff. 8-10-02.)

(105 ILCS 5/2-3.25k rep.)

Section 10. The School Code is amended by repealing Section 2-3. 25k.

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

AMENDMENT NO. 2

AMENDMENT NO. 2____. Amend Senate Bill 878, AS AMENDED, with reference to the page and line numbers of House Amendment No. 1, on page 11, in line 4, by changing "reassign or replace" with "direct the reassignment or replacement of".

AMENDMENT NO. 3

AMENDMENT NO. 3____. Amend Senate Bill 878, AS AMENDED, with reference to page and line numbers of House Amendment No. 1, on page 16, by replacing lines 18 through 33 with the following:

"(1) One representative of each of 2 professional teachers' organizations.

(2) Two school administrators employed in the public schools of this State who have been nominated by an administrator organization.

(3) One member of an organization that represents school principals.

(4) One member of an organization that represents both parents and teachers.

(5) One representative of the business community of this State who has been nominated by a statewide business organization.

(6) One representative of City of Chicago School District 299.

(7) One member of the public.".

The motion prevailed and the amendments were adopted and ordered printed.

There being no further amendments, the foregoing Amendments numbered 1, 2 and 3 were adopted and the bill, as amended, was advanced to the order of Third Reading.

RECALL

By unanimous consent, on motion of Representative Cross, SENATE BILL 703 was recalled from the order of Third Reading to the order of Second Reading and held on that order.

SENATE BILL ON SECOND READING

SENATE BILL 703. Having been recalled on May 29, 2003, and held on the order of Second Reading, the same was again taken up.

Representative Cross offered the following amendment and moved its adoption.

AMENDMENT NO. 2

AMENDMENT NO. 2____. Amend Senate Bill 703, AS AMENDED, with reference to the page and line numbers of House Amendment No. 1, on page 13, by inserting after line 9 the following:

"During the period beginning June 1 and ending on the first day of fall veto session each year, this Section does not apply to (i) a member of the General Assembly whose legislative or representative district is entirely within Sangamon County or (ii) a candidate for the General Assembly from that legislative or representative district."; and

on page 25, by replacing lines 32 and 33 with the following:

"of investigation as permitted by law."; and

on page 41, by replacing lines 24 and 25 with the following:

"of investigation as permitted by law."; and

on page 41, by replacing lines 29 and 30 with the following:

"(3) To issue subpoenas to compel the attendance of"; and

on page 104, line 29, after the semicolon, by inserting "and"; and

on page 105, by replacing lines 1 through 11 with the following:

"substantive action."; and

on page 107, line 21, after "Act", by inserting "and is in addition to any other fee increase enacted by the 93rd or any subsequent General Assembly".

The motion prevailed and the amendment was adopted and ordered printed.

There being no further amendments, the foregoing Amendments numbered 1 and 2 were adopted and the bill, as amended, was again advanced to the order of Third Reading.

SENATE BILL 640. Having been printed, was taken up and read by title a second time.

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

AMENDMENT NO. __1__. Amend Senate Bill 640, by replacing everything after the enacting clause with the following:

"Section 5. The Code of Civil Procedure is amended by adding Sections 7-103.102, 7-103.103, 7-103.104, 7-103.105, 7-103.106, 7-103.107, 7-103.108, and 7-103.109 as follows:

(735 ILCS 5/7-103.102 new)

Sec. 7-103.102. Quick-take; Lake County. Quick-take proceedings under Section 7-103 may be used for a period of 2 years after the effective date of this amendatory Act of the 93rd General Assembly by Lake County for the acquisition of property necessary for the purpose of improving County Highway 31 (Rollins Road) from Illinois Route 83 to U.S. Route 45.

(735 ILCS 5/7-103.103 new)

Sec. 7-103.103. Quick-take; Lake County. Quick-take proceedings under Section 7-103 may be used for a period of 2 years after the effective date of this amendatory Act of the 93rd General Assembly by Lake County for the acquisition of property necessary for the purpose of improving County Highway 45 (Washington Street) from Illinois Route 83 to U.S. Route 45.

(735 ILCS 5/7-103.104 new)

Sec. 7-103.104. Quick-take; County of La Salle. Quick-take proceedings under Section 7-103 may be used for a period of 12 months after the effective date of this amendatory Act of the 93rd General Assembly by the County of La Salle for highway purposes for the acquisition of property described as follows:

County Highway 3 (F.A.S. Route 259) over the Fox River north of the Village of Sheridan, Illinois, BEGINNING at Station -(3+00) on County Highway 3 south of the intersection of Bushnell Street, according to the "Right-of-Way Plans for proposed Federal Aid Highway, F.A.S. Route 259 (C.H. 3), Section 98-00545-00-BR, La Salle County," and extending 3,696.07 feet northerly along the survey centerline for said route to Station 33+96.07 at the intersection of County Highway 3 and North 42nd Road; AND BEGINNING at Station 497+00 on the survey centerline of North 42nd Road and extending 500.00 feet easterly along said centerline to Station 502+00; the net length for land acquisition and authorization being 4,196.07 feet (0.795 miles) all located in Section 5, Township 35 North, Range 5 East of the Third

Principal Meridian, La Salle County, Illinois.

(735 ILCS 5/7-103.105 new)

Sec. 7-103.105. Quick-take; Village of Buffalo Grove. Quick-take proceedings under Section 7-103 may be used for a period of 2 years after the effective date of this amendatory Act of the 93rd General Assembly by the Village of Buffalo Grove for the acquisition of the following described property necessary for the purpose of improving the intersection of Port Clinton Road and Prairie Road:

OUTLOT "A" OF EDWARD SCHWARTZ'S INDIAN CREEK OF BUFFALO GROVE, BEING A SUBDIVISION OF PART OF THE NORTHWEST 1/4 OF SECTION 16, TOWNSHIP 43 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED JANUARY 7, 1994, AS DOCUMENT 3467875, IN LAKE COUNTY, ILLINOIS.

And,

THAT PART OF LOT 30, OF SCHOOL TRUSTEES SUBDIVISION, ALSO KNOWN AS THE NORTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 16, TOWNSHIP 43 NORTH, RANGE 11 EAST OF THE THIRD PRINCIPAL MERIDIAN BOUNDED AND DESCRIBED AS FOLLOWS; (COMMENCING AT THE NORTHWEST CORNER OF THE SOUTHEAST 1/4 OF SAID SECTION 16 AS THE PLACE OF BEGINNING OF THIS CONVEYANCE; THENCE NORTH 89 DEGREES-44'-35" EAST, ALONG THE NORTH LINE OF THE SOUTHEAST 1/4 AFORESAID, A DISTANCE OF 397.96 FEET; THENCE SOUTH 0 DEGREES-00'-00" EAST, A DISTANCE OF 48.00 FEET; THENCE SOUTH 89 DEGREES-44'-35" WEST, ALONG A LINE DRAWN PARALLEL TO AND 48.0 FEET SOUTHERLY OF THE NORTH LINE OF THE SOUTHEAST 1/4 AFORESAID, A DISTANCE OF 325.28 FEET; THENCE SOUTH 44 DEGREES-52'-15" WEST, A DISTANCE OF 39.23 FEET, TO A POINT WHICH IS 45.0 FEET EASTERLY OF THE WEST LINE OF THE SOUTHEAST 1/4 AFORESAID; THENCE SOUTH 0 DEGREES-00'-00" EAST, ALONG A LINE DRAWN PARALLEL TO AND 45.0 FEET EASTERLY OF THE WEST LINE OF THE SOUTHEAST 1/4 AFORESAID, A DISTANCE OF 269.10 FEET; THENCE SOUTH 89 DEGREES-44'-35" WEST, A DISTANCE OF 45.0 FEET, TO THE WEST LINE OF THE SOUTHEAST 1/4 AFORESAID; THENCE NORTH 0 DEGREES-00'-00" EAST, ALONG THE WEST LINE OF THE SOUTHEAST 1/4 AFORESAID, A DISTANCE OF 344.78 FEET, TO THE NORTHWEST CORNER OF THE SAID SOUTHEAST 1/4 AFORESAID, AND THE PLACE OF BEGINNING OF THIS CONVEYANCE, ALL IN LAKE COUNTY, ILLINOIS.).

(735 ILCS 5/7-103.106 new)

Sec. 7-103.106. Quick-take; Village of Morton Grove. Quick-take proceedings under Section 7-103 may be used for a period of 36 months after the effective date of this amendatory Act of the 93rd General Assembly by the Village of Morton Grove for the acquisition of the following described property, located in the Lehigh/Ferris Tax Increment Financing District, for the purpose of redevelopment projects:

THOSE PARTS OF SECTIONS 17, 18, 19, AND 20, ALL IN TOWNSHIP 41 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: BEGINNING AT THE INTERSECTION OF THE NORTH RIGHT OF WAY LINE OF DEMPSTER STREET AND THE WEST RIGHT OF WAY LINE OF THE CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD; THENCE EAST ON THE NORTH RIGHT OF WAY LINE OF DEMPSTER STREET TO THE EAST RIGHT OF WAY LINE OF CALLIE AVENUE, EXTENDED NORTH, IN THE SUBDIVISION OF LOTS 4, 5, AND 6 OF HENNING'S SUBDIVISION OF LOTS 42 AND 43, ALSO THE NORTH 16 FEET OF LOT 44 OF COUNTY CLERK'S DIVISION OF SECTION 20 AND THE EAST HALF OF THE NORTH EAST QUARTER OF SECTION 19, TOWNSHIP 41 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN; THENCE SOUTH ALONG SAID EAST LINE AND EXTENSION THEREOF TO THE SOUTH LINE OF LOTS 14 AND 3, EXTENDED EAST, IN SAID SUBDIVISION; THENCE WEST ALONG SAID SOUTH LINE OF LOTS 14 AND 3 AND EXTENSIONS, TO THE EAST LINE OF FERRIS AVENUE IN SAID SUBDIVISION; THENCE SOUTH ALONG THE EAST LINE OF FERRIS AVENUE IN OWNER'S DIVISION OF BLOCK 3 OF AHRENSFELD'S ADDITION TO MORTON GROVE, IN THE NORTH WEST QUARTER OF SECTION 20, TOWNSHIP 41 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, TO A LINE BEING THE SOUTH LINE OF THE NORTH 15 FEET OF LOT 44 IN AFORESAID COUNTY CLERK'S DIVISION, EXTENDED EAST; THENCE WEST ALONG SAID SOUTH LINE AND EXTENSION THEREOF TO A POINT ON A LINE 27.23 FEET EAST OF THE WEST LINE OF THE NORTH WEST QUARTER OF SAID SECTION 20; THENCE SOUTH ALONG SAID PARALLEL LINE TO THE NORTH LINE OF CAPULINA AVENUE DEDICATED PER DOCUMENT NO. 16129148; THENCE EAST ALONG SAID NORTH LINE OF CAPULINA AVENUE AND ALSO BEING THE NORTH LINE OF CAPULINA

AVENUE IN AHRENSFELD'S ADDITION TO MORTON GROVE, A SUBDIVISION OF LOT 41 OF COUNTY CLERK'S DIVISION IN THE NORTH WEST QUARTER OF SECTION 20, TOWNSHIP 41 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, AND CONTINUING EAST ALONG THE NORTH LINE EXTENDED, AND THE NORTH LINE OF CAPULINA AVENUE IN AFORESAID OWNER'S DIVISION AND EXTENSION THEREOF, TO THE EAST LINE OF THE NORTH-SOUTH ALLEY IN SAID OWNER'S DIVISION; THENCE SOUTH TO THE EAST LINE OF THE NORTH-SOUTH ALLEY IN BLOCK 2 IN BINGHAM AND FERNALD'S MORTON GROVE SUBDIVISION, BEING LOT 40 OF COUNTY CLERK'S DIVISION OF SECTION 20 AND THE EAST HALF OF THE NORTH EAST QUARTER OF SECTION 19, (EXCEPT A TRACT 200 FEET NORTH AND SOUTH BY 118.9 FEET EAST AND WEST AT THE SOUTH WEST CORNER OF SAID LOT 40; THENCE CONTINUING SOUTH ALONG SAID EAST LINE OF THE ALLEY, BEING THE EAST LINE OF THE NORTH-SOUTH ALLEY IN AUGUST PETERS SUBDIVISION OF BLOCK 3 OF BINGHAM AND FERNALD'S MORTON GROVE SUBDIVISION OF LOT 40 OF COUNTY CLERK'S DIVISION OF SECTION 20, TOWNSHIP 41 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, TO THE NORTH LINE OF THE EAST-WEST ALLEY IN SAID AUGUST PETERS SUBDIVISION; THENCE EASTERLY ALONG SAID NORTH LINE OF THE EAST-WEST ALLEY TO THE WEST RIGHT OF WAY LINE OF CALLIE AVENUE IN SAID AUGUST PETERS SUBDIVISION; THENCE NORTH ALONG SAID WEST RIGHT OF WAY LINE TO THE EXTENSION OF THE NORTH LINE OF LOT 41 IN BLOCK 4 IN AFORESAID BINGHAM AND FERNALD'S MORTON GROVE SUBDIVISION; THENCE EAST ALONG SAID NORTH LINE AND EXTENSIONS THEREOF TO THE EAST LINE OF THE NORTH-SOUTH ALLEY IN SAID BLOCK 4; THENCE SOUTH ALONG THE EAST LINE OF SAID ALLEY TO THE SOUTH LINE OF THE NORTH 6 FEET OF LOT 26 IN BLOCK 4 IN AFORESAID BINGHAM AND FERNALD'S MORTON GROVE SUBDIVISION; THENCE EAST ALONG THE SAID SOUTH LINE OF THE NORTH 6 FEET OF LOT 26 AND THE EXTENSION THEREOF TO THE EAST RIGHT OF THE WAY LINE OF FERNALD AVENUE IN BLOCK 5 IN SAID BINGHAM AND FERNALD'S MORTON GROVE SUBDIVISION; THENCE SOUTH ALONG SAID EAST LINE OF FERNALD AVENUE TO THE NORTH LINE OF THE EAST-WEST ALLEY IN SAID BLOCK 5; THENCE EAST AND SOUTHEASTERLY ALONG THE NORTH LINES OF THE EAST-WEST ALLEY AND EXTENSION THEREOF TO THE WEST RIGHT OF WAY LINE OF GEORGIANA AVENUE IN SAID BLOCK 5; THENCE NORTH ALONG THE SAID WEST RIGHT OF WAY LINE OF GEORGIANA AVENUE TO AN EXTENSION OF THE NORTH LINE OF LOT 14 IN HESSLER'S SUBDIVISION OF LOTS 1 TO 8 IN CIRCUIT COURT PARTITION OF LOTS 19 AND 24 IN COUNTY CLERK'S DIVISION AND THAT PART OF THE SOUTH EAST QUARTER OF THE NORTH WEST QUARTER OF SECTION 20 LYING BETWEEN AND BOUNDED BY THE SOUTH LINE OF SAID LOT 24 IN COUNTY CLERK'S DIVISION AND THE NORTH LINE OF MILLER'S MILL ROAD IN SECTION 20, TOWNSHIP 41 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN; THENCE EAST ALONG THE NORTH LINE AND EXTENSIONS THEREOF TO THE EAST LINE OF THE NORTH-SOUTH ALLEY IN SCHMITZ'S MORTON GROVE SUBDIVISION OF LOTS 2 AND 9 IN CIRCUIT COURT PARTITION OF LOTS 19 AND 24 IN COUNTY CLERK'S DIVISION AND THAT PART OF THE SOUTH EAST QUARTER OF THE NORTH WEST QUARTER OF SECTION 20 LYING BETWEEN AND BOUNDED BY THE SOUTH LINE OF SAID LOT 24 IN COUNTY CLERK'S DIVISION AND THE NORTH LINE OF MILLER'S MILL ROAD IN SECTION 20, TOWNSHIP 41 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN; THENCE SOUTH ALONG SAID EAST LINE OF THE ALLEY TO THE NORTH LINE OF THE EAST-WEST ALLEY; THENCE EAST ALONG THE NORTH LINE OF THE EAST-WEST ALLEY TO AN EXTENSION OF THE EAST LINE OF THE WEST 14 FEET 11 INCHES OF LOT 12 IN SAID SCHMITZ'S MORTON GROVE SUBDIVISION; THENCE SOUTH ALONG SAID LINE AND EXTENSIONS THEREOF TO THE SOUTH RIGHT OF WAY LINE OF LINCOLN AVENUE; THENCE WEST AND NORTHWESTERLY ALONG THE SOUTH LINE OF LINCOLN AVENUE IN NICHOLAS HAUPT HEIRS SUBDIVISION OF THE SOUTH 20 ACRES OF THE SOUTH EAST QUARTER OF THE NORTH WEST QUARTER OF SECTION 20, TOWNSHIP 41 NORTH, RANGE 13, (EXCEPT THE SOUTH 8.5 FEET AND THAT PART OF THE WEST 264 FEET LYING SOUTH OF THE CENTER OF ROAD), EAST OF THE THIRD PRINCIPAL MERIDIAN; ALSO, THE SUBDIVISION OF THAT PART OF THE WEST 264 FEET OF THE SOUTH EAST QUARTER OF THE NORTH WEST QUARTER OF SECTION 20, TOWNSHIP 41 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING SOUTH OF LINCOLN AVENUE, (EXCEPT THE SOUTH 8.5 FEET THEREOF); ALSO, OWNER'S

SUBDIVISION OF LOTS 36 TO 39 OF COUNTY CLERK'S DIVISION OF SECTION 20 AND THE EAST HALF OF THE NORTH EAST QUARTER OF SECTION 19, TOWNSHIP 41 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID SOUTHERLY LINE OF LINCOLN AVENUE IN SAID OWNER'S SUBDIVISION HAVING A BEARING OF NORTH 69 DEGREES 17 MINUTES 16 SECONDS WEST, FOR PURPOSES OF THIS LEGAL DESCRIPTION, TO THE INTERSECTION OF THE WEST LINE OF LOT 5 IN SAID OWNERS SUBDIVISION WITH THE SAID SOUTH LINE OF LINCOLN AVENUE; THENCE SOUTH 3 DEGREES 20 MINUTES 59 SECONDS WEST, TO A POINT BEING 245.84 FEET SOUTH OF THE CENTER LINE OF LINCOLN AVENUE; THENCE SOUTH 17 DEGREES 04 MINUTES 08 SECONDS WEST, 177.71 FEET; THENCE SOUTH 0 DEGREES WEST, 78.20 FEET; THENCE SOUTH 88 DEGREES 50 MINUTES 53 SECONDS WEST, 105.41 FEET; THENCE SOUTH 01 DEGREES 08 MINUTES 13 SECONDS EAST, 122.07 FEET; THENCE SOUTH 88 DEGREES 52 MINUTES 56 SECONDS WEST, 59.90 FEET; THENCE SOUTH 01 DEGREES 11 MINUTES 10 SECONDS EAST, 519.36 FEET TO THE SOUTH LINE OF THE NORTH HALF OF THE SOUTH HALF OF THE NORTH HALF OF THE NORTH HALF OF THE SOUTH WEST QUARTER OF SAID SECTION 20, SAID LINE BEING THE SOUTH LINE OF LOT "A" IN BAXTER LAB CONSOLIDATION OF PART OF THE WEST HALF OF THE NORTH WEST QUARTER AND OF PART OF THE NORTH WEST QUARTER OF THE SOUTH WEST QUARTER OF SECTION 20, TOWNSHIP 41 NORTH RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN; THENCE WEST ALONG SAID LINE TO THE EASTERLY RIGHT OF WAY LINE OF THE CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD; THENCE NORTHWESTERLY ALONG THE EASTERLY RIGHT OF WAY LINE TO THE SOUTH RIGHT OF WAY LINE OF MAIN STREET (WALNUT STREET) EXTENDED EAST, SAID LINE BEING THE SOUTH LINE OF THE NORTH 33 FEET OF LOT 34 IN AFORESAID COUNTY CLERK'S DIVISION AND THE SOUTH LINE OF MAIN STREET (WALNUT STREET) IN BLOCK 4 IN MORTON GROVE IN SECTIONS 19 AND 20, TOWNSHIP 41 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN; THENCE WEST TO THE WEST LINE OF BLOCKS 3, 2 AND 1 AND EXTENSIONS THEREOF OF SAID MORTON GROVE; THENCE NORTH ALONG SAID WEST LINE OF SAID BLOCKS AND EXTENSIONS TO THE NORTH LINE OF THE SOUTH 120 FEET OF LOTS 6, 7, 8, 9, 10 AND 11 IN BLOCK 1 IN SAID MORTON GROVE, THENCE EAST ALONG THE SAID NORTH LINE OF THE SOUTH 120 FEET TO THE WEST LINE OF LOT 12 IN SAID MORTON GROVE; THENCE NORTH ALONG THE WEST LINE OF SAID LOT 12 TO THE NORTH LINE OF LOT 12; THENCE EAST ALONG THE NORTH LINE OF LOT 12 TO THE WESTERLY RIGHT OF WAY OF LEHIGH AVENUE, IN THE SUBDIVISION OF LOTS 1 AND 2 IN BLOCK 1 IN SAID MORTON GROVE; THENCE NORTHWESTERLY ALONG THE WESTERLY RIGHT OF WAY LINE OF LEHIGH AVENUE, TO THE SOUTHERLY RIGHT OF WAY LINE OF LINCOLN AVENUE IN SAID SUBDIVISION; THENCE NORTHWESTERLY ALONG THE SOUTHERLY LINE OF LINCOLN AVENUE IN SAID SUBDIVISION AND SOUTHERLY LINE OF LINCOLN AVENUE IN AFORESAID BLOCK 1 IN MORTON GROVE, TO THE EAST LINE OF LINCOLN AVENUE, AS MONUMENTED AND OCCUPIED, IN LOT 45 IN AFORESAID COUNTY CLERK'S DIVISION, EXTENDED SOUTH; THENCE NORTH ALONG THE SAID EAST LINE OF LINCOLN AVENUE AND EXTENSIONS TO THE INTERSECTION WITH THE WEST RIGHT OF WAY LINE OF THE CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD; THENCE NORTHERLY ALONG THE SAID WEST RIGHT OF WAY LINE TO THE PLACE OF BEGINNING, (EXCEPTING THEREFROM ALL OF THE SUBDIVISION OF PART OF LOT 45 AND PART OF LOT 40 OF COUNTY CLERK'S DIVISION IN SECTIONS 19 AND 20, TOWNSHIP 41 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN), ALL IN COOK COUNTY, ILLINOIS.

(735 ILCS 5/7-103.107 new)

Sec. 7-103.107. Quick-take; Village of Clarendon Hills. Quick-take proceedings under Section 7-103 may be used for a period of one year after the effective date of this amendatory Act of the 93rd General Assembly by the Village of Clarendon Hills for the acquisition of the following described property for a law enforcement facility and related improvements:

ALL OF LOT 8 AND LOT 9 (EXCEPT THE WESTERLY 120 FEET THEREOF) IN BLOCK 11 IN CLARENDON HILLS, BEING A RESUBDIVISION IN THE EAST 1/2 OF SECTION 10 AND IN THE WEST 1/2 OF SECTION 11, TOWNSHIP 38 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT OF SAID RESUBDIVISION RECORDED NOVEMBER 4, 1873 AS DOCUMENT 17060, IN DUPAGE COUNTY, ILLINOIS.

P.I.N.'S: 09-10-400-002 AND 006.

Common Address: 448 Park Avenue, Clarendon Hills, Illinois 60514.

(735 ILCS 5/7-103.108 new)

Sec. 7-103.108. Quick-take; Governors' Parkway Project. Quick-take proceedings under Section 7-103 may be used for a period of 24 months after the effective date of this amendatory Act of the 93rd General Assembly by Madison County for the acquisition of property necessary for the construction of Governors' Parkway between Illinois Route 159 and Illinois 143.

(735 ILCS 5/7-103.109 new)

Sec. 7-103.109. Quick-take; Forest Park. Quick-take proceedings under Section 7-103 may be used for a period of 24 months after the effective date of this amendatory Act of the 93rd General Assembly by the Village of Forest Park for acquisition of property for public building construction purposes:

THE WEST 85.00 FEET OF LOTS 34 THRU 48, INCLUSIVE, IN BLOCK 12; THE EAST HALF OF VACATED HANNAH AVENUE LYING WEST OF AND ADJOINING SAID LOTS 34 THRU 48, INCLUSIVE; THE SOUTH 28.00 FEET OF THE EAST HALF OF VACATED HANNAH AVENUE LYING WEST OF AND ADJOINING A LINE DRAWN FROM THE NORTHWEST CORNER OF LOT 48, IN BLOCK 12 TO THE SOUTHWEST CORNER OF LOT 25 IN BLOCK 5; ALSO THE SOUTH 28.00 FEET OF VACATED 14TH STREET LYING NORTH OF AND ADJOINING THE WEST 85.00 FEET OF SAID LOT 48 IN BLOCK 12 IN BRADISH & amp; MIZNER'S ADDITION TO RIVERSIDE, BEING A SUBDIVISION OF THE EAST HALF OF THE NORTHEAST QUARTER OF SECTION 24, TOWNSHIP 39 NORTH, RANGE 12 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

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

AMENDMENT NO. 2. Amend Senate Bill 640, AS AMENDED, with reference to page and line numbers of House Amendment No. 1, on page 1, line 6, by replacing "and 7-103.109" with "7-103.109 and 7-103.110"; and

on page 10, after line 10, by inserting the following:

"(735 ILCS 5/7-103.110 new)

Sec. 7-103.110. Quick-take; Urbana-Champaign Sanitary District. Quick-take proceedings under Section 7-103 may be used for a period of 24 months after the effective date of this amendatory Act of the 93rd General Assembly by the Urbana-Champaign Sanitary District for the acquisition of permanent and temporary easements for the purpose of implementing phase 2 of the Curtis Road - Windsor Road sanitary interceptor sewer project and constructing and operating the proposed sewers.".

There being no further amendments, the foregoing Amendments numbered 1 and 2 were adopted and the bill, as amended, was held on the order of Second Reading.

CONCURRENCES AND NON-CONCURRENCES IN SENATE AMENDMENTS TO HOUSE BILLS

Senate Amendment No. 1 to HOUSE BILL 685, having been printed, was taken up for consideration.

Representative Ryg moved that the House concur with the Senate in the adoption of Senate Amendment No. 1.

And on that motion, a vote was taken resulting as follows:

116, Yeas; 0, Nays; 0, Answering Present.

(ROLL CALL 45)

The motion prevailed and the House concurred with the Senate in the adoption of Senate Amendment No. 1 to HOUSE BILL 685.

Ordered that the Clerk inform the Senate.

Senate Amendments numbered 1, 2, 5 and 6 to HOUSE BILL 3661, having been printed, were taken up for consideration.

Representative Mautino moved that the House concur with the Senate in the adoption of Senate Amendments numbered 1, 2, 5 and 6.

And on that motion, a vote was taken resulting as follows:
116, Yeas; 0, Nays; 0, Answering Present.
(ROLL CALL 46)
The motion prevailed and the House concurred with the Senate in the adoption of Senate Amendments numbered 1, 2, 5 and 6 to HOUSE BILL 3661.
Ordered that the Clerk inform the Senate.

Senate Amendment No. 1 to HOUSE BILL 2843, having been printed, was taken up for consideration.
Representative Brady moved that the House concur with the Senate in the adoption of Senate Amendment No. 1.
And on that motion, a vote was taken resulting as follows:
116, Yeas; 0, Nays; 0, Answering Present.
(ROLL CALL 47)
The motion prevailed and the House concurred with the Senate in the adoption of Senate Amendment No. 1 to HOUSE BILL 2843.
Ordered that the Clerk inform the Senate.

Senate Amendment No. 1 to HOUSE BILL 625, having been printed, was taken up for consideration.
Representative Slone moved that the House concur with the Senate in the adoption of Senate Amendment No. 1.
And on that motion, a vote was taken resulting as follows:
61, Yeas; 52, Nays; 3, Answering Present.
(ROLL CALL 48)
The motion prevailed and the House concurred with the Senate in the adoption of Senate Amendment No. 1 to HOUSE BILL 625.
Ordered that the Clerk inform the Senate.

SENATE BILLS ON SECOND READING

SENATE BILL 1332. Having been printed, was taken up and read by title a second time.

Floor Amendment No. 1 remained in the Committee on Rules.

Representative Holbrook offered the following amendment and moved its adoption:

AMENDMENT NO. __2__. Amend Senate Bill 1332 by replacing the title with the following:
"AN ACT concerning health facilities."; and
by replacing everything after the enacting clause with the following:
"Section 5. The Illinois Health Facilities Planning Act is amended by changing Sections 3, 4, 5.3, 6, 10, 12, 12.2, 13, and 19.6 and by adding Section 12.3 as follows:
(20 ILCS 3960/3) (from Ch. 111 1/2, par. 1153)
(Section scheduled to be repealed on July 1, 2003)
Sec. 3. Definitions. As used in this Act:
"Health care facilities" means and includes the following facilities and organizations:
1. An ambulatory surgical treatment center required to be licensed pursuant to the Ambulatory Surgical Treatment Center Act;
2. An institution, place, building, or agency required to be licensed pursuant to the Hospital Licensing Act;
3. Skilled and intermediate long term care facilities licensed under the Nursing Home Care Act;
3. Skilled and intermediate long term care facilities licensed under the Nursing Home Care Act;
4. Hospitals, nursing homes, ambulatory surgical treatment centers, or kidney disease

treatment centers maintained by the State or any department or agency thereof;

5. Kidney disease treatment centers, including a free-standing hemodialysis unit; and

6. An institution, place, building, or room used for the performance of outpatient surgical procedures that is leased, owned, or operated by or on behalf of an out-of-state facility.

No federally owned facility shall be subject to the provisions of this Act, nor facilities used solely for healing by prayer or spiritual means.

No facility licensed under the Supportive Residences Licensing Act or the Assisted Living and Shared Housing Act shall be subject to the provisions of this Act.

A facility designated as a supportive living facility that is in good standing with the demonstration project established under Section 5-5.01a of the Illinois Public Aid Code shall not be subject to the provisions of this Act.

This Act does not apply to facilities granted waivers under Section 3-102.2 of the Nursing Home Care Act. However, if a demonstration project under that Act applies for a certificate of need to convert to a nursing facility, it shall meet the licensure and certificate of need requirements in effect as of the date of application.

This Act shall not apply to the closure of an entity or a portion of an entity licensed under the Nursing Home Care Act that elects to convert, in whole or in part, to an assisted living or shared housing establishment licensed under the Assisted Living and Shared Housing ~~Establishment~~ Act.

With the exception of those health care facilities specifically included in this Section, nothing in this Act shall be intended to include facilities operated as a part of the practice of a physician or other licensed health care professional, whether practicing in his individual capacity or within the legal structure of any partnership, medical or professional corporation, or unincorporated medical or professional group. Further, this Act shall not apply to physicians or other licensed health care professional's practices where such practices are carried out in a portion of a health care facility under contract with such health care facility by a physician or by other licensed health care professionals, whether practicing in his individual capacity or within the legal structure of any partnership, medical or professional corporation, or unincorporated medical or professional groups. This Act shall apply to construction or modification and to establishment by such health care facility of such contracted portion which is subject to facility licensing requirements, irrespective of the party responsible for such action or attendant financial obligation.

"Person" means any one or more natural persons, legal entities, governmental bodies other than federal, or any combination thereof.

"Consumer" means any person other than a person (a) whose major occupation currently involves or whose official capacity within the last 12 months has involved the providing, administering or financing of any type of health care facility, (b) who is engaged in health research or the teaching of health, (c) who has a material financial interest in any activity which involves the providing, administering or financing of any type of health care facility, or (d) who is or ever has been a member of the immediate family of the person defined by (a), (b), or (c).

"State Board" means the Health Facilities Planning Board.

"Construction or modification" means the establishment, erection, building, alteration, reconstruction, modernization, improvement, extension, discontinuation, change of ownership, of or by a health care facility, or the purchase or acquisition by or through a health care facility of equipment or service for diagnostic or therapeutic purposes or for facility administration or operation, or any capital expenditure made by or on behalf of a health care facility which exceeds the capital expenditure minimum; however, any capital expenditure made by or on behalf of a health care facility for the construction or modification of a facility licensed under the Assisted Living and Shared Housing Act shall be excluded from any obligations under this Act.

"Establish" means the construction of a health care facility or the replacement of an existing facility on another site.

"Major medical equipment" means medical equipment which is used for the provision of medical and other health services and which costs in excess of the capital expenditure minimum, except that such term does not include medical equipment acquired by or on behalf of a clinical laboratory to provide clinical laboratory services if the clinical laboratory is independent of a physician's office and a hospital and it has been determined under Title XVIII of the Social Security Act to meet the requirements of paragraphs (10) and (11) of Section 1861(s) of such Act. In determining whether medical equipment has a value in excess of the capital expenditure minimum, the value of studies, surveys, designs, plans, working drawings, specifications, and other activities essential to the acquisition of such equipment shall be included.

"Capital Expenditure" means an expenditure: (A) made by or on behalf of a health care facility (as such a

facility is defined in this Act); and (B) which under generally accepted accounting principles is not properly chargeable as an expense of operation and maintenance, or is made to obtain by lease or comparable arrangement any facility or part thereof or any equipment for a facility or part; and which exceeds the capital expenditure minimum.

For the purpose of this paragraph, the cost of any studies, surveys, designs, plans, working drawings, specifications, and other activities essential to the acquisition, improvement, expansion, or replacement of any plant or equipment with respect to which an expenditure is made shall be included in determining if such expenditure exceeds the capital expenditures minimum. Donations of equipment or facilities to a health care facility which if acquired directly by such facility would be subject to review under this Act shall be considered capital expenditures, and a transfer of equipment or facilities for less than fair market value shall be considered a capital expenditure for purposes of this Act if a transfer of the equipment or facilities at fair market value would be subject to review.

"Capital expenditure minimum" means $6,000,000, which shall be annually adjusted to reflect the increase in construction costs due to inflation, for major medical equipment and for all other capital expenditures; provided, however, that when a capital expenditure is for the construction or modification of a health and fitness center, "capital expenditure minimum" means the capital expenditure minimum for all other capital expenditures in effect on March 1, 2000, which shall be annually adjusted to reflect the increase in construction costs due to inflation.

"Non-clinical service area" means an area (i) for the benefit of the patients, visitors, staff, or employees of a health care facility and (ii) not directly related to the diagnosis, treatment, or rehabilitation of persons receiving services from the health care facility. "Non-clinical service areas" include, but are not limited to, chapels; gift shops; news stands; computer systems; tunnels, walkways, and elevators; telephone systems; projects to comply with life safety codes; educational facilities; student housing; patient, employee, staff, and visitor dining areas; administration and volunteer offices; modernization of structural components (such as roof replacement and masonry work); boiler repair or replacement; vehicle maintenance and storage facilities; parking facilities; mechanical systems for heating, ventilation, and air conditioning; loading docks; and repair or replacement of carpeting, tile, wall coverings, window coverings or treatments, or furniture. Solely for the purpose of this definition, "non-clinical service area" does not include health and fitness centers.

"Areawide" means a major area of the State delineated on a geographic, demographic, and functional basis for health planning and for health service and having within it one or more local areas for health planning and health service. The term "region", as contrasted with the term "subregion", and the word "area" may be used synonymously with the term "areawide".

"Local" means a subarea of a delineated major area that on a geographic, demographic, and functional basis may be considered to be part of such major area. The term "subregion" may be used synonymously with the term "local".

"Areawide health planning organization" or "Comprehensive health planning organization" means the health systems agency designated by the Secretary, Department of Health and Human Services or any successor agency.

"Local health planning organization" means those local health planning organizations that are designated as such by the areawide health planning organization of the appropriate area.

"Physician" means a person licensed to practice in accordance with the Medical Practice Act of 1987, as amended.

"Licensed health care professional" means a person licensed to practice a health profession under pertinent licensing statutes of the State of Illinois.

"Director" means the Director of the Illinois Department of Public Health.

"Agency" means the Illinois Department of Public Health.

"Comprehensive health planning" means health planning concerned with the total population and all health and associated problems that affect the well-being of people and that encompasses health services, health manpower, and health facilities; and the coordination among these and with those social, economic, and environmental factors that affect health.

"Alternative health care model" means a facility or program authorized under the Alternative Health Care Delivery Act.

"Out-of-state facility" means a person that is both (i) licensed as a hospital or as an ambulatory surgery center under the laws of another state or that qualifies as a hospital or an ambulatory surgery center under regulations adopted pursuant to the Social Security Act and (ii) not licensed under the Ambulatory Surgical Treatment Center Act, the Hospital Licensing Act, or the Nursing Home Care Act. Affiliates of out-of-state

facilities shall be considered out-of-state facilities. Affiliates of Illinois licensed health care facilities 100% owned by an Illinois licensed health care facility, its parent, or Illinois physicians licensed to practice medicine in all its branches shall not be considered out-of-state facilities. Nothing in this definition shall be construed to include an office or any part of an office of a physician licensed to practice medicine in all its branches in Illinois that is not required to be licensed under the Ambulatory Surgical Treatment Center Act.

"Change of ownership of a health care facility" means a change in the person who has ownership or control of a health care facility's physical plant and capital assets. A change in ownership is indicated by the following transactions: sale, transfer, acquisition, lease, change of sponsorship, or other means of transferring control.

"Related person" means any person that: (i) is at least 50% owned, directly or indirectly, by either the health care facility or a person owning, directly or indirectly, at least 50% of the health care facility; or (ii) owns, directly or indirectly, at least 50% of the health care facility.

(Source: P.A. 90-14, eff. 7-1-97; 91-656, eff. 1-1-01; 91-782, eff. 6-9-00; revised 11-6-02.)

(20 ILCS 3960/4) (from Ch. 111 1/2, par. 1154)

(Section scheduled to be repealed on July 1, 2003)

Sec. 4. Health Facilities Planning Board; membership; appointment; term; compensation; quorum. There is created the Health Facilities Planning Board, which shall perform the ~~such~~ functions ~~as hereinafter~~ described in this Act.

Notwithstanding any provision of this Section to the contrary, the term of office of each member of the State Board is abolished on the effective date of this amendatory Act of the 93rd General Assembly, but all incumbent members shall continue to exercise all of the powers and be subject to all of the duties of members of the State Board until all new members of the 9-member State Board authorized under this amendatory Act of the 93rd General Assembly are appointed and take office. Beginning on the effective date of this amendatory Act of the 93rd General Assembly, the State Board shall consist of 9 voting members. The terms of the 9 members appointed to the State Board under this amendatory Act of the 93rd General Assembly shall commence on the effective date of this amendatory Act of the 93rd General Assembly and run as follows: (i) 3 members shall serve for a term ending July 1, 2004; (ii) 3 members shall serve for a term ending July 1, 2005; and (iii) 3 members shall serve for a term ending July 1, 2006. ~~The State Board shall consist of 15 voting members, including: 8 consumer members; one member representing the commercial health insurance industry in Illinois; one member representing hospitals in Illinois; one member who is actively engaged in the field of hospital management; one member who is a professional nurse registered in Illinois; one member who is a physician in active private practice licensed in Illinois to practice medicine in all of its branches; one member who is actively engaged in the field of skilled nursing or intermediate care facility management; and one member who is actively engaged in the administration of an ambulatory surgical treatment center licensed under the Ambulatory Surgical Treatment Center Act.~~

The State Board shall be appointed by the Governor, with the advice and consent of the Senate. ~~In making the appointments, the Governor shall give consideration to recommendations made by (1) the professional organizations concerned with hospital management for the hospital management appointment, (2) professional organizations concerned with long term care facility management for the long term care facility management appointment, (3) professional medical organizations for the physician appointment, (4) professional nursing organizations for the nurse appointment, and (5) professional organizations concerned with ambulatory surgical treatment centers for the ambulatory surgical treatment center appointment, and shall appoint as consumer members individuals familiar with community health needs but whose interest in the operation, construction or utilization of health care facilities are derived from factors other than those related to his profession, business, or economic gain, and who represent, so far as possible, different geographic areas of the State.~~ Not more than 5 ~~8~~ of the appointments shall be of the same political party. No person shall be appointed as a State Board member if that person has served, after the effective date of this amendatory Act of the 93rd General Assembly, 2 consecutive 3-year terms as a State Board member, except for ex officio non-voting members.

The Secretary of Human Services, the Director of Public Aid, and the Director of Public Health, or their designated representatives, shall serve as ex-officio, non-voting members of the State Board.

Of those appointed by the Governor as voting members, each member shall hold office for a term of 3 years: provided, that any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term and the term of office of each successor shall commence on July 1 of the year in which his predecessor's term expires. ~~In making original appointments to the State Board, the Governor shall appoint 5 members for a term of one year, 5 for a term of 2 years, and 3 for a term of 3 years, and each of these terms of office shall commence~~

~~on July 1, 1974. The initial term of office for the members appointed under this amendatory Act of 1996 shall begin on July 1, 1996 and shall last for 2 years, and each subsequent appointment shall be for a term of 3 years.~~ Each member shall hold office until his successor is appointed and qualified.

State Board members, while serving on business of the State Board, shall receive actual and necessary travel and subsistence expenses while so serving away from their places of residence. In addition, while serving on business of the State Board, each member shall receive compensation of $150 per day, except that such compensation shall not exceed $7,500 in any one year for any member.

The State Board shall provide for its own organization and procedures, including the selection of a Chairman and such other officers as deemed necessary. The Director, with concurrence of the State Board, shall name as full-time Executive Secretary of the State Board, a person qualified in health care facility planning and in administration. The Agency shall provide administrative and staff support for the State Board. The State Board shall advise the Director of its budgetary and staff needs and consult with the Director on annual budget preparation.

The State Board shall meet at least once each quarter, or as often as the Chairman of the State Board deems necessary, or upon the request of a majority of the members.

A majority of the voting ~~Eight~~ members of the State Board who currently hold office shall constitute a quorum. The affirmative vote of a majority ~~5~~ of the voting members of the State Board who currently hold office shall be necessary for any action requiring a vote to be taken by the State Board. A vacancy in the membership of the State Board shall not impair the right of a quorum to exercise all the rights and perform all the duties of the State Board as provided by this Act.

A State Board member shall disqualify himself or herself from the consideration of any application for a permit or exemption in which the State Board member or the State Board member's spouse, parent, or child: (i) has an economic interest in the matter; or (ii) is employed by, serves as a consultant for, or is a member of the governing board of the applicant or a party opposing the application.

(Source: P.A. 90-14, eff. 7-1-97; 91-782, eff. 6-9-00.)

(20 ILCS 3960/5.3)

(Section scheduled to be repealed on July 1, 2003)

Sec. 5.3. Annual report of capital expenditures. In addition to the State Board's authority to require reports, the State Board shall require each health care facility to submit an annual report of all capital expenditures in excess of $200,000 (which shall be annually adjusted to reflect the increase in construction costs due to inflation) made by the health care facility during the most recent year. This annual report shall consist of a brief description of the capital expenditure, the amount and method of financing the capital expenditure, the certificate of need project number if the project was reviewed, and the total amount of capital expenditures obligated for the year. Data collected from health care facilities pursuant to this Section shall not duplicate or overlap other data collected by the Department and must be collected as part of the Department's Annual Questionnaires or supplements for health care facilities that report these data.

(Source: P.A. 91-782, eff. 6-9-00.)

(20 ILCS 3960/6) (from Ch. 111 1/2, par. 1156)

(Section scheduled to be repealed on July 1, 2003)

Sec. 6. Application for permit or exemption; exemption regulations.

(a) An application for a permit or exemption shall be made to the State Board upon forms provided by the State Board. This application shall contain such information as the State Board deems necessary. Such application shall include affirmative evidence on which the Director may make the findings required under this Section and upon which the State Board may make its decision on the approval or denial of the permit or exemption.

(b) The State Board shall establish by regulation the procedures and requirements regarding issuance of exemptions. An exemption shall be approved when information required by the Board by rule is submitted. Projects eligible for an exemption, rather than a permit, include, but are not limited to, change of ownership of a health care facility. For a change of ownership of a health care facility between related persons, the State Board shall provide by rule for an expedited process for obtaining an exemption.

(c) All applications shall be signed by the applicant and shall be verified by any 2 officers thereof.

(d) Upon receipt of an application for a permit, the State Board shall approve and authorize the issuance of a permit if it finds (1) that the applicant is fit, willing, and able to provide a proper standard of health care service for the community with particular regard to the qualification, background and character of the applicant, (2) that economic feasibility is demonstrated in terms of effect on the existing and projected operating budget of the applicant and of the health care facility; in terms of the applicant's ability to establish and operate such facility in accordance with licensure regulations promulgated under pertinent

state laws; and in terms of the projected impact on the total health care expenditures in the facility and community, (3) that safeguards are provided which assure that the establishment, construction or modification of the health care facility or acquisition of major medical equipment is consistent with the public interest, and (4) that the proposed project is consistent with the orderly and economic development of such facilities and equipment and is in accord with standards, criteria, or plans of need adopted and approved pursuant to the provisions of Section 12 of this Act.
(Source: P.A. 88-18.)

(20 ILCS 3960/10) (from Ch. 111 1/2, par. 1160)

(Section scheduled to be repealed on July 1, 2003)

Sec. 10. Presenting information relevant to the approval of a permit or certificate or in opposition to the denial of the application; notice of outcome and review proceedings. When a motion by the State Board, to approve an application for a permit or a certificate of recognition, fails to pass, or when a motion to deny an application for a permit or a certificate of recognition is passed, the applicant or the holder of the permit, as the case may be, and such other parties as the State Board permits, will be given an opportunity to appear before the State Board and present such information as may be relevant to the approval of a permit or certificate or in opposition to the denial of the application.

Subsequent to an appearance by the applicant before the State Board or default of such opportunity to appear, a motion by the State Board to approve an application for a permit or a certificate of recognition which fails to pass or a motion to deny an application for a permit or a certificate of recognition which passes shall be considered denial of the application for a permit or certificate of recognition, as the case may be. Such action of denial or an action by the State Board to revoke a permit or a certificate of recognition shall be communicated to the applicant or holder of the permit or certificate of recognition. Such person or organization shall be afforded an opportunity for a hearing before a hearing officer, who is appointed by the Director ~~State Board~~. A written notice of a request for such hearing shall be served upon the Chairman of the State Board within 30 days following notification of the decision of the State Board. The State Board shall schedule a hearing, and the Director ~~Chairman~~ shall appoint a hearing officer within 30 days thereafter. The hearing officer shall take actions necessary to ensure that the hearing is completed within a reasonable period of time, but not to exceed 90 days, except for delays or continuances agreed to by the person requesting the hearing. Following its consideration of the report of the hearing, or upon default of the party to the hearing, the State Board shall make its final determination, specifying its findings and conclusions within 45 days of receiving the written report of the hearing. A copy of such determination shall be sent by certified mail or served personally upon the party.

A full and complete record shall be kept of all proceedings, including the notice of hearing, complaint, and all other documents in the nature of pleadings, written motions filed in the proceedings, and the report and orders of the State Board or hearing officer. All testimony shall be reported but need not be transcribed unless the decision is appealed in accordance with the Administrative Review Law, as now or hereafter amended. A copy or copies of the transcript may be obtained by any interested party on payment of the cost of preparing such copy or copies.

The State Board or hearing officer shall upon its own or his motion, or on the written request of any party to the proceeding who has, in the State Board's or hearing officer's opinion, demonstrated the relevancy of such request to the outcome of the proceedings, issue subpoenas requiring the attendance and the giving of testimony by witnesses, and subpoenas duces tecum requiring the production of books, papers, records, or memoranda. The fees of witnesses for attendance and travel shall be the same as the fees of witnesses before the circuit court of this State.

When the witness is subpoenaed at the instance of the State Board, or its hearing officer, such fees shall be paid in the same manner as other expenses of the Agency, and when the witness is subpoenaed at the instance of any other party to any such proceeding the State Board may, in accordance with the rules of the Agency, require that the cost of service of the subpoena or subpoena duces tecum and the fee of the witness be borne by the party at whose instance the witness is summoned. In such case, the State Board in its discretion, may require a deposit to cover the cost of such service and witness fees. A subpoena or subpoena duces tecum so issued shall be served in the same manner as a subpoena issued out of a court.

Any circuit court of this State upon the application of the State Board or upon the application of any other party to the proceeding, may, in its discretion, compel the attendance of witnesses, the production of books, papers, records, or memoranda and the giving of testimony before it or its hearing officer conducting an investigation or holding a hearing authorized by this Act, by an attachment for contempt, or otherwise, in the same manner as production of evidence may be compelled before the court.
(Source: P.A. 88-18; 89-276, eff. 8-10-96.)

(20 ILCS 3960/12) (from Ch. 111 1/2, par. 1162)

(Section scheduled to be repealed on July 1, 2003)

Sec. 12. Powers and duties of State Board. For purposes of this Act, the State Board shall exercise the following powers and duties:

(1) Prescribe rules, regulations, standards, criteria, procedures or reviews which may vary according to the purpose for which a particular review is being conducted or the type of project reviewed and which are required to carry out the provisions and purposes of this Act.

(2) Adopt procedures for public notice and hearing on all proposed rules, regulations, standards, criteria, and plans required to carry out the provisions of this Act.

(3) Prescribe criteria for recognition for areawide health planning organizations, including, but not limited to, standards for evaluating the scientific bases for judgments on need and procedure for making these determinations.

(4) Develop criteria and standards for health care facilities planning, conduct statewide inventories of health care facilities, maintain an updated inventory on the Department's web site reflecting the most recent bed and service changes and updated need determinations when new census data become available or new need formulae are adopted, and develop health care facility plans which shall be utilized in the review of applications for permit under this Act. Such health facility plans shall be coordinated by the Agency with the health care facility plans areawide health planning organizations and with other pertinent State Plans.

In developing health care facility plans, the State Board shall consider, but shall not be limited to, the following:

(a) The size, composition and growth of the population of the area to be served;

(b) The number of existing and planned facilities offering similar programs;

(c) The extent of utilization of existing facilities;

(d) The availability of facilities which may serve as alternatives or substitutes;

(e) The availability of personnel necessary to the operation of the facility;

(f) Multi-institutional planning and the establishment of multi-institutional systems where feasible;

(g) The financial and economic feasibility of proposed construction or modification; and

(h) In the case of health care facilities established by a religious body or denomination, the needs of the members of such religious body or denomination may be considered to be public need.

The health care facility plans which are developed and adopted in accordance with this Section shall form the basis for the plan of the State to deal most effectively with statewide health needs in regard to health care facilities.

(5) Coordinate with other state agencies having responsibilities affecting health care facilities, including those of licensure and cost reporting.

(6) Solicit, accept, hold and administer on behalf of the State any grants or bequests of money, securities or property for use by the State Board or recognized areawide health planning organizations in the administration of this Act; and enter into contracts consistent with the appropriations for purposes enumerated in this Act.

(7) The State Board shall prescribe, in consultation with the recognized areawide health planning organizations, procedures for review, standards, and criteria which shall be utilized to make periodic areawide reviews and determinations of the appropriateness of any existing health services being rendered by health care facilities subject to the Act. The State Board shall consider recommendations of the areawide health planning organization and the Agency in making its determinations.

(8) Prescribe, in consultation with the recognized areawide health planning organizations, rules, regulations, standards, and criteria for the conduct of an expeditious review of applications for permits for projects of construction or modification of a health care facility, which projects are non-substantive in nature. Such rules shall not abridge the right of areawide health planning organizations to make recommendations on the classification and approval of projects, nor shall such rules prevent the conduct of a public hearing upon the timely request of an interested party. Such reviews shall not exceed 60 days from the date the application is declared to be complete by the Agency.

(9) Prescribe rules, regulations, standards, and criteria pertaining to the granting of permits for construction and modifications which are emergent in nature and must be undertaken immediately to prevent or correct structural deficiencies or hazardous conditions that may harm or injure persons using the facility, as defined in the rules and regulations of the State Board. This procedure is exempt from public

hearing requirements of this Act.

(10) Prescribe rules, regulations, standards and criteria for the conduct of an expeditious review, not exceeding 60 days, of applications for permits for projects to construct or modify health care facilities which are needed for the care and treatment of persons who have acquired immunodeficiency syndrome (AIDS) or related conditions.

(Source: P.A. 88-18; 89-276, eff. 8-10-95.)

(20 ILCS 3960/12.2)

(Section scheduled to be repealed on July 1, 2003)

Sec. 12.2. Powers of the Agency. For purposes of this Act, the Agency shall exercise the following powers and duties:

(1) Review applications for permits and exemptions in accordance with the standards, criteria, and plans of need established by the State Board under this Act and certify its finding to the State Board.

(1.5) Post the following on the Department's web site: relevant (i) rules, (ii) standards, (iii) criteria, (iv) State norms, (v) references used by Agency staff in making determinations about whether application criteria are met, and (vi) notices of project-related filings, including notice of public comments related to the application.

(2) Charge and collect an amount determined by the State Board to be reasonable fees for the processing of applications by the State Board, the Agency, and the appropriate recognized areawide health planning organization. The State Board shall set the amounts by rule. All fees and fines collected under the provisions of this Act shall be deposited into the Illinois Health Facilities Planning Fund to be used for the expenses of administering this Act.

(3) Coordinate with other State agencies having responsibilities affecting health care facilities, including those of licensure and cost reporting.

(Source: P.A. 89-276, eff. 8-10-95; 90-14, eff. 7-1-97.)

(20 ILCS 3960/12.3 new)

(Section scheduled to be repealed on July 1, 2003)

Sec. 12.3. Revision of criteria, standards, and rules. Before December 31, 2004, the State Board shall review, revise, and promulgate the criteria, standards, and rules used to evaluate applications for permit. To the extent practicable, the criteria, standards, and rules shall be based on objective criteria. In particular, the review of the criteria, standards, and rules shall consider:

(1) Whether the criteria and standards reflect current industry standards and anticipated trends.

(2) Whether the criteria and standards can be reduced or eliminated.

(3) Whether criteria and standards can be developed to authorize the construction of unfinished space for future use when the ultimate need for such space can be reasonably projected.

(4) Whether the criteria and standards take into account issues related to population growth and changing demographics in a community.

(5) Whether facility-defined service and planning areas should be recognized.

(20 ILCS 3960/13) (from Ch. 111 1/2, par. 1163)

(Section scheduled to be repealed on July 1, 2003)

Sec. 13. Investigation of applications for permits and certificates of recognition. The Agency or the State Board shall make or cause to be made such investigations as it or the State Board deems necessary in connection with an application for a permit or an application for a certificate of recognition, or in connection with a determination of whether or not construction or modification which has been commenced is in accord with the permit issued by the State Board or whether construction or modification has been commenced without a permit having been obtained. The State Board may issue subpoenas duces tecum requiring the production of records and may administer oaths to such witnesses.

Any circuit court of this State, upon the application of the State Board or upon the application of any party to such proceedings, may, in its discretion, compel the attendance of witnesses, the production of books, papers, records, or memoranda and the giving of testimony before the State Board, by a proceeding as for contempt, or otherwise, in the same manner as production of evidence may be compelled before the court.

The State Board shall require all health facilities operating in this State to provide such reasonable reports at such times and containing such information as is needed by it to carry out the purposes and provisions of this Act. Prior to collecting information from health facilities, the State Board shall make reasonable efforts through a public process to consult with health facilities and associations that represent them to determine whether data and information requests will result in useful information for health planning, whether sufficient information is available from other sources, and whether data requested is

routinely collected by health facilities and is available without retrospective record review. Data and information requests shall not impose undue paperwork burdens on health care facilities and personnel. Health facilities not complying with this requirement shall be reported to licensing, accrediting, certifying, or payment agencies as being in violation of State law. Health care facilities and other parties at interest shall have reasonable access, under rules established by the State Board, to all planning information submitted in accord with this Act pertaining to their area.

(Source: P.A. 89-276, eff. 8-10-95.)

(20 ILCS 3960/19.6)

(Section scheduled to be repealed on July 1, 2003).

Sec. 19.6. Repeal. This Act is repealed on July 1, 2008 ~~2003~~.

(Source: P.A. 91-782, eff. 6-9-00.)

Section 10. The Hospital Licensing Act is amended by changing Sections 8, 8.5, and 9.3 and adding Sections 9.4 and 9.5 as follows:

(210 ILCS 85/8) (from Ch. 111 1/2, par. 149)

Sec. 8. Facility plan review; fees.

(a) Before commencing construction of new facilities or specified types of alteration or additions to an existing hospital involving major construction, as defined by rule by the Department, with an estimated cost greater than $100,000, architectural plans and specifications therefor shall be submitted by the licensee to the Department for review and approval. A hospital may submit architectural drawings and specifications for other construction projects for Department review according to subsection (b) that shall not be subject to fees under subsection (d). The Department must give a hospital that is planning to submit a construction project for review the opportunity to discuss its plans and specifications with the Department before the hospital formally submits the plans and specifications for Department review. Review of drawings and specifications shall be conducted by an employee of the Department meeting the qualifications established by the Department of Central Management Services class specifications for such an individual's position or by a person contracting with the Department who meets those class specifications. Final approval of the plans and specifications for compliance with design and construction standards shall be obtained from the Department before the alteration, addition, or new construction is begun.

(b) The Department shall inform an applicant in writing within 10 working days after receiving drawings and specifications and the required fee, if any, from the applicant whether the applicant's submission is complete or incomplete. Failure to provide the applicant with this notice within 10 working days shall result in the submission being deemed complete for purposes of initiating the 60-day review period under this Section. If the submission is incomplete, the Department shall inform the applicant of the deficiencies with the submission in writing. If the submission is complete and the required fee, if any, has been paid, the Department shall approve or disapprove drawings and specifications submitted to the Department no later than 60 days following receipt by the Department. The drawings and specifications shall be of sufficient detail, as provided by Department rule, to enable the Department to render a determination of compliance with design and construction standards under this Act. If the Department finds that the drawings are not of sufficient detail for it to render a determination of compliance, the plans shall be determined to be incomplete and shall not be considered for purposes of initiating the 60 day review period. If a submission of drawings and specifications is incomplete, the applicant may submit additional information. The 60-day review period shall not commence until the Department determines that a submission of drawings and specifications is complete or the submission is deemed complete. If the Department has not approved or disapproved the drawings and specifications within 60 days, the construction, major alteration, or addition shall be deemed approved. If the drawings and specifications are disapproved, the Department shall state in writing, with specificity, the reasons for the disapproval. The entity submitting the drawings and specifications may submit additional information in response to the written comments from the Department or request a reconsideration of the disapproval. A final decision of approval or disapproval shall be made within 45 days of the receipt of the additional information or reconsideration request. If denied, the Department shall state the specific reasons for the denial and the applicant may elect to seek dispute resolution pursuant to Section 25 of the Illinois Building Commission Act, which the Department must participate in.

(c) The Department shall provide written approval for occupancy pursuant to subsection (g) and shall not issue a violation to a facility as a result of a licensure or complaint survey based upon the facility's physical structure if:

(1) the Department reviewed and approved or deemed approved the drawing and specifications for compliance with design and construction standards;

(2) the construction, major alteration, or addition was built as submitted;

(3) the law or rules have not been amended since the original approval; and

(4) the conditions at the facility indicate that there is a reasonable degree of safety provided for the patients.

(c-5) The Department shall not issue a violation to a facility if the inspected aspects of the facility were previously found to be in compliance with applicable standards, the relevant law or rules have not been amended, conditions at the facility reasonably protect the safety of its patients, and alterations or new hazards have not been identified.

(d) The Department shall charge the following fees in connection with its reviews conducted before June 30, 2004 under this Section:

(1) (Blank).

(2) (Blank).

(3) If the estimated dollar value of the major construction is greater than $500,000,

the fee shall be established by the Department pursuant to rules that reflect the reasonable and direct cost of the Department in conducting the architectural reviews required under this Section. The estimated dollar value of the major construction subject to review under this Section shall be annually readjusted to reflect the increase in construction costs due to inflation.

The fees provided in this subsection (d) shall not apply to major construction projects involving facility changes that are required by Department rule amendments or to projects related to homeland security.

The fees provided in this subsection (d) shall also not apply to major construction projects if 51% or more of the estimated cost of the project is attributed to capital equipment. For major construction projects where 51% or more of the estimated cost of the project is attributed to capital equipment, the Department shall by rule establish a fee that is reasonably related to the cost of reviewing the project.

Disproportionate share hospitals and rural hospitals shall only pay one-half of the fees required in this subsection (d). For the purposes of this subsection (d), (i) "disproportionate share hospital" means a hospital described in items (1) through (5) of subsection (b) of Section 5-5.02 of the Illinois Public Aid Code and (ii) "rural hospital" means a hospital that is (A) located outside a metropolitan statistical area or (B) located 15 miles or less from a county that is outside a metropolitan statistical area and is licensed to perform medical/surgical or obstetrical services and has a combined total bed capacity of 75 or fewer beds in these 2 service categories as of July 14, 1993, as determined by the Department.

The Department shall not commence the facility plan review process under this Section until the applicable fee has been paid.

(e) All fees received by the Department under this Section shall be deposited into the Health Facility Plan Review Fund, a special fund created in the State treasury. All fees paid by hospitals under subsection (d) shall be used only to cover the direct and reasonable costs relating to the Department's review of hospital projects under this Section. Moneys shall be appropriated from that Fund to the Department only to pay the costs of conducting reviews under this Section. None of the moneys in the Health Facility Plan Review Fund shall be used to reduce the amount of General Revenue Fund moneys appropriated to the Department for facility plan reviews conducted pursuant to this Section.

(f) (Blank).

(g) The Department shall conduct an on-site inspection of the completed project no later than 15 business ~~30~~ days after notification from the applicant that the project has been completed and all certifications required by the Department have been received and accepted by the Department. The Department may extend this deadline only if a federally mandated survey time frame takes precedence. The Department shall provide written approval for occupancy to the applicant within 5 working days of the Department's final inspection, provided the applicant has demonstrated substantial compliance as defined by Department rule. Occupancy of new major construction is prohibited until Department approval is received, unless the Department has not acted within the time frames provided in this subsection (g), in which case the construction shall be deemed approved. Occupancy shall be authorized after any required health inspection by the Department has been conducted.

(h) The Department shall establish, by rule, a procedure to conduct interim on-site review of large or complex construction projects.

(i) The Department shall establish, by rule, an expedited process for emergency repairs or replacement of like equipment.

(j) Nothing in this Section shall be construed to apply to maintenance, upkeep, or renovation that does not affect the structural integrity of the building, does not add beds or services over the number for which the facility is licensed, and provides a reasonable degree of safety for the patients.

(Source: P.A. 91-712, eff. 7-1-00; 92-563, eff. 6-24-02; 92-803, eff. 8-16-02; revised 9-19-02.)

(210 ILCS 85/8.5)

Sec. 8.5. Waiver or alternative compliance ~~of compliance with rules or standards for construction or physical plant~~. Upon application by a hospital, the Department may grant or renew a ~~the~~ waiver or alternative compliance methodology ~~of the hospital's compliance~~ with a ~~construction or physical plant~~ rule or standard, including without limitation rules and standards for (i) design and construction, (ii) engineering and maintenance of the physical plant, site, equipment, and systems (heating, cooling, electrical, ventilation, plumbing, water, sewer, and solid waste disposal), ~~and~~ (iii) fire and safety, and (iv) other rules or standards that may present a barrier to the development, adoption, or implementation of an innovation designed to improve patient care, for a period not to exceed the duration of the current license or, in the case of an application for license renewal, the duration of the renewal period. The waiver may be conditioned upon the hospital taking action prescribed by the Department as a measure equivalent to compliance. In determining whether to grant or renew a waiver, the Department shall consider the duration and basis for any current waiver with respect to the same rule or standard and the validity and effect upon patient health and safety of extending it on the same basis, the effect upon the health and safety of patients, the quality of patient care, the hospital's history of compliance with the rules and standards of this Act, and the hospital's attempts to comply with the particular rule or standard in question. The Department may provide, by rule, for the automatic renewal of waivers concerning construction or physical plant requirements upon the renewal of a license. The Department shall renew waivers relating to construction or physical plant standards issued pursuant to this Section at the time of the indicated reviews, unless it can show why such waivers should not be extended for the following reasons:

(1) the condition of the physical plant has deteriorated or its use substantially changed so that the basis upon which the waiver was issued is materially different; or

(2) the hospital is renovated or substantially remodeled in such a way as to permit compliance with the applicable rules and standards without substantial increase in cost.

A copy of each waiver application and each waiver granted or renewed shall be on file with the Department and available for public inspection.

The Department shall advise hospitals of any applicable federal waivers about which it is aware and for which the hospital may apply.

In the event that the Department does not grant or renew a waiver of a rule or standard, the Department must notify the hospital in writing detailing the specific reasons for not granting or renewing the waiver and must discuss possible options, if any, the hospital could take to have the waiver approved.

This Section shall apply to both new and existing construction.

(Source: P.A. 92-803, eff. 8-16-02.)

(210 ILCS 85/9.3)

Sec. 9.3. Informal dispute resolution. The Department must offer an opportunity for informal dispute resolution concerning ~~the application of building codes for new and existing construction and related~~ Department rules and standards before the advisory committee under subsection (b) of Section 2310-560 of the Department of Public Health Powers and Duties Law of the Civil Administrative Code of Illinois. Participants in this process must include representatives from the Department, representatives of the hospital, and additional representatives deemed appropriate by both parties with expertise regarding the contested deficiencies and the management of health care facilities. If the Department does not resolve disputed deficiencies after the informal dispute resolution process, the Department must provide a written explanation to the hospital of why the deficiencies have not been removed from the statement of deficiencies.

(Source: P.A. 92-803, eff. 8-16-02.)

(210 ILCS 85/9.4 new)

Sec. 9.4. Findings, conclusions, and citations. The Department must consider any factual information offered by the hospital during the survey, inspection, or investigation, at daily status briefings, and in the exit briefing required under Section 9.2 before making final findings and conclusions or issuing citations. The Department must document receipt of such information. The Department must provide the hospital with written notice of its findings and conclusions within 10 days of the exit briefing required under Section 9.2. This notice must provide the following information: (i) identification of all deficiencies and areas of noncompliance with applicable law; (ii) identification of the applicable statutes, rules, codes, or standards that were violated; and (iii) the factual basis for each deficiency or violation.

(210 ILCS 85/9.5 new)

Sec. 9.5. Reviewer quality improvement. The Department must implement a reviewer performance

improvement program for hospital survey, inspection, and investigation staff. The Department must also, on a quarterly basis, assess whether its surveyors, inspectors, and investigators: (i) apply the same protocols and criteria consistently to substantially similar situations; (ii) reach similar findings and conclusions when reviewing substantially similar situations; (iii) conduct surveys, inspections, or investigations in a professional manner; and (iv) comply with the provisions of this Act. The Department must also implement continuing education programs for its surveyors, inspectors, and investigators pursuant to the findings of the performance improvement program.

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

AMENDMENT NO. 3. Amend Senate Bill 1332, AS AMENDED, with reference to page and line numbers of House Amendment No. 2, on page 8, line 33, by deleting "The terms of the 9 members"; and
on page 9, by replacing lines 1 through 7 with the following:
"~~The State Board shall consist of 15 voting members,~~"; and
on page 10, line 9, by deleting "consecutive"; and
on page 10, by replacing lines 15 through 17 with the following:

"Of those members initially appointed by the Governor under this amendatory Act of the 93rd General Assembly, 3 shall serve for terms expiring July 1, 2004, 3 shall serve for terms expiring July 1, 2005, and 3 shall serve for terms expiring July 1, 2006. Thereafter, ~~as voting members,~~ each appointed member shall hold office for a term of 3 years, ~~:~~ provided~~,~~ that any member appointed to fill a vacancy"; and
by replacing line 34 on page 10 and lines 1 through 7 on page 11 with the following:
"of residence. A member of the State Board who experiences a significant financial hardship due to the loss of income on days of attendance at meetings or while otherwise engaged in the business of the State Board may be paid a hardship allowance, as determined by and subject to the approval of the Governor's Travel Control Board. ~~In addition, while serving on business of the State Board, each member shall receive compensation of $150 per day, except that such compensation shall not exceed $7,500 in any one year for any member.~~

The Governor shall designate one of the members to serve as Chairman and ~~The State Board shall provide for its own organization and procedures, including the selection of a Chairman and such other officers as deemed necessary. The Director, with concurrence of the State Board,~~ shall name as full-time"; and
on page 11, by replacing lines 17 through 20 with the following:

"Five ~~Eight~~ members of the State Board shall constitute a quorum. The affirmative vote of 5 ~~8~~ of the members of the State Board shall be necessary for".

The motion prevailed and the amendments were adopted and ordered printed.

There being no further amendments, the foregoing Amendments numbered 2 and 3 were adopted and the bill, as amended, was advanced to the order of Third Reading.

SENATE BILL 1784. Having been printed, was taken up and read by title a second time.
The following amendment was offered in the Committee on Executive, adopted and printed:

AMENDMENT NO. 1. Amend Senate Bill 1784 by replacing the title with the following:
"AN ACT concerning financial regulation."; and
by replacing everything after the enacting clause with the following:

"Section 1. Short title. This Act may be cited as the High Risk Home Loan Act.

Section 5. Purpose and construction. The purpose of this Act is to protect borrowers who enter into high risk home loans from abuse that occurs in the credit marketplace when creditors and brokers are not sufficiently regulated in Illinois. This Act is to be construed as a borrower protection statute for all purposes. This Act shall be liberally construed to effectuate its purpose.

Section 10. Definitions. As used in this Act:

"Approved credit counselor" means a credit counselor approved by the Director of Financial Institutions.

"Borrower" means a natural person who seeks or obtains a high risk home loan.

"Commissioner" means the Commissioner of the Office of Banks and Real Estate.

"Department" means the Department of Financial Institutions.

"Director" means the Director of Financial Institutions.

"Good faith" means honesty in fact in the conduct or transaction concerned.

"High risk home loan" means a home equity loan in which (i) at the time of origination, the annual percentage rate exceeds by more than 6 percentage points in the case of a first lien mortgage, or by more than 8 percentage points in the case of a junior mortgage, the yield on U.S. Treasury securities having comparable periods of maturity to the loan maturity as of the fifteenth day of the month immediately preceding the month in which the application for the loan is received by the lender or (ii) the total points and fees payable by the consumer at or before closing will exceed the greater of 5% of the total loan amount or $800. The $800 figure shall be adjusted annually on January 1 by the annual percentage change in the Consumer Price Index for All Urban Consumers for all items published by the United States Department of Labor. "High risk home loan" does not include a loan that is made primarily for a business purpose unrelated to the residential real property securing the loan or to an open-end credit plan subject to 12 CFR 226 (2000, no subsequent amendments or editions are included).

"Home equity loan" means any loan secured by the borrower's primary residence where the proceeds are not used as purchase money for the residence.

"Lender" means a natural or artificial person who transfers, deals in, offers, or makes a high risk home loan. "Lender" includes, but is not limited to, creditors and brokers.

"Office" means the Office of Banks and Real Estate.

"Points and fees" means all items required to be disclosed as points and fees under 12 CFR 226.32 (2000, no subsequent amendments or editions included); the premium of any single premium credit life, credit disability, credit unemployment, or any other life or health insurance that is financed directly or indirectly into the loan; and compensation paid directly or indirectly to a mortgage broker, including a broker that originates a loan in its own name in a table-funded transaction, not otherwise included in 12 CFR 226.4.

"Reasonable" means fair, proper, just, or prudent under the circumstances.

"Servicer" means any entity chartered under the Illinois Banking Act, the Savings Bank Act, the Illinois Credit Union Act, or the Illinois Savings and Loan Act of 1985 and any person or entity licensed under the Residential Mortgage License Act of 1987, the Consumer Installment Loan Act, or the Sales Finance Agency Act who is responsible for the collection or remittance for, or has the right or obligation to collect or remit for, any lender, note owner, or note holder or for a licensee's own account, of payments, interest, 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, including 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.

"Total loan amount" has the same meaning as that term is given in 12 CFR 226.32 and shall be calculated in accordance with the Federal Reserve Board's Official Staff Commentary to that regulation.

Section 15. Ability to repay. A lender shall not transfer, deal in, offer, or make a high risk home loan if the lender does not believe at the time the loan is consummated that the borrower will be able to make the scheduled payments to repay the obligation based upon a consideration of his or her current and expected income, current obligations, employment status, and other financial resources (other than the borrower's equity in the dwelling that secures repayment of the loan). A borrower shall be presumed to be able to repay the loan if, at the time the loan is consummated, or at the time of the first rate adjustment, in the case of a lower introductory interest rate, the borrower's scheduled monthly payments on the loan (including principal, interest, taxes, insurance, and assessments), combined with the scheduled payments for all other disclosed debts, do not exceed 50% of the borrower's monthly gross income.

Section 20. Verification of ability to repay loan. The lender shall verify the borrower's ability to repay the loan in the case of a high risk home loan. The verification shall require, at a minimum, the following:

(1) That the borrower prepare and submit to the lender a personal income and expense statement in a form prescribed by the Commissioner or the Director, who may permit the use of other forms such as the URLA (Fannie Mae Form 1003 (10/92), available from Fannie Mae, 3900 Wisconsin Avenue, NW, Washington, D.C. 20016-2892, and Freddie Mac Form 85 (10/92), available from Freddie Mac at 1101 Pennsylvania Avenue, NW, Suite 950, P.O. Box 37347, Washington, D.C. 20077-0001, no subsequent amendments or editions) and Transmittal Summary (Fannie Mae Form 1077 (3/97), available from Fannie Mae, 3900 Wisconsin Avenue, NW, Washington, D.C. 20016-2892, and Freddie Mac Form 1008 (3/97), available from Freddie Mac at 1101 Pennsylvania Avenue, NW, Suite 950, P.O. Box 37347, Washington, D.C. 20077-0001, no subsequent amendments or editions).

(2) That the borrower's income is verified by means of tax returns, pay stubs, accounting statements, or other prudent means.

(3) That a credit report is obtained regarding the borrower.

Section 25. Good faith dealings; fraudulent or deceptive practices. A lender must act in good faith in all relations with a borrower, including but not limited to, transferring, dealing in, offering, or making a high risk home loan.

No lender shall employ fraudulent or deceptive acts or practices in the making of a high risk home loan, including deceptive marketing and sales efforts.

Section 40. Pre-paid insurance products and warranties. No lender shall transfer, deal in, offer, or make a high risk home loan that finances a single premium credit life, credit disability, credit unemployment, or any other life or health insurance, directly or indirectly. Insurance calculated and paid on a monthly basis shall not be considered to be financed by the lender.

Section 45. Refinancing prohibited in certain cases. No lender shall refinance any high risk home loan where such refinancing charges additional points and fees within a 12-month period after the original loan agreement was signed, unless the refinancing results in a tangible net benefit to the borrower.

Section 55. Financing of points and fees. No lender shall transfer, deal in, offer, or make a high risk home loan that finances points and fees in excess of 6% of the total loan amount.

Section 60. Payments to contractors. No lender shall make a payment of any proceeds of a high risk home loan directly to a contractor under a home improvement contract other than:

(1) by instrument payable to the borrower or payable jointly to the borrower and contractor; or

(2) at the election of the borrower, by a third-party escrow agreement in accordance with the terms established in a written agreement that is signed by the borrower, the lender, and the contractor before the date of payment.

Section 65. Negative amortization. No lender shall transfer, deal in, offer, or make a high risk home loan, other than a loan secured only by a reverse mortgage, with terms under which the outstanding balance will increase at any time over the course of the loan because the regular periodic payments do not cover the full amount of the interest due, unless the negative amortization is the consequence of a temporary forbearance sought by the borrower.

Section 70. Negative equity. No lender shall transfer, deal in, offer, or make a high risk home loan where the loan amount exceeds the value of the property securing the loan.

Section 80. Late payment fee. A lender shall not transfer, deal in, offer, or make a high risk home loan that provides for a late payment fee, except under the following conditions:

(1) the late payment fee shall not be in excess of 5% of the amount of the payment past due;

(2) the late payment fee shall only be assessed for a payment past due for 15 days or more;

(3) the late payment fee shall not be imposed more than once with respect to a single late payment;

(4) a late payment fee that the lender has collected shall be reimbursed if the borrower presents proof of having made a timely payment; and

(5) a lender shall treat each payment as posted on the same business day as it was received by the lender, servicer, or lender's agent or at the address provided to the borrower by the lender, servicer, or lender's agent for making payments.

Section 85. Payment compounding. No lender shall transfer, deal in, offer, or make a high risk home loan that includes terms under which more than 2 periodic payments required under the loan are consolidated and paid in advance from the loan proceeds provided to the borrower.

Section 90. Call provision. No lender shall transfer, deal in, offer, or make a high risk home loan that contains a provision that permits the lender, in its sole discretion, to accelerate the indebtedness, provided that this provision does not prohibit acceleration of a loan in good faith due to a borrower's failure to abide by the material terms of the loan.

Section 95. Disclosure prior to making a high risk home loan. A lender shall not transfer, deal in, offer, or make a high risk home loan unless the lender has given the following notice or a substantially similar notice in writing, to the borrower, acknowledged in writing and signed by the borrower not later than the time the notice is required under the notice provision contained in 12 CFR 226.31(c):

NOTICE TO BORROWER

YOU SHOULD BE AWARE THAT YOU MIGHT BE ABLE TO OBTAIN A LOAN AT A LOWER

COST. YOU SHOULD SHOP AROUND AND COMPARE LOAN RATES AND FEES. LOAN RATES AND CLOSING COSTS AND FEES VARY BASED ON MANY FACTORS, INCLUDING YOUR PARTICULAR CREDIT AND FINANCIAL CIRCUMSTANCES, YOUR EMPLOYMENT HISTORY, THE LOAN-TO-VALUE REQUESTED, AND THE TYPE OF PROPERTY THAT WILL SECURE YOUR LOAN. THE LOAN RATE AND FEES COULD ALSO VARY BASED ON WHICH LENDER OR BROKER YOU SELECT. IF YOU ACCEPT THE TERMS OF THIS LOAN, THE LENDER WILL HAVE A MORTGAGE LIEN ON YOUR HOME. YOU COULD LOSE YOUR HOME AND ANY MONEY YOU PUT INTO IT IF YOU DO NOT MEET YOUR PAYMENT OBLIGATIONS UNDER THE LOAN. YOU SHOULD CONSULT AN ATTORNEY-AT-LAW AND AN APPROVED CREDIT COUNSELOR OR OTHER EXPERIENCED FINANCIAL ADVISOR REGARDING THE RATE, FEES, AND PROVISIONS OF THIS LOAN BEFORE YOU PROCEED. A LIST OF APPROVED CREDIT COUNSELORS IS AVAILABLE BY CONTACTING EITHER THE ILLINOIS DEPARTMENT OF FINANCIAL INSTITUTIONS OR THE ILLINOIS OFFICE OF BANKS AND REAL ESTATE. YOU ARE NOT REQUIRED TO COMPLETE THIS LOAN AGREEMENT MERELY BECAUSE YOU HAVE RECEIVED THIS DISCLOSURE OR HAVE SIGNED A LOAN APPLICATION. ALSO, YOUR PAYMENTS ON EXISTING DEBTS CONTRIBUTE TO YOUR CREDIT RATINGS. YOU SHOULD NOT ACCEPT ANY ADVICE TO IGNORE YOUR REGULAR PAYMENTS TO YOUR EXISTING LENDERS.

Section 100. Counseling prior to perfecting foreclosure proceedings.

(a) If a high risk home loan becomes delinquent by more than 30 days, the servicer shall send a notice advising the borrower that he or she may wish to seek approved credit counseling.

(b) The notice required in subsection (a) shall, at a minimum, include the following language:

"YOUR LOAN IS OR WAS MORE THAN 30 DAYS PAST DUE. YOU MAY BE EXPERIENCING FINANCIAL DIFFICULTY. IT MAY BE IN YOUR BEST INTEREST TO SEEK APPROVED CREDIT COUNSELING. A LIST OF APPROVED CREDIT COUNSELORS MAY BE OBTAINED FROM EITHER THE ILLINOIS DEPARTMENT OF FINANCIAL INSTITUTIONS OR THE ILLINOIS OFFICE OF BANKS AND REAL ESTATE."

(c) If, within 15 days after mailing the notice provided for under subsection (b), a lender, servicer, or lender's agent is notified in writing by an approved credit counselor and the approved credit counselor advises the lender, servicer, or lender's agent that the borrower is seeking approved credit counseling, then the lender, servicer, or lender's agent shall not institute legal action under Part 15 of Article XV of the Code of Civil Procedure for 30 days after the date of that notice. Only one such 30-day period of forbearance is allowed under this Section per subject loan.

(d) If, within the 30-day period provided under subsection (c), the lender, servicer, or lender's agent, the approved credit counselor, and the borrower agree to a debt management plan, then the lender, servicer, or lender's agent shall not institute legal action under Part 15 of Article XV of the Code of Civil Procedure for as long as the debt management plan is complied with by the borrower.

The agreed debt management plan must be in writing and signed by the lender, servicer, or lender's agent, the approved credit counselor, and the borrower. No modification of an approved debt management plan can be made without the mutual agreement of the lender, servicer, or lender's agent, the approved credit counselor, and the borrower.

Upon written notice to the lender, servicer, or lender's agent, the borrower may change approved credit counselors.

(e) If the borrower fails to comply with the agreed debt management plan, then nothing in this Section shall be construed to impair the legal right of the lender, servicer, or lender's agent to enforce the contract.

Section 105. Right to cure.

(a) Before an action is filed to foreclose or collect money due pursuant to a high risk home loan or before other action is taken to seize or transfer ownership of property subject to a high risk home loan, the lender or lender's assignee of the loan shall deliver to the borrower a notice of the right to cure the default, informing the borrower of all of the following:

(1) The nature of the default.

(2) The borrower's right to cure the default by paying the sum of money required,

provided that a lender or assignee shall accept any partial payment made or tendered in response to the notice. If the amount necessary to cure the default will change within 30 days of the notice due to the application of a daily interest rate or the addition of late fees, as allowed by the Act, the notice shall give sufficient information to enable the borrower to calculate the amount at any point within the 30-day period.

(3) The date by which the borrower may cure the default to avoid a court action, acceleration and initiation of foreclosure, or other action to seize the property, which date shall not be less than 30 days after the date the notice is delivered, and the name, address, and telephone number of a person to whom the payment or tender shall be made.

(4) That if the borrower does not cure the default by the date specified, the lender or assignee may file an action for money due or take steps to terminate the borrower's ownership in the property by requiring payment in full of the high risk home loan and commencing a foreclosure proceeding or other action to seize the property.

(5) The name, address, and telephone number of a person whom the borrower may contact if the borrower disagrees with the assertion that a default has occurred or the correctness of the calculation of the amount required to cure the default.

(b) If a lender or assignee asserts that grounds for acceleration exist and requires the payment in full of all sums secured by the high risk home loan, the borrower or anyone authorized to act on the borrower's behalf may, at any time before the title is transferred by means of foreclosure, by judicial proceeding and sale, or other means, cure the default, and reinstate the high risk home loan. Cure of the default shall reinstate the borrower to the same position as if the default had not occurred and shall nullify, as of the date of the cure, an acceleration of any obligation under the high risk home loan arising from the default.

(c) To cure a default under this Section, a borrower shall not be required to pay any charge, fee, or penalty attributable to the exercise of the right to cure a default, other than the fees specifically allowed by this subsection. The borrower shall not be liable for any attorney fees relating to the default that are incurred by the lender or assignee prior to or during the 30-day period set forth in subsection (a) of this Section, nor for any such fees in excess of $100 that are incurred by the lender or assignee after the expiration of the 30-day period but before the lender or assignee files a foreclosure or other judicial action or takes other action to seize or transfer ownership of the real estate. After the lender or assignee files a foreclosure or other judicial action or takes other action to seize or transfer ownership of the real estate, the borrower shall only be liable for attorney fees that are reasonable and actually incurred by the lender or assignee, based on a reasonable hourly rate and a reasonable number of hours.

(d) If a default is cured prior to the initiation of any action to foreclose or to seize the residence, the lender or assignee shall not institute a proceeding or other action for that default. If a default is cured after the initiation of any action, the lender or assignee shall take such steps as are necessary to terminate the action.

(e) A lender or a lender's assignee of a high risk home loan that has the legal right to foreclose shall use the judicial foreclosure procedures provided by law. In such a proceeding, the borrower may assert the nonexistence of a default and any other claim or defense to acceleration and foreclosure, including any claim or defense based on a violation of the Act, though no such claim or defense shall be deemed a compulsory counterclaim.

Section 110. Mortgage Awareness Program.

(a) The Mortgage Awareness Program is a counseling and educational component that must be provided by the Director and the Commissioner.

(b) The core curriculum of the Mortgage Awareness Program shall include all of the following:

(1) Explanation of the amount financed.

(2) Explanation of the finance charge.

(3) Explanation of the annual percentage rate.

(4) Explanation of the total payments.

(5) Explanation of the loan costs, including broker's fees, finance charges, points, and origination fees.

(6) Explanation of the right of rescission.

(7) Explanation of foreclosure procedures.

(8) Explanation of the significant debt ratios, including total debt to income, loan debt to income, and loan debt to value of residence.

(9) Explanation of adjustable rate mortgage.

(10) Explanation of balloon payments.

(11) Explanation of credit options.

(12) Explanation of each item that appears on a good faith estimate.

(13) Explanation of pre-payment penalties.

(c) Counseling session attendees must complete a personal income and expense statement, as well as a balance sheet, on forms provided by the Commissioner or the Director.

(d) Prior to signing a certificate of completion, approved credit counselors shall privately discuss with each attendee that attendee's income and expense statement and balance sheet, as well as the terms of any loan the attendee currently has or may be contemplating, and provide a third party review to establish the affordability of the loan.

(e) Counseling session attendees must be given a brochure that contains information covered by the Mortgage Awareness Program.

(f) Any lender, prior to making a high risk home loan, shall inform the borrower in writing of the requirement to participate in the Mortgage Awareness Program.

(g) No lender shall offer less favorable loan terms to a borrower due to a borrower's participation in the Mortgage Awareness Program.

(h) The borrower may not waive participation in the Mortgage Awareness Program.

Section 115. Report of default and foreclosure rates on conventional loans.

(a) On or before October 1 and April 1 of each year, each servicer of Illinois residential mortgage loans shall report to the Commissioner the default and foreclosure data of conventional loans for the 6-month periods ending June 30 and December 31, respectively.

(b) Each servicer shall report the following information:

(1) The average quarterly dollar amount of conventional one to 4 family mortgage loans secured by Illinois real estate.

(2) The average quarterly number of conventional one to 4 family mortgage loans secured by Illinois real estate.

(3) The average quarterly dollar amount of conventional one to 4 family mortgage loans secured by Illinois real estate that are in default over 90 days.

(4) The average quarterly number of conventional one to 4 family mortgage loans secured by Illinois real estate that are in default over 90 days.

(5) The dollar amount of foreclosures on one to 4 family conventional loans completed during the reporting period.

(6) The number of foreclosures on one to 4 family conventional loans completed during the reporting period.

(7) Whether any of the loans where a foreclosure was completed were originated less than 18 months before the completed foreclosure.

(8) Whether any of the loans where a foreclosure was completed had a note rate greater than 10% for first lien mortgage loans or greater than 12% in the case of a junior lien.

(c) An officer of the servicer shall sign the form.

Section 120. Commissioner's review and analysis.

(a) The Commissioner shall review and analyze the default and foreclosure rate data reports submitted under Section 115.

(b) The reports and their analyses may be used for the following purposes:

(1) In setting the scope of a regularly scheduled examination.

(2) In setting the scope of a special examination.

(3) In comparing the reported information of a bank to other banks subject to the Illinois Banking Act.

(4) In comparing the reported information of a servicer.

(c) The Commissioner may correspond with a servicer to seek clarification of information contained in its report and to gather additional data concerning loans in default or loans in foreclosure.

Section 125. Third party review of high risk home loans.

(a) In the case of any high risk home loan, the borrower shall be afforded the opportunity to seek independent review by the Office or the Department of the loan terms, in order to determine affordability of the loan, when and if the General Assembly appropriates adequate funding to the Office or the Department specifically for this Section.

(b) The Office or the Department shall inform the borrower of the amount the borrower has available for a monthly mortgage payment based upon the borrower's budget.

(c) The Office or the Department shall review loan information pertaining to balloon payments and adjustable interest rates and other items disclosed by the loan documents affecting amount of payment and shall inform the borrower of such items.

(d) If, based upon the review, the borrower determines that the loan is not in his or her best economic interest, the reviewer shall so notify the lender. This determination shall enable the borrower to withdraw from the contemplated loan with no financial penalty.

Section 130. Circumstances voiding mandatory arbitration provisions. Without regard to whether a borrower is acting individually or on behalf of others similarly situated, a mandatory arbitration provision of a high risk home loan agreement that is oppressive, unfair, unconscionable, or substantially in derogation of the rights of the borrower is void.

Section 135. Enforcement and remedies.

(a) The remedies provided in this Act are cumulative and apply to persons or entities subject to this Act.

(b) Any violation of this Act constitutes a violation of the Consumer Fraud and Deceptive Business Practices Act.

(c) If any provision of an agreement for a high risk home loan violates this Act, then that provision is unenforceable against the borrower.

(d) Any action brought against a lender for a violation under this Act is also assertable against any subsequent holder of the high risk home loan that is the subject of the action unless the subsequent holder demonstrates, by a preponderance of the evidence, that a reasonable person would not determine that, prior to becoming a holder of the loan, a violation of the Act has been undertaken relative to the high risk home loan.

Section 140. Limitation of lender's liability. A lender and subsequent holder of the high risk loan is not liable for a violation of this Act if:

(1) within 30 days of the loan closing and prior to receiving any notice from the borrower of the violation, the lender has made appropriate restitution to the borrower and appropriate adjustments are made to the loan; or

(2) the violation was not intentional and resulted from a bona fide error in fact, notwithstanding the maintenance of procedures reasonably adopted to avoid such errors, and within 60 days of the discovery of the violation and prior to receiving any notice from the borrower of the violation, the borrower is notified of the violation, appropriate restitution is made to the borrower, and appropriate adjustments are made to the loan.

Section 145. Subterfuge prohibited. No lender, with the intent to avoid the application or provisions of this Act, shall (i) divide a loan transaction into separate parts or (ii) perform any other subterfuge.

Section 150. Preemption of administrative rules. Any relevant administrative rule promulgated before the effective date of this Act by the Department or the Office is preempted.

Section 153. Reporting of violations. The Office and the Department must report to the Attorney General all violations of this Act of which they become aware.

Section 155. Rulemaking. The Office and the Department may adopt reasonable rules to implement and administer this Act.

Section 160. Judicial review. All final administrative decisions under this Act are subject to judicial review pursuant to the provisions of the Administrative Review Law and any rules adopted pursuant thereto.

Section 165. Waiver prohibited. There shall be no waiver of any provision of this Act.

Section 170. Superiority of Act. To the extent this Act conflicts with any other Illinois State financial regulation laws, this Act is superior and supersedes those laws for the purposes of regulating high risk home loans in Illinois.

Section 175. Severability. The provisions of this Act are severable under Section 1.31 of the Statute on Statutes.

Section 180. Home rule. It is declared to be the public policy of this State, pursuant to subsection (h) of Section 6 of Article VII of the Illinois Constitution of 1970, that any power or function set forth in this Act to be exercised by the State is an exclusive State power or function. Such power or function shall not be exercised concurrently, either directly or indirectly, by any unit of local government, including home rule units, except as otherwise provided in this Act.

Section 800. The Deposit of State Moneys Act is amended by changing Sections 11 and 11.1 as follows:

(15 ILCS 520/11) (from Ch. 130, par. 30)

Sec. 11. Protection of public deposits; eligible collateral.

(a) For deposits not insured by an agency of the federal government, the State Treasurer, in his <u>or her</u> discretion, may accept as collateral any of the following classes of securities, provided there has been no default in the payment of principal or interest thereon:

(1) Bonds, notes, or other securities constituting direct and general obligations of the United States, the bonds, notes, or other securities constituting the direct and general obligation of any agency or instrumentality of the United States, the interest and principal of which is unconditionally guaranteed by the United States, and bonds, notes, or other securities or evidence of indebtedness

constituting the obligation of a U.S. agency or instrumentality.

(2) Direct and general obligation bonds of the State of Illinois or of any other state of the United States.

(3) Revenue bonds of this State or any authority, board, commission, or similar agency thereof.

(4) Direct and general obligation bonds of any city, town, county, school district, or other taxing body of any state, the debt service of which is payable from general ad valorem taxes.

(5) Revenue bonds of any city, town, county, or school district of the State of Illinois.

(6) Obligations issued, assumed, or guaranteed by the International Finance Corporation, the principal of which is not amortized during the life of the obligation, but no such obligation shall be accepted at more than 90% of its market value.

(7) Illinois Affordable Housing Program Trust Fund Bonds or Notes as defined in and issued pursuant to the Illinois Housing Development Act.

(8) In an amount equal to at least market value of that amount of funds deposited exceeding the insurance limitation provided by the Federal Deposit Insurance Corporation or the National Credit Union Administration or other approved share insurer: (i) securities, (ii) mortgages, (iii) letters of credit issued by a Federal Home Loan Bank, or (iv) loans covered by a State Guaranty under the Illinois Farm Development Act.

(b) The State Treasurer may establish a system to aggregate permissible securities received as collateral from financial institutions in a collateral pool to secure State deposits of the institutions that have pledged securities to the pool.

(c) The Treasurer may at any time declare any particular security ineligible to qualify as collateral when, in the Treasurer's judgment, it is deemed desirable to do so.

(d) Notwithstanding any other provision of this Section, as security the State Treasurer may, in his discretion, accept a bond, executed by a company authorized to transact the kinds of business described in clause (g) of Section 4 of the Illinois Insurance Code, in an amount not less than the amount of the deposits required by this Section to be secured, payable to the State Treasurer for the benefit of the People of the State of Illinois, in a form that is acceptable to the State Treasurer.

(Source: P.A. 87-510; 87-575; 87-895; 88-93.)

(15 ILCS 520/11.1) (from Ch. 130, par. 30.1)

Sec. 11.1. The State Treasurer may, in his or her discretion, accept as security for State deposits insured certificates of deposit or share certificates issued to the depository institution pledging them as security and may require security in the amount of 125% of the value of the State deposit. Such certificate of deposit or share certificate shall:

(1) be fully insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation or the National Credit Union Share Insurance Fund or issued by a depository institution which is rated within the 3 highest classifications established by at least one of the 2 standard rating services;

(2) be issued by a financial institution having assets of $15,000,000 ~~$30,000,000~~ or more; and

(3) be issued by either a savings and loan association having a capital to asset ratio of at least 2%, by a bank having a capital to asset ratio of at least 6% or by a credit union having a capital to asset ratio of at least 4%.

The depository institution shall effect the assignment of the certificate of deposit or share certificate to the State Treasurer and shall agree, that in the event the issuer of the certificate fails to maintain the capital to asset ratio required by this Section, such certificate of deposit or share certificate shall be replaced by additional suitable security.

(Source: P.A. 85-803.)

Section 805. The Public Funds Deposit Act is amended by changing Section 1 as follows:

(30 ILCS 225/1) (from Ch. 102, par. 34)

Sec. 1. Deposits. Any treasurer or other custodian of public funds may deposit such funds in a savings and loan association, savings bank, or State or national bank in this State. When such deposits become collected funds and are not needed for immediate disbursement, they shall be invested within 2 working days at prevailing rates or better. The treasurer or other custodian of public funds may require such bank, savings bank, or savings and loan association to deposit with him or her securities guaranteed by agencies and instrumentalities of the federal government equal in market value to the amount by which the funds deposited exceed the federally insured amount. Any treasurer or other custodian of public funds may accept

as security for public funds deposited in such bank, savings bank, or savings and loan association any securities or other eligible collateral authorized by Sections 11 and 11.1 of the Deposit of State Moneys Act (15 ILCS 520/11 and 11.1) or Section 6 of the Public Funds Investment Act (30 ILCS 235/6). Such treasurer or other custodian is authorized to enter into an agreement with any such bank, savings bank, or savings and loan association, with any federally insured financial institution or trust company, or with any agency of the U.S. government relating to the deposit of such securities. Any such treasurer or other custodian shall be discharged from responsibility for any funds for which securities are so deposited with him or her, and the funds for which securities are so deposited shall not be subject to any otherwise applicable limitation as to amount.

No bank, savings bank, or savings and loan association shall receive public funds as permitted by this Section, unless it has complied with the requirements established pursuant to Section 6 of the Public Funds Investment Act.

(Source: P.A. 91-211, eff. 7-20-99.)

Section 810. The State Officers and Employees Money Disposition Act is amended by changing Section 2c as follows:

(30 ILCS 230/2c) (from Ch. 127, par. 173a)

Sec. 2c. Every such officer, board, commission, commissioner, department, institution, arm or agency is authorized to demand and receive a bond and securities in amount and kind satisfactory to him from any bank or savings and loan association in which moneys held by such officer, board, commission, commissioner, department, institution, arm or agency for or on behalf of the State of Illinois, may be on deposit, such securities to be held by the officer, board, commission, commissioner, department, institution, arm or agency for the period that such moneys are so on deposit and then returned together with interest, dividends and other accruals to the bank or savings and loan association. The bond or undertaking and such securities shall be conditioned for the return of the moneys deposited in conformity with the terms of the deposit.

Whenever funds deposited with a bank or savings and loan association exceed the amount of federal deposit insurance coverage, a bond, ~~or~~ pledged securities , or other eligible collateral shall be obtained. Only the types of securities or other eligible collateral which the State Treasurer may, in his or her discretion, accept for amounts not insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation under Section 11 of "An Act in relation to State moneys", approved June 28, 1919, as amended, may be accepted as pledged securities. The market value of the bond or pledged securities shall at all times be equal to or greater than the uninsured portion of the deposit unless the funds deposited are collateralized pursuant to a system established by the State Treasurer to aggregate permissible securities received as collateral from financial institutions in a collateral pool to secure State deposits of the institution that have pledged securities to the pool.

All securities deposited by a bank or savings and loan association under the provisions of this Section shall remain the property of the depositary and may be stamped by the depositary so as to indicate that such securities are deposited as collateral. Should the bank or savings and loan association fail or refuse to pay over the moneys, or any part thereof, deposited with it, the officer, board, commission, commissioner, department, institution, arm or agency may sell such securities upon giving 5 days notice to the depositary of his intention to so sell such securities. Such sale shall transfer absolute ownership of the securities so sold to the vendee thereof. The surplus, if any, over the amount due to the State and the expenses of the sale shall be paid to the bank or savings and loan association. Actions may be brought in the name of the People of the State of Illinois to enforce the claims of the State with respect to any securities deposited by a bank or savings and loan association.

No bank or savings and loan association shall receive public funds as permitted by this Section, unless it has complied with the requirements established pursuant to Section 6 of "An Act relating to certain investments of public funds by public agencies", approved July 23, 1943, as now or hereafter amended.

(Source: P.A. 85-257.)

Section 815. The Public Funds Investment Act is amended by changing Section 6 as follows:

(30 ILCS 235/6) (from Ch. 85, par. 906)

Sec. 6. Report of financial institutions.

(a) No bank shall receive any public funds unless it has furnished the corporate authorities of a public agency submitting a deposit with copies of the last two sworn statements of resources and liabilities which the bank is required to furnish to the Commissioner of Banks and Real Estate or to the Comptroller of the Currency. Each bank designated as a depository for public funds shall, while acting as such depository, furnish the corporate authorities of a public agency with a copy of all statements of resources and liabilities

which it is required to furnish to the Commissioner of Banks and Real Estate or to the Comptroller of the Currency; provided, that if such funds or moneys are deposited in a bank, the amount of all such deposits not collateralized or insured by an agency of the federal government shall not exceed 75% of the capital stock and surplus of such bank, and the corporate authorities of a public agency submitting a deposit shall not be discharged from responsibility for any funds or moneys deposited in any bank in excess of such limitation.

(b) No savings bank or savings and loan association shall receive public funds unless it has furnished the corporate authorities of a public agency submitting a deposit with copies of the last 2 sworn statements of resources and liabilities which the savings bank or savings and loan association is required to furnish to the Commissioner of Banks and Real Estate or the Federal Deposit Insurance Corporation. Each savings bank or savings and loan association designated as a depository for public funds shall, while acting as such depository, furnish the corporate authorities of a public agency with a copy of all statements of resources and liabilities which it is required to furnish to the Commissioner of Banks and Real Estate or the Federal Deposit Insurance Corporation; provided, that if such funds or moneys are deposited in a savings bank or savings and loan association, the amount of all such deposits not collateralized or insured by an agency of the federal government shall not exceed 75% of the net worth of such savings bank or savings and loan association as defined by the Federal Deposit Insurance Corporation, and the corporate authorities of a public agency submitting a deposit shall not be discharged from responsibility for any funds or moneys deposited in any savings bank or savings and loan association in excess of such limitation.

(c) No credit union shall receive public funds unless it has furnished the corporate authorities of a public agency submitting a share deposit with copies of the last two reports of examination prepared by or submitted to the Illinois Department of Financial Institutions or the National Credit Union Administration. Each credit union designated as a depository for public funds shall, while acting as such depository, furnish the corporate authorities of a public agency with a copy of all reports of examination prepared by or furnished to the Illinois Department of Financial Institutions or the National Credit Union Administration; provided that if such funds or moneys are invested in a credit union account, the amount of all such investments not collateralized or insured by an agency of the federal government or other approved share insurer shall not exceed 50% of the unimpaired capital and surplus of such credit union, which shall include shares, reserves and undivided earnings and the corporate authorities of a public agency making an investment shall not be discharged from responsibility for any funds or moneys invested in a credit union in excess of such limitation.

(d) Whenever a public agency deposits any public funds in a financial institution, the public agency may enter into an agreement with the financial institution requiring any funds not insured by the Federal Deposit Insurance Corporation or the National Credit Union Administration or other approved share insurer to be collateralized by any of the following classes of securities, provided there has been no default in the payment of principal or interest thereon:

(1) Bonds, notes, or other securities constituting direct and general obligations of the United States, the bonds, notes, or other securities constituting the direct and general obligation of any agency or instrumentality of the United States, the interest and principal of which is unconditionally guaranteed by the United States, and bonds, notes, or other securities or evidence of indebtedness constituting the obligation of a U.S. agency or instrumentality.

(2) Direct and general obligation bonds of the State of Illinois or of any other state of the United States.

(3) Revenue bonds of this State or any authority, board, commission, or similar agency thereof.

(4) Direct and general obligation bonds of any city, town, county, school district, or other taxing body of any state, the debt service of which is payable from general ad valorem taxes.

(5) Revenue bonds of any city, town, county, or school district of the State of Illinois.

(6) Obligations issued, assumed, or guaranteed by the International Finance Corporation, the principal of which is not amortized during the life of the obligation, but no such obligation shall be accepted at more than 90% of its market value.

(7) Illinois Affordable Housing Program Trust Fund Bonds or Notes as defined in and issued pursuant to the Illinois Housing Development Act.

(8) In an amount equal to at least market value of that amount of funds deposited exceeding the insurance limitation provided by the Federal Deposit Insurance Corporation or the National Credit Union Administration or other approved share insurer: (i) securities, (ii) mortgages, (iii) letters of credit issued by a Federal Home Loan Bank, or (iv) loans covered by a State Guaranty under the Illinois Farm Development Act.

(9) Certificates of deposit or share certificates issued to the depository institution pledging them as security. The public agency may require security in the amount of 125% of the value of the public agency deposit. Such certificate of deposit or share certificate shall:

(i) be fully insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or the National Credit Union Share Insurance Fund or issued by a depository institution which is rated within the 3 highest classifications established by at least one of the 2 standard rating services;

(ii) be issued by a financial institution having assets of $15,000,000 or more; and

(iii) be issued by either a savings and loan association having a capital to asset ratio of at least 2%, by a bank having a capital to asset ratio of at least 6% or by a credit union having a capital to asset ratio of at least 4%.

The depository institution shall effect the assignment of the certificate of deposit or share certificate to the public agency and shall agree that, in the event the issuer of the certificate fails to maintain the capital to asset ratio required by this Section, such certificate of deposit or share certificate shall be replaced by additional suitable security.

(e) The public agency may accept a system established by the State Treasurer to aggregate permissible securities received as collateral from financial institutions in a collateral pool to secure public deposits of the institutions that have pledged securities to the pool.

(f) The public agency may at any time declare any particular security ineligible to qualify as collateral when, in the public agency's judgment, it is deemed desirable to do so.

(g) Notwithstanding any other provision of this Section, as security a public agency may, at its discretion, accept a bond, executed by a company authorized to transact the kinds of business described in clause (g) of Section 4 of the Illinois Insurance Code, in an amount not less than the amount of the deposits required by this Section to be secured, payable to the public agency for the benefit of the People of the unit of government, in a form that is acceptable to the public agency ~~securities, mortgages, letters of credit issued by a Federal Home Loan Bank, or loans covered by a State Guaranty under the Illinois Farm Development Act in an amount equal to at least market value of that amount of funds deposited exceeding the insurance limitation provided by the Federal Deposit Insurance Corporation or the National Credit Union Administration or other approved share insurer~~.

(h) ~~(e)~~ Paragraphs (a), (b), (c), ~~and~~ (d) , (e), (f), and (g) of this Section do not apply to the University of Illinois, Southern Illinois University, Chicago State University, Eastern Illinois University, Governors State University, Illinois State University, Northeastern Illinois University, Northern Illinois University, Western Illinois University, the Cooperative Computer Center and public community colleges.

(Source: P.A. 91-324, eff. 1-1-00; 91-773, eff. 6-9-00.)

Section 820. The Illinois Banking Act is amended by changing Sections 2, 5, and 17 and by adding Section 13.6 as follows:

(205 ILCS 5/2) (from Ch. 17, par. 302)

Sec. 2. General definitions. In this Act, unless the context otherwise requires, the following words and phrases shall have the following meanings:

"Accommodation party" shall have the meaning ascribed to that term in Section 3-419 of the Uniform Commercial Code.

"Action" in the sense of a judicial proceeding includes recoupments, counterclaims, set-off, and any other proceeding in which rights are determined.

"Affiliate facility" of a bank means a main banking premises or branch of another commonly owned bank. The main banking premises or any branch of a bank may be an "affiliate facility" with respect to one or more other commonly owned banks.

"Appropriate federal banking agency" means the Federal Deposit Insurance Corporation, the Federal Reserve Bank of Chicago, or the Federal Reserve Bank of St. Louis, as determined by federal law.

"Bank" means any person doing a banking business whether subject to the laws of this or any other jurisdiction.

A "banking house", "branch", "branch bank" or "branch office" shall mean any place of business of a bank at which deposits are received, checks paid, or loans made, but shall not include any place at which only records thereof are made, posted, or kept. A place of business at which deposits are received, checks paid, or loans made shall not be deemed to be a branch, branch bank, or branch office if the place of business is adjacent to and connected with the main banking premises, or if it is separated from the main banking premises by not more than an alley; provided always that (i) if the place of business is separated by an alley from the main banking premises there is a connection between the two by public or private way or

by subterranean or overhead passage, and (ii) if the place of business is in a building not wholly occupied by the bank, the place of business shall not be within any office or room in which any other business or service of any kind or nature other than the business of the bank is conducted or carried on. A place of business at which deposits are received, checks paid, or loans made shall not be deemed to be a branch, branch bank, or branch office (i) of any bank if the place is a terminal established and maintained in accordance with paragraph (17) of Section 5 of this Act, or (ii) of a commonly owned bank by virtue of transactions conducted at that place on behalf of the other commonly owned bank under paragraph (23) of Section 5 of this Act if the place is an affiliate facility with respect to the other bank.

"Branch of an out-of-state bank" means a branch established or maintained in Illinois by an out-of-state bank as a result of a merger between an Illinois bank and the out-of-state bank that occurs on or after May 31, 1997, or any branch established by the out-of-state bank following the merger.

"Bylaws" means the bylaws of a bank that are adopted by the bank's board of directors or shareholders for the regulation and management of the bank's affairs. If the bank operates as a limited liability company, however, "bylaws" means the operating agreement of the bank.

"Call report fee" means the fee to be paid to the Commissioner by each State bank pursuant to paragraph (a) of subsection (3) of Section 48 of this Act.

"Capital" includes the aggregate of outstanding capital stock and preferred stock.

"Cash flow reserve account" means the account within the books and records of the Commissioner of Banks and Real Estate used to record funds designated to maintain a reasonable Bank and Trust Company Fund operating balance to meet agency obligations on a timely basis.

"Charter" includes the original charter and all amendments thereto and articles of merger or consolidation.

"Commissioner" means the Commissioner of Banks and Real Estate or a person authorized by the Commissioner, the Office of Banks and Real Estate Act, or this Act to act in the Commissioner's stead.

"Commonly owned banks" means 2 or more banks that each qualify as a bank subsidiary of the same bank holding company pursuant to Section 18 of the Federal Deposit Insurance Act; "commonly owned bank" refers to one of a group of commonly owned banks but only with respect to one or more of the other banks in the same group.

"Community" means a city, village, or incorporated town and also includes the area served by the banking offices of a bank, but need not be limited or expanded to conform to the geographic boundaries of units of local government.

"Company" means a corporation, limited liability company, partnership, business trust, association, or similar organization and, unless specifically excluded, includes a "State bank" and a "bank".

"Consolidating bank" means a party to a consolidation.

"Consolidation" takes place when 2 or more banks, or a trust company and a bank, are extinguished and by the same process a new bank is created, taking over the assets and assuming the liabilities of the banks or trust company passing out of existence.

"Continuing bank" means a merging bank, the charter of which becomes the charter of the resulting bank.

"Converting bank" means a State bank converting to become a national bank, or a national bank converting to become a State bank.

"Converting trust company" means a trust company converting to become a State bank.

"Court" means a court of competent jurisdiction.

"Director" means a member of the board of directors of a bank. In the case of a manager-managed limited liability company, however, "director" means a manager of the bank and, in the case of a member-managed limited liability company, "director" means a member of the bank. The term "director" does not include an advisory director, honorary director, director emeritus, or similar person, unless the person is otherwise performing functions similar to those of a member of the board of directors.

"Eligible depository institution" means an insured savings association that is in default, an insured savings association that is in danger of default, a State or national bank that is in default or a State or national bank that is in danger of default, as those terms are defined in this Section, or a new bank as that term defined in Section 11(m) of the Federal Deposit Insurance Act or a bridge bank as that term is defined in Section 11(n) of the Federal Deposit Insurance Act or a new federal savings association authorized under Section 11(d)(2)(f) of the Federal Deposit Insurance Act.

"Fiduciary" means trustee, agent, executor, administrator, committee, guardian for a minor or for a person under legal disability, receiver, trustee in bankruptcy, assignee for creditors, or any holder of similar position of trust.

"Financial institution" means a bank, savings and loan association, credit union, or any licensee under the Consumer Installment Loan Act or the Sales Finance Agency Act and, for purposes of Section 48.3, any proprietary network, funds transfer corporation, or other entity providing electronic funds transfer services, or any corporate fiduciary, its subsidiaries, affiliates, parent company, or contractual service provider that is examined by the Commissioner.

"Foundation" means the Illinois Bank Examiners' Education Foundation.

"General obligation" means a bond, note, debenture, security, or other instrument evidencing an obligation of the government entity that is the issuer that is supported by the full available resources of the issuer, the principal and interest of which is payable in whole or in part by taxation.

"Guarantee" means an undertaking or promise to answer for payment of another's debt or performance of another's duty, liability, or obligation whether "payment guaranteed" or "collection guaranteed".

"In danger of default" means a State or national bank, a federally chartered insured savings association or an Illinois state chartered insured savings association with respect to which the Commissioner or the appropriate federal banking agency has advised the Federal Deposit Insurance Corporation that:

(1) in the opinion of the Commissioner or the appropriate federal banking agency,

(A) the State or national bank or insured savings association is not likely to be able to meet the demands of the State or national bank's or savings association's obligations in the normal course of business; and

(B) there is no reasonable prospect that the State or national bank or insured savings association will be able to meet those demands or pay those obligations without federal assistance; or

(2) in the opinion of the Commissioner or the appropriate federal banking agency,

(A) the State or national bank or insured savings association has incurred or is likely to incur losses that will deplete all or substantially all of its capital; and

(B) there is no reasonable prospect that the capital of the State or national bank or insured savings association will be replenished without federal assistance.

"In default" means, with respect to a State or national bank or an insured savings association, any adjudication or other official determination by any court of competent jurisdiction, the Commissioner, the appropriate federal banking agency, or other public authority pursuant to which a conservator, receiver, or other legal custodian is appointed for a State or national bank or an insured savings association.

"Insured savings association" means any federal savings association chartered under Section 5 of the federal Home Owners' Loan Act and any State savings association chartered under the Illinois Savings and Loan Act of 1985 or a predecessor Illinois statute, the deposits of which are insured by the Federal Deposit Insurance Corporation. The term also includes a savings bank organized or operating under the Savings Bank Act.

"Insured savings association in recovery" means an insured savings association that is not an eligible depository institution and that does not meet the minimum capital requirements applicable with respect to the insured savings association.

"Issuer" means for purposes of Section 33 every person who shall have issued or proposed to issue any security; except that (1) with respect to certificates of deposit, voting trust certificates, collateral-trust certificates, and certificates of interest or shares in an unincorporated investment trust not having a board of directors (or persons performing similar functions), "issuer" means the person or persons performing the acts and assuming the duties of depositor or manager pursuant to the provisions of the trust, agreement, or instrument under which the securities are issued; (2) with respect to trusts other than those specified in clause (1) above, where the trustee is a corporation authorized to accept and execute trusts, "issuer" means the entrusters, depositors, or creators of the trust and any manager or committee charged with the general direction of the affairs of the trust pursuant to the provisions of the agreement or instrument creating the trust; and (3) with respect to equipment trust certificates or like securities, "issuer" means the person to whom the equipment or property is or is to be leased or conditionally sold.

"Letter of credit" and "customer" shall have the meanings ascribed to those terms in Section 5-102 of the Uniform Commercial Code.

"Main banking premises" means the location that is designated in a bank's charter as its main office.

"Maker or obligor" means for purposes of Section 33 the issuer of a security, the promisor in a debenture or other debt security, or the mortgagor or grantor of a trust deed or similar conveyance of a security interest in real or personal property.

"Merged bank" means a merging bank that is not the continuing, resulting, or surviving bank in a consolidation or merger.

"Merger" includes consolidation.

"Merging bank" means a party to a bank merger.

"Merging trust company" means a trust company party to a merger with a State bank.

"Mid-tier bank holding company" means a corporation that (a) owns 100% of the issued and outstanding shares of each class of stock of a State bank, (b) has no other subsidiaries, and (c) 100% of the issued and outstanding shares of the corporation are owned by a parent bank holding company.

"Municipality" means any municipality, political subdivision, school district, taxing district, or agency.

"National bank" means a national banking association located in this State and after May 31, 1997, means a national banking association without regard to its location.

"Out-of-state bank" means a bank chartered under the laws of a state other than Illinois, a territory of the United States, or the District of Columbia.

"Parent bank holding company" means a corporation that is a bank holding company as that term is defined in the Illinois Bank Holding Company Act of 1957 and owns 100% of the issued and outstanding shares of a mid-tier bank holding company.

"Person" means an individual, corporation, limited liability company, partnership, joint venture, trust, estate, or unincorporated association.

"Public agency" means the State of Illinois, the various counties, townships, cities, towns, villages, school districts, educational service regions, special road districts, public water supply districts, fire protection districts, drainage districts, levee districts, sewer districts, housing authorities, the Illinois Bank Examiners' Education Foundation, the Chicago Park District, and all other political corporations or subdivisions of the State of Illinois, whether now or hereafter created, whether herein specifically mentioned or not, and shall also include any other state or any political corporation or subdivision of another state.

"Public funds" or "public money" means current operating funds, special funds, interest and sinking funds, and funds of any kind or character belonging to, in the custody of, or subject to the control or regulation of the United States or a public agency. "Public funds" or "public money" shall include funds held by any of the officers, agents, or employees of the United States or of a public agency in the course of their official duties and, with respect to public money of the United States, shall include Postal Savings funds.

"Published" means, unless the context requires otherwise, the publishing of the notice or instrument referred to in some newspaper of general circulation in the community in which the bank is located at least once each week for 3 successive weeks. Publishing shall be accomplished by, and at the expense of, the bank required to publish. Where publishing is required, the bank shall submit to the Commissioner that evidence of the publication as the Commissioner shall deem appropriate.

"Qualified financial contract" means any security contract, commodity contract, forward contract, including spot and forward foreign exchange contracts, repurchase agreement, swap agreement, and any similar agreement, any option to enter into any such agreement, including any combination of the foregoing, and any master agreement for such agreements. A master agreement, together with all supplements thereto, shall be treated as one qualified financial contract. The contract, option, agreement, or combination of contracts, options, or agreements shall be reflected upon the books, accounts, or records of the bank, or a party to the contract shall provide documentary evidence of such agreement.

"Recorded" means the filing or recording of the notice or instrument referred to in the office of the Recorder of the county wherein the bank is located.

"Resulting bank" means the bank resulting from a merger or conversion.

"Securities" means stocks, bonds, debentures, notes, or other similar obligations.

"Stand-by letter of credit" means a letter of credit under which drafts are payable upon the condition the customer has defaulted in performance of a duty, liability, or obligation.

"State bank" means any banking corporation that has a banking charter issued by the Commissioner under this Act.

"State Banking Board" means the State Banking Board of Illinois.

"Subsidiary" with respect to a specified company means a company that is controlled by the specified company. For purposes of paragraphs (8) and (12) of Section 5 of this Act, "control" means the exercise of operational or managerial control of a corporation by the bank, either alone or together with other affiliates of the bank.

"Surplus" means the aggregate of (i) amounts paid in excess of the par value of capital stock and preferred stock; (ii) amounts contributed other than for capital stock and preferred stock and allocated to the surplus account; and (iii) amounts transferred from undivided profits.

"Tier 1 Capital" and "Tier 2 Capital" have the meanings assigned to those terms in regulations promulgated for the appropriate federal banking agency of a state bank, as those regulations are now or hereafter amended.

"Trust company" means a limited liability company or corporation incorporated in this State for the purpose of accepting and executing trusts.

"Undivided profits" means undistributed earnings less discretionary transfers to surplus.

"Unimpaired capital and unimpaired surplus", for the purposes of paragraph (21) of Section 5 and Sections 32, 33, 34, 35.1, 35.2, and 47 of this Act means the sum of the state bank's Tier 1 Capital and Tier 2 Capital plus such other shareholder equity as may be included by regulation of the Commissioner. Unimpaired capital and unimpaired surplus shall be calculated on the basis of the date of the last quarterly call report filed with the Commissioner preceding the date of the transaction for which the calculation is made, provided that: (i) when a material event occurs after the date of the last quarterly call report filed with the Commissioner that reduces or increases the bank's unimpaired capital and unimpaired surplus by 10% or more, then the unimpaired capital and unimpaired surplus shall be calculated from the date of the material event for a transaction conducted after the date of the material event; and (ii) if the Commissioner determines for safety and soundness reasons that a state bank should calculate unimpaired capital and unimpaired surplus more frequently than provided by this paragraph, the Commissioner may by written notice direct the bank to calculate unimpaired capital and unimpaired surplus at a more frequent interval. In the case of a state bank newly chartered under Section 13 or a state bank resulting from a merger, consolidation, or conversion under Sections 21 through 26 for which no preceding quarterly call report has been filed with the Commissioner, unimpaired capital and unimpaired surplus shall be calculated for the first calendar quarter on the basis of the effective date of the charter, merger, consolidation, or conversion.
(Source: P.A. 92-483, eff. 8-23-01.)

(205 ILCS 5/5) (from Ch. 17, par. 311)

Sec. 5. General corporate powers. A bank organized under this Act or subject hereto shall be a body corporate and politic and shall, without specific mention thereof in the charter, have all the powers conferred by this Act and the following additional general corporate powers:

(1) To sue and be sued, complain, and defend in its corporate name.

(2) To have a corporate seal, which may be altered at pleasure, and to use the same by causing it or a facsimile thereof to be impressed or affixed or in any manner reproduced, provided that the affixing of a corporate seal to an instrument shall not give the instrument additional force or effect, or change the construction thereof, and the use of a corporate seal is not mandatory.

(3) To make, alter, amend, and repeal bylaws, not inconsistent with its charter or with law, for the administration of the affairs of the bank. If this Act does not provide specific guidance in matters of corporate governance, the provisions of the Business Corporation Act of 1983 may be used if so provided in the bylaws, and if the bank is a limited liability company, the provisions of the Limited Liability Company Act shall be used.

(4) To elect or appoint and remove officers and agents of the bank and define their duties and fix their compensation.

(5) To adopt and operate reasonable bonus plans, profit-sharing plans, stock-bonus plans, stock-option plans, pension plans and similar incentive plans for its directors, officers and employees.

(5.1) To manage, operate and administer a fund for the investment of funds by a public agency or agencies, including any unit of local government or school district, or any person. The fund for a public agency shall invest in the same type of investments and be subject to the same limitations provided for the investment of public funds. The fund for public agencies shall maintain a separate ledger showing the amount of investment for each public agency in the fund. "Public funds" and "public agency" as used in this Section shall have the meanings ascribed to them in Section 1 of the Public Funds Investment Act.

(6) To make reasonable donations for the public welfare or for charitable, scientific, religious or educational purposes.

(7) To borrow or incur an obligation; and to pledge its assets:

(a) to secure its borrowings, its lease of personal or real property or its other nondeposit obligations;

(b) to enable it to act as agent for the sale of obligations of the United States;

(c) to secure deposits of public money of the United States, whenever required by the laws of the United States, including without being limited to, revenues and funds the deposit of which is subject to the control or regulation of the United States or any of its officers, agents, or employees and Postal Savings funds;

(d) to secure deposits of public money of any state or of any political corporation or subdivision thereof including, without being limited to, revenues and funds the deposit of which is subject to the control or regulation of any state or of any political corporation or subdivisions thereof or of any of their officers, agents, or employees;

(e) to secure deposits of money whenever required by the National Bankruptcy Act;

(f) (blank); and

(g) to secure trust funds commingled with the bank's funds, whether deposited by the bank or an affiliate of the bank, pursuant to Section 2-8 of the Corporate Fiduciary Act.

(8) To own, possess, and carry as assets all or part of the real estate necessary in or with which to do its banking business, either directly or indirectly through the ownership of all or part of the capital stock, shares or interests in any corporation, association, trust engaged in holding any part or parts or all of the bank premises, engaged in such business and in conducting a safe deposit business in the premises or part of them, or engaged in any activity that the bank is permitted to conduct in a subsidiary pursuant to paragraph (12) of this Section 5.

(9) To own, possess, and carry as assets other real estate to which it may obtain title in the collection of its debts or that was formerly used as a part of the bank premises, but title to any real estate except as herein permitted shall not be retained by the bank, either directly or by or through a subsidiary, as permitted by subsection (12) of this Section for a total period of more than 10 years after acquiring title, either directly or indirectly.

(10) To do any act, including the acquisition of stock, necessary to obtain insurance of its deposits, or part thereof, and any act necessary to obtain a guaranty, in whole or in part, of any of its loans or investments by the United States or any agency thereof, and any act necessary to sell or otherwise dispose of any of its loans or investments to the United States or any agency thereof, and to acquire and hold membership in the Federal Reserve System.

(11) Notwithstanding any other provisions of this Act or any other law, to do any act and to own, possess, and carry as assets property of the character, including stock, that is at the time authorized or permitted to national banks by an Act of Congress, but subject always to the same limitations and restrictions as are applicable to national banks by the pertinent federal law and subject to applicable provisions of the Financial Institutions Insurance Sales Law.

(12) To own, possess, and carry as assets stock of one or more corporations that is, or are, engaged in one or more of the following businesses:

(a) holding title to and administering assets acquired as a result of the collection or liquidating of loans, investments, or discounts; or

(b) holding title to and administering personal property acquired by the bank, directly or indirectly through a subsidiary, for the purpose of leasing to others, provided the lease or leases and the investment of the bank, directly or through a subsidiary, in that personal property otherwise comply with Section 35.1 of this Act; or

(c) carrying on or administering any of the activities excepting the receipt of deposits or the payment of checks or other orders for the payment of money in which a bank may engage in carrying on its general banking business; provided, however, that nothing contained in this paragraph (c) shall be deemed to permit a bank organized under this Act or subject hereto to do, either directly or indirectly through any subsidiary, any act, including the making of any loan or investment, or to own, possess, or carry as assets any property that if done by or owned, possessed, or carried by the State bank would be in violation of or prohibited by any provision of this Act.

The provisions of this subsection (12) shall not apply to and shall not be deemed to limit the powers of a State bank with respect to the ownership, possession, and carrying of stock that a State bank is permitted to own, possess, or carry under this Act.

Any bank intending to establish a subsidiary under this subsection (12) shall give written notice to the Commissioner 60 days prior to the subsidiary's commencing of business or, as the case may be, prior to acquiring stock in a corporation that has already commenced business. After receiving the notice, the Commissioner may waive or reduce the balance of the 60 day notice period. The Commissioner may specify the form of the notice and may promulgate rules and regulations to administer this subsection (12).

(13) To accept for payment at a future date not exceeding one year from the date of acceptance, drafts drawn upon it by its customers; and to issue, advise, or confirm letters of credit authorizing the holders thereof to draw drafts upon it or its correspondents.

(14) To own and lease personal property acquired by the bank at the request of a prospective lessee and upon the agreement of that person to lease the personal property provided that the lease, the agreement with

respect thereto, and the amount of the investment of the bank in the property comply with Section 35.1 of this Act.

(15) (a) To establish and maintain, in addition to the main banking premises, branches offering any banking services permitted at the main banking premises of a State bank.

(b) To establish and maintain, after May 31, 1997, branches in another state that may conduct any activity in that state that is authorized or permitted for any bank that has a banking charter issued by that state, subject to the same limitations and restrictions that are applicable to banks chartered by that state.

(16) (Blank).

(17) To establish and maintain terminals, as authorized by the Electronic Fund Transfer Act.

(18) To establish and maintain temporary service booths at any International Fair held in this State which is approved by the United States Department of Commerce, for the duration of the international fair for the sole purpose of providing a convenient place for foreign trade customers at the fair to exchange their home countries' currency into United States currency or the converse. This power shall not be construed as establishing a new place or change of location for the bank providing the service booth.

(19) To indemnify its officers, directors, employees, and agents, as authorized for corporations under Section 8.75 of the Business Corporation Act of 1983.

(20) To own, possess, and carry as assets stock of, or be or become a member of, any corporation, mutual company, association, trust, or other entity formed exclusively for the purpose of providing directors' and officers' liability and bankers' blanket bond insurance or reinsurance to and for the benefit of the stockholders, members, or beneficiaries, or their assets or businesses, or their officers, directors, employees, or agents, and not to or for the benefit of any other person or entity or the public generally.

(21) To make debt or equity investments in corporations or projects, whether for profit or not for profit, designed to promote the development of the community and its welfare, provided that the aggregate investment in all of these corporations and in all of these projects does not exceed 10% of the unimpaired capital and unimpaired surplus of the bank and provided that this limitation shall not apply to creditworthy loans by the bank to those corporations or projects. Upon written application to the Commissioner, a bank may make an investment that would, when aggregated with all other such investments, exceed 10% of the unimpaired capital and unimpaired surplus of the bank. The Commissioner may approve the investment if he is of the opinion and finds that the proposed investment will not have a material adverse effect on the safety and soundness of the bank.

(22) To own, possess, and carry as assets the stock of a corporation engaged in the ownership or operation of a travel agency or to operate a travel agency as a part of its business.

(23) With respect to affiliate facilities:

(a) to conduct at affiliate facilities for and on behalf of another commonly owned bank, if so authorized by the other bank, all transactions that the other bank is authorized or permitted to perform; and

(b) to authorize a commonly owned bank to conduct for and on behalf of it any of the transactions it is authorized or permitted to perform at one or more affiliate facilities.

Any bank intending to conduct or to authorize a commonly owned bank to conduct at an affiliate facility any of the transactions specified in this paragraph (23) shall give written notice to the Commissioner at least 30 days before any such transaction is conducted at the affiliate facility.

(24) To act as the agent for any fire, life, or other insurance company authorized by the State of Illinois, by soliciting and selling insurance and collecting premiums on policies issued by such company; and to receive for services so rendered such fees or commissions as may be agreed upon between the bank and the insurance company for which it may act as agent; provided, however, that no such bank shall in any case assume or guarantee the payment of any premium on insurance policies issued through its agency by its principal; and provided further, that the bank shall not guarantee the truth of any statement made by an assured in filing his application for insurance.

(25) Notwithstanding any other provisions of this Act or any other law, to offer any product or service that is at the time authorized or permitted to any insured savings association or out-of-state bank by applicable law, provided that powers conferred only by this subsection (25):

(a) shall always be subject to the same limitations and restrictions that are applicable to the insured savings association or out-of-state bank for the product or service by such applicable law;

(b) shall be subject to applicable provisions of the Financial Institutions Insurance Sales Law;

(c) shall not include the right to own or conduct a real estate brokerage business for which a license would be required under the laws of this State; and

(d) shall not be construed to include the establishment or maintenance of a branch, nor shall they be construed to limit the establishment or maintenance of a branch pursuant to subsection (11).

Not less than 30 days before engaging in any activity under the authority of this subsection, a bank shall provide written notice to the Commissioner of its intent to engage in the activity. The notice shall indicate the specific federal or state law, rule, regulation, or interpretation the bank intends to use as authority to engage in the activity.

(Source: P.A. 91-330, eff. 7-29-99; 91-849, eff. 6-22-00; 92-483, eff. 8-23-01; 92-811, eff. 8-21-02.)

(205 ILCS 5/13.6 new)

Sec. 13.6. Banks as limited liability companies.

(a) A bank may be organized as a limited liability company, may convert to a limited liability company, or may merge with and into a limited liability company under the applicable laws of this State and of the United States, including any rules promulgated thereunder. A bank organized as a limited liability company shall be subject to the provisions of the Limited Liability Company Act in addition to this Act, provided that if a provision of the Limited Liability Company Act conflicts with a provision of this Act or with any rule of the Commissioner, the provision of this Act or the rule of the Commissioner shall apply.

(b) Any filing required to be made under the Limited Liability Company Act shall be made exclusively with the Commissioner, and the Commissioner shall possess the exclusive authority to regulate the bank as provided in this Act.

(c) Any organization as, conversion to, and merger with or into a limited liability company shall be subject to the prior approval of the Commissioner.

(d) A bank that is a limited liability company shall be subject to all of the provisions of this Act in the same manner as a bank that is organized in stock form.

(e) The Commissioner may promulgate rules to ensure that a bank that is a limited liability company (i) is operating in a safe and sound manner and (ii) is subject to the Commissioner's authority in the same manner as a bank that is organized in stock form.

(205 ILCS 5/17) (from Ch. 17, par. 324)

Sec. 17. Changes in charter.

(a) By compliance with the provisions of this Act a State bank may:

(1) (blank);

(2) increase, decrease or change its capital stock, whether issued or unissued, provided that in no case shall the capital be diminished to the prejudice of its creditors;

(3) provide for authorized but unissued capital stock reserved for issuance for one or more of the purposes provided for in subsection (5) of Section 14 hereof;

(4) authorize preferred stock, or increase, decrease or change the preferences, qualifications, limitations, restrictions or special or relative rights of its preferred stock, whether issued or unissued, or delegate authority to its board of directors as provided in subsection (d), provided that in no case shall the capital be diminished to the prejudice of its creditors;

(5) increase, decrease or change the par value of its shares of its capital stock or preferred stock, whether issued or unissued, or delegate authority to its board of directors as provided in subsection (d);

(6) (blank);

(7) eliminate cumulative voting rights under all or specified circumstances, or eliminate voting rights entirely, as to any class or classes or series of stock of the bank pursuant to paragraph (3) of Section 15, provided that one class of shares or series thereof shall always have voting in respect to all matters in the bank, and provided further that the proposal to eliminate such voting rights receives the approval of the holders of 70% of the outstanding shares of stock entitled to vote as provided in paragraph (7) of subsection (b) of this Section 17;

(8) increase, decrease, or change its capital stock or preferred stock, whether issued or unissued, for the purpose of eliminating fractional shares or avoiding the issuance of fractional shares, provided that in no case shall the capital be diminished to the prejudice of its creditors; or

(9) make such other change in its charter as may be authorized in this Act.

(b) To effect a change or changes in a State bank's charter as provided for in this Section 17:

(1) The board of directors shall adopt a resolution setting forth the proposed amendment and directing that it be submitted to a vote at a meeting of stockholders, which may be either

an annual or special meeting.

(2) If the meeting is a special meeting, written or printed notice setting forth the proposed amendment or summary thereof shall be given to each stockholder of record entitled to vote at such meeting at least 30 days before such meeting and in the manner provided in this Act for the giving of notice of meetings of stockholders.

(3) At such special meeting, a vote of the stockholders entitled to vote shall be taken on the proposed amendment. Except as provided in paragraph (7) of this subsection (b), the proposed amendment shall be adopted upon receiving the affirmative vote of the holders of at least two-thirds of the outstanding shares of stock entitled to vote at such meeting, unless holders of preferred stock are entitled to vote as a class in respect thereof, in which event the proposed amendment shall be adopted upon receiving the affirmative vote of the holders of at least two-thirds of the outstanding shares of each class of shares entitled to vote as a class in respect thereof and of the total outstanding shares entitled to vote at such meeting. Any number of amendments may be submitted to the stockholders and voted upon by them at one meeting. A certificate of the amendment, or amendments, verified by the president, or a vice-president, or the cashier, shall be filed immediately in the office of the Commissioner.

(4) At any annual meeting without a resolution of the board of directors and without a notice and prior publication, as hereinabove provided, a proposition for a change in the bank's charter as provided for in this Section 17 may be submitted to a vote of the stockholders entitled to vote at the annual meeting, except that no proposition for authorized but unissued capital stock reserved for issuance for one or more of the purposes provided for in subsection (5) of Section 14 hereof shall be submitted without complying with the provisions of said subsection. The proposed amendment shall be adopted upon receiving the affirmative vote of the holders of at least two-thirds of the outstanding shares of stock entitled to vote at such meeting, unless holders of preferred stock are entitled to vote as a class in respect thereof, in which event the proposed amendment shall be adopted upon receiving the affirmative vote of the holders of at least two-thirds of the outstanding shares of each class of shares entitled to vote as a class in respect thereof and the total outstanding shares entitled to vote at such meeting. A certificate of the amendment, or amendments, verified by the president, or a vice-president or cashier, shall be filed immediately in the office of the Commissioner.

(5) If an amendment or amendments shall be approved in writing by the Commissioner, the amendment or amendments so adopted and so approved shall be accomplished in accordance with the vote of the stockholders. The Commissioner may impose such terms and conditions on the approval of the amendment or amendments as he deems necessary or appropriate. The Commissioner shall revoke such approval in the event such amendment or amendments are not effected within one year from the date of the issuance of the Commissioner's certificate and written approval except for transactions permitted under subsection (5) of Section 14 of this Act.

(6) No amendment or amendments shall affect suits in which the bank is a party, nor affect causes of action, nor affect rights of persons in any particular, nor shall actions brought against such bank by its former name be abated by a change of name.

(7) A proposal to amend the charter to eliminate cumulative voting rights under all or specified circumstances, or to eliminate voting rights entirely, as to any class or classes or series or stock of a bank, pursuant to paragraph (3) of Section 15 and paragraph (7) of subsection (a) of this Section 17, shall be adopted only upon such proposal receiving the approval of the holders of 70% of the outstanding shares of stock entitled to vote at the meeting where the proposal is presented for approval, unless holders of preferred stock are entitled to vote as a class in respect thereof, in which event the proposed amendment shall be adopted upon receiving the approval of the holders of 70% of the outstanding shares of each class of shares entitled to vote as a class in respect thereof and of the total outstanding shares entitled to vote at the meeting where the proposal is presented for approval. The proposal to amend the charter pursuant to this paragraph (7) may be voted upon at the annual meeting or a special meeting.

(8) Written or printed notice of a stockholders' meeting to vote on a proposal to increase, decrease or change the capital stock or preferred stock pursuant to paragraph (8) of subsection (a) of this Section 17 and to eliminate fractional shares or avoid the issuance of fractional shares shall be given to each stockholder of record entitled to vote at the meeting at least 30 days before the meeting and in the manner provided in this Act for the giving of notice of meetings of stockholders, and shall include all of the following information:

(A) A statement of the purpose of the proposed reverse stock split.

(B) A statement of the amount of consideration being offered for the bank's stock.

(C) A statement that the bank considers the transaction fair to the stockholders, and a statement of the material facts upon which this belief is based.

(D) A statement that the bank has secured an opinion from a third party with respect to the fairness, from a financial point of view, of the consideration to be paid, the identity and qualifications of the third party, how the third party was selected, and any material relationship between the third party and the bank.

(E) A summary of the opinion including the basis for and the methods of arriving at the findings and any limitation imposed by the bank in arriving at fair value and a statement making the opinion available for reviewing or copying by any stockholder.

(F) A statement that objecting stockholders will be entitled to the fair value of those shares that are voted against the charter amendment, if a proper demand is made on the bank and the requirements are satisfied as specified in this Section.

If a stockholder shall file with the bank, prior to or at the meeting of stockholders at which the proposed charter amendment is submitted to a vote, a written objection to the proposed charter amendment and shall not vote in favor thereof, and if the stockholder, within 20 days after receiving written notice of the date the charter amendment was accomplished pursuant to paragraph (5) of subsection (a) of this Section 17, shall make written demand on the bank for payment of the fair value of the stockholder's shares as of the day prior to the date on which the vote was taken approving the charter amendment, the bank shall pay to the stockholder, upon surrender of the certificate or certificates representing the stock, the fair value thereof. The demand shall state the number of shares owned by the objecting stockholder. The bank shall provide written notice of the date on which the charter amendment was accomplished to all stockholders who have filed written objections in order that the objecting stockholders may know when they must file written demand if they choose to do so. Any stockholder failing to make demand within the 20-day period shall be conclusively presumed to have consented to the charter amendment and shall be bound by the terms thereof. If within 30 days after the date on which a charter amendment was accomplished the value of the shares is agreed upon between the objecting stockholders and the bank, payment therefor shall be made within 90 days after the date on which the charter amendment was accomplished, upon the surrender of the stockholder's certificate or certificates representing the shares. Upon payment of the agreed value the objecting stockholder shall cease to have any interest in the shares or in the bank. If within such period of 30 days the stockholder and the bank do not so agree, then the objecting stockholder may, within 60 days after the expiration of the 30-day period, file a complaint in the circuit court asking for a finding and determination of the fair value of the shares, and shall be entitled to judgment against the bank for the amount of the fair value as of the day prior to the date on which the vote was taken approving the charter amendment with interest thereon to the date of the judgment. The practice, procedure and judgment shall be governed by the Civil Practice Law. The judgment shall be payable only upon and simultaneously with the surrender to the bank of the certificate or certificates representing the shares. Upon payment of the judgment, the objecting stockholder shall cease to have any interest in the shares or the bank. The shares may be held and disposed of by the bank. Unless the objecting stockholder shall file such complaint within the time herein limited, the stockholder and all persons claiming under the stockholder shall be conclusively presumed to have approved and ratified the charter amendment, and shall be bound by the terms thereof. The right of an objecting stockholder to be paid the fair value of the stockholder's shares of stock as herein provided shall cease if and when the bank shall abandon the charter amendment.

(c) The purchase and holding and later resale of treasury stock of a state bank pursuant to the provisions of subsection (6) of Section 14 may be accomplished without a change in its charter reflecting any decrease or increase in capital stock.

(d) A State bank may amend its charter for the purpose of authorizing its board of directors to issue preferred stock; to increase, decrease, or change the par value of shares of its preferred stock, whether issued or unissued; or to increase, decrease, or change the preferences, qualifications, limitations, restrictions, or special or relative rights of its preferred stock, whether issued or unissued; provided that in no case shall the capital be diminished to the prejudice of the bank's creditors. An amendment to the bank's charter granting such authority shall establish ranges, limits, or restrictions that must be observed when the board exercises the discretion authorized by the amendment.

Once such an amendment is adopted and approved as provided in this subsection, and without further action by the bank's stockholders, the board may exercise its delegated authority by adopting a resolution specifying the actions that it is taking with respect to the preferred stock. The board may fully exercise its delegated authority through one resolution or it may exercise its delegated authority through a series of resolutions, provided that the board's actions remain at all times within the ranges, limitations, and

restrictions specified in the amendment to the bank's charter.

A resolution adopted by the board under this authority shall be submitted to the Commissioner for approval. The Commissioner shall approve the resolution, or state any objections to the resolution, within 30 days after the receipt of the resolution adopted by the board. If no objections are specified by the Commissioner within that time frame, the resolution will be deemed to be approved by the Commissioner. Once approved, the resolution shall be incorporated as an addendum to the bank's charter and the board may proceed to effect the changes set forth in the resolution.

(Source: P.A. 91-322, eff. 1-1-00; 92-483, eff. 8-23-01.)

Section 825. The Savings Bank Act is amended by changing Sections 1007.55 and 1008 and by adding Section 1007.125 as follows:

(205 ILCS 205/1007.55) (from Ch. 17, par. 7301-7.55)

Sec. 1007.55. "Director" means any director, trustee, or other person performing similar functions with respect to any organization whether incorporated or unincorporated. In the case of a manager-managed limited liability company, however, "director" means a manager of the savings bank, and in the case of a member-managed limited liability company, "director" means a member of the savings bank. The term "director" does not include an advisory director, honorary director, director emeritus, or similar person, unless the person is otherwise performing functions similar to those of a director.

(205 ILCS 205/1007.125 new)

Sec. 1007.125. "Bylaws" means the bylaws of a savings bank that are adopted by the savings bank's board of directors or shareholders for the regulation and management of the savings bank's affairs. If the savings bank operates as a limited liability company, however, "bylaws" means the operating agreement of the savings bank.

(Source: P.A. 86-1213.)

(205 ILCS 205/1008) (from Ch. 17, par. 7301-8)

Sec. 1008. General corporate powers.

(a) A savings bank operating under this Act shall be a body corporate and politic and shall have all of the powers conferred by this Act including, but not limited to, the following powers:

(1) To sue and be sued, complain, and defend in its corporate name and to have a common seal, which it may alter or renew at pleasure.

(2) To obtain and maintain insurance by a deposit insurance corporation as defined in this Act.

(3) To act as a fiscal agent for the United States, the State of Illinois or any department, branch, arm, or agency of the State or any unit of local government or school district in the State, when duly designated for that purpose, and as agent to perform reasonable functions as may be required of it.

(4) To become a member of or deal with any corporation or agency of the United States or the State of Illinois, to the extent that the agency assists in furthering or facilitating its purposes or powers and to that end to purchase stock or securities thereof or deposit money therewith, and to comply with any other conditions of membership or credit.

(5) To make donations in reasonable amounts for the public welfare or for charitable, scientific, religious, or educational purposes.

(6) To adopt and operate reasonable insurance, bonus, profit sharing, and retirement plans for officers and employees and for directors including, but not limited to, advisory, honorary, and emeritus directors, who are not officers or employees.

(7) To reject any application for membership; to retire deposit accounts by enforced retirement as provided in this Act and the bylaws; and to limit the issuance of, or payments on, deposit accounts, subject, however, to contractual obligations.

(8) To purchase stock in service corporations and to invest in any form of indebtedness of any service corporation as defined in this Act, subject to regulations of the Commissioner.

(9) To purchase stock of a corporation whose principal purpose is to operate a safe deposit company or escrow service company.

(10) To exercise all the powers necessary to qualify as a trustee or custodian under federal or State law, provided that the authority to accept and execute trusts is subject to the provisions of the Corporate Fiduciary Act and to the supervision of those activities by the Commissioner.

(11) (Blank).

(12) To establish, maintain, and operate terminals as authorized by the Electronic

Fund Transfer Act.

(13) To pledge its assets:

(A) to enable it to act as agent for the sale of obligations of the United States;

(B) to secure deposits;

(C) to secure deposits of money whenever required by the National Bankruptcy Act;

(D) (blank); and

(E) to secure trust funds commingled with the savings bank's funds, whether deposited by the savings bank or an affiliate of the savings bank, as required under Section 2-8 of the Corporate Fiduciary Act.

(14) To accept for payment at a future date not to exceed one year from the date of acceptance, drafts drawn upon it by its customers; and to issue, advise, or confirm letters of credit authorizing holders thereof to draw drafts upon it or its correspondents.

(15) Subject to the regulations of the Commissioner, to own and lease personal property acquired by the savings bank at the request of a prospective lessee and, upon the agreement of that person, to lease the personal property.

(16) To establish temporary service booths at any International Fair in this State that is approved by the United States Department of Commerce for the duration of the international fair for the purpose of providing a convenient place for foreign trade customers to exchange their home countries' currency into United States currency or the converse. To provide temporary periodic service to persons residing in a bona fide nursing home, senior citizens' retirement home, or long-term care facility. These powers shall not be construed as establishing a new place or change of location for the savings bank providing the service booth.

(17) To indemnify its officers, directors, employees, and agents, as authorized for corporations under Section 8.75 of the Business Corporations Act of 1983.

(18) To provide data processing services to others on a for-profit basis.

(19) To utilize any electronic technology to provide customers with home banking services.

(20) Subject to the regulations of the Commissioner, to enter into an agreement to act as a surety.

(21) Subject to the regulations of the Commissioner, to issue credit cards, extend credit therewith, and otherwise engage in or participate in credit card operations.

(22) To purchase for its own account shares of stock of a bankers' bank, described in Section 13(b)(1) of the Illinois Banking Act, on the same terms and conditions as a bank may purchase such shares. In no event shall the total amount of such stock held by a savings bank in such bankers' bank exceed 10% of its capital and surplus (including undivided profits) and in no event shall a savings bank acquire more than 5% of any class of voting securities of such bankers' bank.

(23) With respect to affiliate facilities:

(A) to conduct at affiliate facilities any of the following transactions for and on behalf of any affiliated depository institution, if so authorized by the affiliate or affiliates: receiving deposits; renewing deposits; cashing and issuing checks, drafts, money orders, travelers checks, or similar instruments; changing money; receiving payments on existing indebtedness; and conducting ministerial functions with respect to loan applications, servicing loans, and providing loan account information; and

(B) to authorize an affiliated depository institution to conduct for and on behalf of it, any of the transactions listed in this subsection at one or more affiliate facilities.

A savings bank intending to conduct or to authorize an affiliated depository institution to conduct at an affiliate facility any of the transactions specified in this subsection shall give written notice to the Commissioner at least 30 days before any such transaction is conducted at an affiliate facility. All conduct under this subsection shall be on terms consistent with safe and sound banking practices and applicable law.

(24) Subject to Article XLIV of the Illinois Insurance Code, to act as the agent for any fire, life, or other insurance company authorized by the State of Illinois, by soliciting and selling insurance and collecting premiums on policies issued by such company; and may receive for services so rendered such fees or commissions as may be agreed upon between the said savings bank and the insurance company for which it may act as agent; provided, however, that no such savings bank shall in any case assume or guarantee the payment of any premium on insurance policies issued through its agency by its principal; and provided further, that the savings bank shall not guarantee the truth of any

statement made by an assured in filing his application for insurance.

(25) To become a member of the Federal Home Loan Bank and to have the powers granted to a savings association organized under the Illinois Savings and Loan Act of 1985 or the laws of the United States, subject to regulations of the Commissioner.

(26) To offer any product or service that is at the time authorized or permitted to a bank by applicable law, but subject always to the same limitations and restrictions that are applicable to the bank for the product or service by such applicable law and subject to the applicable provisions of the Financial Institutions Insurance Sales Law and rules of the Commissioner.

(b) If this Act or the regulations adopted under this Act fail to provide specific guidance in matters of corporate governance, the provisions of the Business Corporation Act of 1983 may be used, or if the savings bank is a limited liability company, the provisions of the Limited Liability Company shall be used.

(c) A savings bank may be organized as a limited liability company, may convert to a limited liability company, or may merge with and into a limited liability company, under the applicable laws of this State and of the United States, including any rules promulgated thereunder. A savings bank organized as a limited liability company shall be subject to the provisions of the Limited Liability Company Act in addition to this Act, provided that if a provision of the Limited Liability Company Act conflicts with a provision of this Act or with any rule of the Commissioner, the provision of this Act or the rule of the Commissioner shall apply.

Any filing required to be made under the Limited Liability Company Act shall be made exclusively with the Commissioner, and the Commissioner shall possess the exclusive authority to regulate the savings bank as provided in this Act.

Any organization as, conversion to, and merger with or into a limited liability company shall be subject to the prior approval of the Commissioner.

A savings bank that is a limited liability company shall be subject to all of the provisions of this Act in the same manner as a savings bank that is organized in stock form.

The Commissioner may promulgate rules to ensure that a savings bank that is a limited liability company (i) is operating in a safe and sound manner and (ii) is subject to the Commissioner's authority in the same manner as a savings bank that is organized in stock form.

(Source: P.A. 91-97, eff. 7-9-99; 91-357, eff. 7-29-99; 92-483, eff. 8-23-01.)

Section 830. The Residential Mortgage License Act of 1987 is amended by changing Sections 1-4, 2-4, 2-6, 3-2, 3-5, and 4-5 and by adding Sections 4-8.1, 4-8.2, and Article 7 as follows:

(205 ILCS 635/1-4) (from Ch. 17, par. 2321-4)

Sec. 1-4. Definitions.

(a) "Residential real property" or "residential real estate" shall mean real property located in this State improved by a one-to-four family dwelling used or occupied, wholly or partly, as the home or residence of one or more persons and may refer, subject to regulations of the Commissioner, to unimproved real property upon which those kinds dwellings are to be constructed.

(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 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.

(2) Any person or entity that either (i) has a physical presence in Illinois or (ii) 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 10 residential mortgage loans in any one calendar year.

(3) Any person employed by a licensee to assist in the performance of the activities regulated by this Act who is compensated in any manner by only one licensee.

(4) Any person licensed pursuant to the Real Estate License Act of 2000, who engages only in the taking of applications and credit and appraisal information to forward to a licensee or an exempt entity under this Act and who is compensated by either a licensee or an exempt entity under this Act, but is not compensated by either the buyer (applicant) or the seller.

(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 with regard to the nature and amount of compensation.

(6) A person who prepares supporting documentation for a residential mortgage loan application taken by a licensee and performs ministerial functions pursuant to specific instructions of the licensee who neither requires nor permits the preparer to exercise his or her discretion or judgment; provided that this activity is engaged in pursuant to a binding, written agreement between the licensee and the preparer that:

(A) holds the licensee fully accountable for the preparer's action; and

(B) otherwise meets the requirements of this Section and this Act, does not undermine the purposes of this Act, and is approved by the Commissioner.

(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 a loan to or for the benefit of any natural person made primarily for personal, family, or household use, primarily secured by either a mortgage on residential real property or certificates of stock or other evidence of ownership interests in and proprietary leases from, corporations, partnerships, or limited liability companies formed for the purpose of cooperative ownership of residential real property, all located in Illinois.

(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.

(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 or a person authorized by the Commissioner, the Office of Banks and Real Estate Act, or this Act to act in the Commissioner's stead.

(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 office 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 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.

(Source: P.A. 90-772, eff. 1-1-99; 91-245, eff. 12-31-99.)

(205 ILCS 635/2-4) (from Ch. 17, par. 2322-4)

Sec. 2-4. Averments of Licensee. Each application for license or for the renewal of a license shall be accompanied by the following averments stating that the applicant:

(a) Will maintain at least one full service office within the State of Illinois pursuant to Section 3-4 of this Act;

(b) Will maintain staff reasonably adequate to meet the requirements of Section 3-4 of this Act;

(c) Will keep and maintain for 36 months the same written records as required by the federal Equal Credit Opportunity Act, and any other information required by regulations of the Commissioner regarding any home mortgage in the course of the conduct of its residential mortgage business;

(d) Will file with the Commissioner, when due, any report or reports which it is required to file under any of the provisions of this Act;

(e) Will not engage, whether as principal or agent, in the practice of rejecting residential mortgage applications without reasonable cause, or varying terms or application procedures without reasonable cause, for home mortgages on real estate within any specific geographic area from the terms or procedures generally provided by the licensee within other geographic areas of the State;

(f) Will not engage in fraudulent home mortgage underwriting practices;

(g) Will not make payment, whether directly or indirectly, of any kind to any in house or fee appraiser of any government or private money lending agency with which an application for a home mortgage has been filed for the purpose of influencing the independent judgment of the appraiser with respect to the value of any real estate which is to be covered by such home mortgage;

(h) Has filed tax returns (State and Federal) for the past 3 years or filed with the Commissioner an accountant's or attorney's statement as to why no return was filed;

(i) Will not engage in any discrimination or redlining activities prohibited by Section 3-8 of this Act;

(j) Will not knowingly make any false promises likely to influence or persuade, or pursue a course of misrepresentation and false promises through agents, solicitors, advertising or otherwise;

(k) Will not knowingly misrepresent, circumvent or conceal, through whatever subterfuge or device, any

of the material particulars or the nature thereof, regarding a transaction to which it is a party to the injury of another party thereto;

(l) Will disburse funds in accordance with its agreements;

(m) Has not committed a crime against the law of this State, any other state or of the United States, involving moral turpitude, fraudulent or dishonest dealing, and that no final judgment has been entered against it in a civil action upon grounds of fraud, misrepresentation or deceit which has not been previously reported to the Commissioner;

(n) Will account or deliver to any person any personal property such as money, fund, deposit, check, draft, mortgage, other document or thing of value, which has come into its possession, and which is not its property, or which it is not in law or equity entitled to retain under the circumstances, at the time which has been agreed upon or is required by law, or, in the absence of a fixed time, upon demand of the person entitled to such accounting and delivery;

(o) Has not engaged in any conduct which would be cause for denial of a license;

(p) Has not become insolvent;

(q) Has not submitted an application for a license under this Act which contains a material misstatement;

(r) Has not demonstrated by course of conduct, negligence or incompetence in performing any act for which it is required to hold a license under this Act;

(s) Will advise the Commissioner in writing of any changes to the information submitted on the most recent application for license within 30 days of said change. The written notice must be signed in the same form as the application for license being amended;

(t) Will comply with the provisions of this Act, or with any lawful order, rule or regulation made or issued under the provisions of this Act;

(u) Will submit to periodic examination by the Commissioner as required by this Act;

(v) Will advise the Commissioner in writing of judgments entered against, and bankruptcy petitions by, the license applicant within 5 days of occurrence;

(w) Will advise the Commissioner in writing within 30 days when the license applicant requests a licensee under this Act to repurchase a loan, and the circumstances therefor; and

(x) Will advise the Commissioner in writing within 30 days when the license applicant is requested by another entity to repurchase a loan, and the circumstances therefor.

(y) Will at all times act in a manner consistent with subsections (a) and (b) of Section 1-2 of this Act.

(x) Will not knowingly hire or employ a loan originator who is not registered with the Commissioner as required under Section 7-1 of this Act.

A licensee who fails to fulfill obligations of an averment, to comply with averments made, or otherwise violates any of the averments made under this Section shall be subject to the penalties in Section 4-5 of this Act.

(Source: P.A. 90-301, eff. 8-1-97.)

(205 ILCS 635/2-6) (from Ch. 17, par. 2322-6)

Sec. 2-6. License issuance and renewal; fee.

(a) Beginning May 1, 1992, licenses issued before January 1, 1988, shall be renewed every 2 years on May 1. Beginning May 1, 1992, licenses issued on or after January 1, 1988, shall be renewed every 2 years on the anniversary of the date of the issuance of the original license. Licenses issued for first time applicants on or after May 1, 1992, shall be renewed on the first anniversary of their issuance and every 2 years thereafter. Properly completed renewal application forms and filing fees must be received by the Commissioner 60 ~~45~~ days prior to the renewal date.

(b) It shall be the responsibility of each licensee to accomplish renewal of its license; failure of the licensee to receive renewal forms absent a request sent by certified mail for such forms will not waive said responsibility. Failure by a licensee to submit a properly completed renewal application form and fees in a timely fashion, absent a written extension from the Commissioner, will result in the assessment of additional fees, as follows:

(1) A fee of $500 will be assessed to the licensee 30 days after the proper renewal date and $1,000 each month thereafter, until the license is either renewed or expires pursuant to Section 2-6, subsections (c) and (d), of this Act.

(2) Such fee will be assessed without prior notice to the licensee, but will be assessed only in cases wherein the Commissioner has in his or her possession documentation of the licensee's continuing activity for which the unrenewed license was issued.

(c) A license which is not renewed by the date required in this Section shall automatically become inactive. No activity regulated by this Act shall be conducted by the licensee when a license becomes

inactive. An inactive license may be reactivated by filing a completed reactivation application with the Commissioner, payment of the renewal fee, and payment of a reactivation fee equal to the renewal fee.

(d) A license which is not renewed within one year of becoming inactive shall expire.

(e) A licensee ceasing an activity or activities regulated by this Act and desiring to no longer be licensed shall so inform the Commissioner in writing and, at the same time, convey the license and all other symbols or indicia of licensure. The licensee shall include a plan for the withdrawal from regulated business, including a timetable for the disposition of the business. Upon receipt of such written notice, the Commissioner shall issue a certified statement canceling the license.

(Source: P.A. 90-301, eff. 8-1-97.)

(205 ILCS 635/3-2) (from Ch. 17, par. 2323-2)

Sec. 3-2. Annual audit.

(a) At the licensee's fiscal year-end, but in no case more than 12 months after the last audit conducted pursuant to this Section, except as otherwise provided in this Section, it shall be mandatory for each residential mortgage licensee to cause its books and accounts to be audited by a certified public accountant not connected with such licensee. The books and records of all licensees under this Act shall be maintained on an accrual basis. The audit must be sufficiently comprehensive in scope to permit the expression of an opinion on the financial statements, which must be prepared in accordance with generally accepted accounting principles, and must be performed in accordance with generally accepted auditing standards. Notwithstanding the requirements of this subsection, a licensee that is a first tier subsidiary may submit audited consolidated financial statements of its parent as long as the consolidated statements are supported by consolidating statements. The licensee's chief financial officer shall attest to the licensee's financial statements disclosed in the consolidating statements.

(b) As used herein, the term "expression of opinion" includes either (1) an unqualified opinion, (2) a qualified opinion, (3) a disclaimer of opinion, or (4) an adverse opinion.

(c) If a qualified or adverse opinion is expressed or if an opinion is disclaimed, the reasons therefore must be fully explained. An opinion, qualified as to a scope limitation, shall not be acceptable.

(d) The most recent audit report shall be filed with the Commissioner within 90 days after the end of the licensee's fiscal year ~~at the time of the annual license renewal payment~~. The report filed with the Commissioner shall be certified by the certified public accountant conducting the audit. The Commissioner may promulgate rules regarding late audit reports.

(e) If any licensee required to make an audit shall fail to cause an audit to be made, the Commissioner shall cause the same to be made by a certified public accountant at the licensee's expense. The Commissioner shall select such certified public accountant by advertising for bids or by such other fair and impartial means as he or she establishes by regulation.

(f) In lieu of the audit required by this Section, the Commissioner may accept any audit made in conformance with the audit requirements of the U.S. Department of Housing and Urban Development.

(g) With respect to licensees who solely broker residential mortgage loans as defined in subsection (o) of Section 1-4, instead of the audit required by this Section, the Commissioner may accept compilation financial statements prepared at least every 12 months, and the compilation financial statement must be prepared by an independent certified public accountant licensed under the Illinois Public Accounting Act with full disclosure in accordance with generally accepted accounting principals and must ~~shall~~ be submitted within 90 days after the end of the licensee's fiscal year ~~at the time of the annual license renewal payment~~. If a licensee under this Section fails to file a compilation as required, the Commissioner shall cause an audit of the licensee's books and accounts to be made by a certified public accountant at the licensee's expense. The Commissioner shall select the certified public accountant by advertising for bids or by such other fair and impartial means as he or she establishes by rule. A licensee who files false or misleading compilation financial statements is guilty of a business offense and shall be fined not less than $5,000.

(h) The workpapers of the certified public accountants employed by each licensee for purposes of this Section are to be made available to the Commissioner or the Commissioner's designee upon request and may be reproduced by the Commissioner or the Commissioner's designee to enable to the Commissioner to carry out the purposes of this Act.

(i) Notwithstanding any other provision of this Section, if a licensee relying on subsection (g) of this Section causes its books to be audited at any other time or causes its financial statements to be reviewed, a complete copy of the audited or reviewed financial statements shall be delivered to the Commissioner at the time of the annual license renewal payment following receipt by the licensee of the audited or reviewed financial statements. All workpapers shall be made available to the Commissioner upon request. The

financial statements and workpapers may be reproduced by the Commissioner or the Commissioner's designee to carry out the purposes of this Act.
(Source: P.A. 89-74, eff. 6-30-95; 89-355, eff. 8-17-95; 90-772, eff. 1-1-99.)

(205 ILCS 635/3-5) (from Ch. 17, par. 2323-5)

Sec. 3-5. Net worth requirement. A licensee that holds a license on the effective date of this amendatory Act of the 93rd General Assembly ~~Every licensee~~ shall have and maintain a net worth of not less than $100,000 ; however, no later than 2 years after the effective date of this amendatory Act of the 93rd General Assembly, the licensee must maintain a net worth of not less than $150,000. A licensee that first obtains a license after the effective date of this amendatory Act of the 93rd General Assembly must have and maintain a net worth of not less than $150,000. Notwithstanding other requirements of this Section, the net worth requirement for a residential mortgage licensee ~~licensees~~ whose only licensable activity is that of brokering residential mortgage loans and that holds a license on the effective date of this amendatory Act of the 93rd General Assembly shall be $35,000; however, no later than 2 years after the effective date of this amendatory Act of the 93rd General Assembly, the licensee must maintain a net worth of not less than $50,000. Such a licensee that first obtains a license after the effective date of this amendatory Act of the 93rd General Assembly must have and maintain a net worth of not less than $50,000. Net worth shall be evidenced by a balance sheet prepared by a certified public accountant in accordance with generally accepted accounting principles and generally accepted auditing standards or by the compilation financial statements authorized under subsection (g) of Section 3-2. The Commissioner may promulgate rules with respect to net worth definitions and requirements for residential mortgage licensees as necessary to accomplish the purposes of this Act. In lieu of the net worth requirement established by this Section, the Commissioner may accept evidence of conformance by the licensee with the net worth requirements of the United States Department of Housing and Urban Development.
(Source: P.A. 89-355, eff. 8-17-95; 89-508, eff. 7-3-96.)

(205 ILCS 635/4-5) (from Ch. 17, par. 2324-5)

Sec. 4-5. Suspension, revocation of licenses; fines.

(a) Upon written notice to a licensee, the Commissioner may suspend or revoke any license issued pursuant to this Act if he or she shall make a finding of one or more of the following in the notice that:

(1) Through separate acts or an act or a course of conduct, the licensee has violated any provisions of this Act, any rule or regulation promulgated by the Commissioner or of any other law, rule or regulation of this State or the United States.

(2) Any fact or condition exists which, if it had existed at the time of the original application for such license would have warranted the Commissioner in refusing originally to issue such license.

(3) If a licensee is other than an individual, any ultimate equitable owner, officer, director, or member of the licensed partnership, association, corporation, or other entity has so acted or failed to act as would be cause for suspending or revoking a license to that party as an individual.

(b) No license shall be suspended or revoked, except as provided in this Section, nor shall any licensee be fined without notice of his or her right to a hearing as provided in Section 4-12 of this Act.

(c) The Commissioner, on good cause shown that an emergency exists, may suspend any license for a period not exceeding 180 days, pending investigation. Upon a showing that a licensee has failed to meet the experience or educational requirements of Section 2-2 or the requirements of subsection (g) of Section 3-2, the Commissioner shall suspend, prior to hearing as provided in Section 4-12, the license until those requirements have been met.

(d) The provisions of subsection (e) of Section 2-6 of this Act shall not affect a licensee's civil or criminal liability for acts committed prior to surrender of a license.

(e) No revocation, suspension or surrender of any license shall impair or affect the obligation of any pre-existing lawful contract between the licensee and any person.

(f) Every license issued under this Act shall remain in force and effect until the same shall have expired without renewal, have been surrendered, revoked or suspended in accordance with the provisions of this Act, but the Commissioner shall have authority to reinstate a suspended license or to issue a new license to a licensee whose license shall have been revoked if no fact or condition then exists which would have warranted the Commissioner in refusing originally to issue such license under this Act.

(g) Whenever the Commissioner shall revoke or suspend a license issued pursuant to this Act or fine a licensee under this Act, he or she shall forthwith execute in duplicate a written order to that effect. The Commissioner shall publish notice of such order in the Illinois Register and a newspaper of general circulation in the county in which the license is located and shall forthwith serve a copy of such order upon

the licensee. Any such order may be reviewed in the manner provided by Section 4-12 of this Act.

(h) When the Commissioner finds any person in violation of the grounds set forth in subsection (i), he or she may enter an order imposing one or more of the following penalties:

(1) Revocation of license;

(2) Suspension of a license subject to reinstatement upon satisfying all reasonable conditions the Commissioner may specify;

(3) Placement of the licensee or applicant on probation for a period of time and subject to all reasonable conditions as the Commissioner may specify;

(4) Issuance of a reprimand;

(5) Imposition of a fine not to exceed $25,000 ~~$10,000~~ for each count of separate offense; and

(6) Denial of a license.

(i) The following acts shall constitute grounds for which the disciplinary actions specified in subsection (h) above may be taken:

(1) Being convicted or found guilty, regardless of pendency of an appeal, of a crime in any jurisdiction which involves fraud, dishonest dealing, or any other act of moral turpitude;

(2) Fraud, misrepresentation, deceit or negligence in any mortgage financing transaction;

(3) A material or intentional misstatement of fact on an initial or renewal application;

(4) Failure to follow the Commissioner's regulations with respect to placement of funds in escrow accounts;

(5) Insolvency or filing under any provision of the Bankruptcy Code as a debtor;

(6) Failure to account or deliver to any person any property such as any money, fund, deposit, check, draft, mortgage, or other document or thing of value, which has come into his or her hands and which is not his or her property or which he or she is not in law or equity entitled to retain, under the circumstances and at the time which has been agreed upon or is required by law or, in the absence of a fixed time, upon demand of the person entitled to such accounting and delivery;

(7) Failure to disburse funds in accordance with agreements;

(8) Any misuse, misapplication, or misappropriation of trust funds or escrow funds;

(9) Having a license, or the equivalent, to practice any profession or occupation revoked, suspended, or otherwise acted against, including the denial of licensure by a licensing authority of this State or another state, territory or country for fraud, dishonest dealing or any other act of moral turpitude;

(10) Failure to issue a satisfaction of mortgage when the residential mortgage has been executed and proceeds were not disbursed to the benefit of the mortgagor and when the mortgagor has fully paid licensee's costs and commission;

(11) Failure to comply with any order of the Commissioner or rule made or issued under the provisions of this Act;

(12) Engaging in activities regulated by this Act without a current, active license unless specifically exempted by this Act;

(13) Failure to pay in a timely manner any fee, charge or fine under this Act;

(14) Failure to maintain, preserve, and keep available for examination, all books, accounts or other documents required by the provisions of this Act and the rules of the Commissioner;

(15) Refusal to permit an investigation or examination of the licensee's or its affiliates' books and records or refusal to comply with the Commissioner's subpoena or subpoena duces tecum;

(16) A pattern of substantially underestimating the maximum closing costs;

(17) Failure to comply with or violation of any provision of this Act.

(j) A licensee shall be subject to the disciplinary actions specified in this Act for violations of subsection (i) by any officer, director, shareholder, joint venture, partner, ultimate equitable owner, or employee of the licensee.

(k) Such licensee shall be subject to suspension or revocation for employee actions only if there is a pattern of repeated violations by employees or the licensee has knowledge of the violations.

(l) Procedure for surrender of license:

(1) The Commissioner may, after 10 days notice by certified mail to the licensee at the address set forth on the license, stating the contemplated action and in general the grounds therefor and the date, time and place of a hearing thereon, and after providing the licensee with a reasonable

opportunity to be heard prior to such action, fine such licensee an amount not exceeding $10,000 per violation, or revoke or suspend any license issued hereunder if he or she finds that:

(i) The licensee has failed to comply with any provision of this Act or any order, decision, finding, rule, regulation or direction of the Commissioner lawfully made pursuant to the authority of this Act; or

(ii) Any fact or condition exists which, if it had existed at the time of the original application for the license, clearly would have warranted the Commissioner in refusing to issue the license.

(2) Any licensee may surrender a license by delivering to the Commissioner written notice that he or she thereby surrenders such license, but surrender shall not affect the licensee's civil or criminal liability for acts committed prior to surrender or entitle the licensee to a return of any part of the license fee.

(Source: P.A. 89-355, eff. 8-17-95.)

(205 ILCS 635/4-8.1 new)

Sec. 4-8.1. Confidential information. In hearings conducted under this Act, information presented into evidence that was acquired by the licensee when serving any individual in connection with a residential mortgage, including all financial information of the individual, shall be deemed strictly confidential and shall be made available only as part of the record of a hearing under this Act or otherwise (i) when the record is required, in its entirety, for purposes of judicial review or (ii) upon the express written consent of the individual served, or in the case of his or her death or disability, the consent of his or her personal representative.

(205 ILCS 635/4-8.2 new)

Sec. 4-8.2. Reports of violations. Any person licensed under this Act or any other person may report to the Commissioner any information to show that a person subject to this Act is or may be in violation of this Act.

(205 ILCS 635/Art. VII heading new)

ARTICLE VII. REGISTRATION OF LOAN ORIGINATORS

(205 ILCS 635/7-1 new)

Sec. 7-1. Registration required; rules and regulations. Beginning 6 months after the effective date of this amendatory Act of the 93rd General Assembly, it is unlawful for any natural person to act or assume to act as a loan originator, as defined in subsection (hh) of Section 1-4, without being registered with the Commissioner unless the natural person is exempt under subsection (d) of Section 1-4 of this Act. The Commissioner shall promulgate rules prescribing the criteria for the registration and regulation of loan originators, including but not limited to, qualifications, fees, examination, education, supervision, and enforcement.

Section 835. The Limited Liability Company Act is amended by changing Sections 1-25, 5-5, 5-55, 37-5, and 37-35 as follows:

(805 ILCS 180/1-25)

Sec. 1-25. Nature of business. A limited liability company may be formed for any lawful purpose or business except:

(1) (Blank) ~~banking, exclusive of fiduciaries organized for the purpose of accepting and executing trusts~~;

(2) insurance unless, for the purpose of carrying on business as a member of a group including incorporated and individual unincorporated underwriters, the Director of Insurance finds that the group meets the requirements of subsection (3) of Section 86 of the Illinois Insurance Code and the limited liability company, if insolvent, is subject to liquidation by the Director of Insurance under Article XIII of the Illinois Insurance Code;

(3) the practice of dentistry unless all the members and managers are licensed as dentists under the Illinois Dental Practice Act; or

(4) the practice of medicine unless all the managers, if any, are licensed to practice medicine under the Medical Practice Act of 1987 and any of the following conditions apply:

(A) the member or members are licensed to practice medicine under the Medical Practice Act of 1987; or

(B) the member or members are a registered medical corporation or corporations organized pursuant to the Medical Corporation Act; or

(C) the member or members are a professional corporation organized pursuant to the

Professional Service Corporation Act of physicians licensed to practice medicine in all its branches; or

(D) the member or members are a medical limited liability company or companies.

(Source: P.A. 91-593, eff. 8-14-99; 92-144, eff. 7-24-01.)

(805 ILCS 180/5-5)

Sec. 5-5. Articles of organization.

(a) The articles of organization shall set forth all of the following:

(1) The name of the limited liability company and the address of its principal place of business which may, but need not be a place of business in this State.

(2) The purposes for which the limited liability company is organized, which may be stated to be, or to include, the transaction of any or all lawful businesses for which limited liability companies may be organized under this Act.

(3) The name of its registered agent and the address of its registered office.

(4) If the limited liability company is to be managed by a manager or managers, the names and business addresses of the initial manager or managers.

(5) If management of the limited liability company is to be vested in the members under Section 15-1, then the names and addresses of the initial member or members.

(6) The latest date, if any, upon which the limited liability company is to dissolve and other events of dissolution, if any, that may be agreed upon by the members under Section 35-1 hereof.

(7) The name and address of each organizer.

(8) Any other provision, not inconsistent with law, that the members elect to set out in the articles of organization for the regulation of the internal affairs of the limited liability company, including any provisions that, under this Act, are required or permitted to be set out in the operating agreement of the limited liability company.

(b) A limited liability company is organized at the time articles of organization are filed by the Secretary of State or at any later time, not more than 60 days after the filing of the articles of organization, specified in the articles of organization.

(c) Articles of organization for the organization of a limited liability company for the purpose of accepting and executing trusts shall not be filed by the Secretary of State until there is delivered to him or her a statement executed by the Commissioner of the Office of Banks and Real Estate that the organizers of the limited liability company have made arrangements with the Commissioner of the Office of Banks and Real Estate to comply with the Corporate Fiduciary Act.

(d) Articles of organization for the organization of a limited liability company as a bank or a savings bank must be filed with the Commissioner of Banks and Real Estate or, if the bank or savings bank will be organized under federal law, with the appropriate federal banking regulator.

(Source: P.A. 90-424, eff. 1-1-98.)

(805 ILCS 180/5-55)

Sec. 5-55. Filing in Office of Secretary of State.

(a) Whenever any provision of this Act requires a limited liability company to file any document with the Office of the Secretary of State, the requirement means that:

(1) the original document, executed as described in Section 5-45, and, if required by this Act to be filed in duplicate, one copy (which may be a signed carbon or photocopy) shall be delivered to the Office of the Secretary of State;

(2) all fees and charges authorized by law to be collected by the Secretary of State in connection with the filing of the document shall be tendered to the Secretary of State; and

(3) unless the Secretary of State finds that the document does not conform to law, he or she shall, when all fees have been paid:

(A) endorse on the original and on the copy the word "Filed" and the month, day, and year of the filing thereof;

(B) file in his or her office the original of the document; and

(C) return the copy to the person who filed it or to that person's representative.

(b) If another Section of this Act specifically prescribes a manner of filing or signing a specified document that differs from the corresponding provisions of this Section, then the provisions of the other Section shall govern.

(c) Whenever any provision of this Act requires a limited liability company that is a bank or a savings bank to file any document, that requirement means that the filing shall be made exclusively with the Commissioner of Banks and Real Estate or, if the bank or savings bank is organized under federal law, with

the appropriate federal banking regulator at such times and in such manner as required by the Commissioner or federal regulator.

(Source: P.A. 92-33, eff. 7-1-01.)

(805 ILCS 180/37-5)

Sec. 37-5. Definitions. In this Article:

"Corporation" means (i) a corporation under the Business Corporation Act of 1983, a predecessor law, or comparable law of another jurisdiction or (ii) a bank or savings bank.

"General partner" means a partner in a partnership and a general partner in a limited partnership.

"Limited partner" means a limited partner in a limited partnership.

"Limited partnership" means a limited partnership created under the Revised Uniform Limited Partnership Act, a predecessor law, or comparable law of another jurisdiction.

"Partner" includes a general partner and a limited partner.

"Partnership" means a general partnership under the Uniform Partnership Act, a predecessor law, or comparable law of another jurisdiction.

"Partnership agreement" means an agreement among the partners concerning the partnership or limited partnership.

"Shareholder" means a shareholder in a corporation.

(Source: P.A. 90-424, eff. 1-1-98.)

(805 ILCS 180/37-35)

Sec. 37-35. Article not exclusive. This Article does not preclude an entity from being converted or merged under other law. A bank or savings bank that converts to or merges with and into a limited liability company shall be subject to the provisions of this Article or to other applicable law to the extent that those provisions do not conflict with the State or federal law pursuant to which the conversion or merger of the bank or savings bank is authorized.

(Source: P.A. 90-424, eff. 1-1-98.)

Section 840. The Illinois Fairness in Lending Act is amended by changing Sections 2, 3, and 5 as follows:

(815 ILCS 120/2) (from Ch. 17, par. 852)

Sec. 2. As used in this Act:

(a) "Financial Institution" means any bank, credit union, insurance company, mortgage banking company, savings bank, ~~or~~ savings and loan association , or other residential mortgage lender which operates or has a place of business in this State.

(b) "Person" means any natural person.

(c) "Varying the terms of a loan" includes, but is not limited to the following practices:

(1) Requiring a greater than average down payment than is usual for the particular type of a loan involved.

(2) Requiring a shorter period of amortization than is usual for the particular type of loan involved.

(3) Charging a higher interest rate than is usual for the particular type of loan involved.

(4) An underappraisal of real estate or other item of property offered as security.

(d) "Equity stripping" means to assist a person in obtaining a loan secured by the person's principal residence for the primary purpose of receiving fees related to the financing when (i) the loan decreased the person's equity in the principal residence and (ii) at the time the loan is made, the financial institution does not reasonably believe that the person will be able to make the scheduled payments to repay the loan. "Equity stripping" does not include reverse mortgages as defined in Section 5a of the Illinois Banking Act.

(e) "Loan flipping" means to assist a person in refinancing a loan secured by the person's principal residence for the primary purpose of receiving fees related to the refinancing when (i) the refinancing of the loan results in no tangible benefit to the person and (ii) at the time the loan is made, the financial institution does not reasonably believe that the refinancing of the loan will result in a tangible benefit to the person.

(f) "Principal residence" means a person's primary residence that is a dwelling consisting of 4 or fewer family units or that is in a dwelling consisting of condominium or cooperative units.

(Source: P.A. 81-1391.)

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

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

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

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

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

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

(e) Engage in equity stripping or loan flipping.

(Source: P.A. 81-1391.)

(815 ILCS 120/5) (from Ch. 17, par. 855)

Sec. 5. (a) Subject to the limitation imposed by subsection (b), any person who has been aggrieved as a result of a violation of this Act may bring an action in the circuit court of the county in which the particular financial institution involved is located or doing business.

Upon a finding that a financial institution has committed a violation of this Act, the court may award actual damages, and may in its discretion award court costs.

(b) If the same events or circumstances would constitute the basis for an action under this Act or an action under any other Act, the aggrieved person may elect between the remedies proposed by the two Acts but may not bring actions, either administrative or judicial, under more than one of the two Acts in relation to those same events or circumstances.

(Source: P.A. 81-1391.)

Section 845. The Consumer Fraud and Deceptive Business Practices Act is amended by changing Section 2Z as follows:

(815 ILCS 505/2Z) (from Ch. 121 1/2, par. 262Z)

Sec. 2Z. Violations of other Acts. Any person who knowingly violates the Automotive Repair Act, the Home Repair and Remodeling Act, the Dance Studio Act, the Physical Fitness Services Act, the Hearing Instrument Consumer Protection Act, the Illinois Union Label Act, the Job Referral and Job Listing Services Consumer Protection Act, the Travel Promotion Consumer Protection Act, the Credit Services Organizations Act, the Automatic Telephone Dialers Act, the Pay-Per-Call Services Consumer Protection Act, the Telephone Solicitations Act, the Illinois Funeral or Burial Funds Act, the Cemetery Care Act, the Safe and Hygienic Bed Act, the Pre-Need Cemetery Sales Act, the High Risk Home Loan Act, subsection (a) or (b) of Section 3-10 of the Cigarette Tax Act, subsection (a) or (b) of Section 3-10 of the Cigarette Use Tax Act, the Electronic Mail Act, or paragraph (6) of subsection (k) of Section 6-305 of the Illinois Vehicle Code commits an unlawful practice within the meaning of this Act.

(Source: P.A. 91-164, eff. 7-16-99; 91-230, eff. 1-1-00; 91-233, eff. 1-1-00; 91-810, eff. 6-13-00; 92-426, eff. 1-1-02.)

Section 999. Effective date. This Act takes effect on January 1, 2004.".

Representative Currie offered the following amendment and moved its adoption:

AMENDMENT NO. 2. Amend Senate Bill 1784, AS AMENDED, with reference to page and line numbers of House Amendment No. 1, on page 2, by replacing line 33 with the following:

"brokers who transfer, deal in, offer, or make high risk home loans. "Lender" does not include purchasers, assignees, or subsequent holders of high risk home loans."; and

on page 3, line 33, by changing "lender" to "creditor or broker"; and

on page 4, line 2, by changing "lender" to "creditor or broker"; and

on page 5, immediately below line 15, by inserting the following:

"Section 30. Prepayment penalty. For any loan that is subject to the provisions of this Act and is not subject to the provisions of the Home Ownership and Equity Act of 1994, no lender shall make a high risk home loan that includes a penalty provision for payment made: (i) after the expiration of the 36-month period following the date the loan was made; or (ii) that is more than:

(1) 3% of the total loan amount if the prepayment is made within the first 12-month period following the date the loan was made;

(2) 2% of the total loan amount if the prepayment is made within the second 12-month period following the date the loan was made; or

(3) 1% of the total loan amount if the prepayment is made within the third 12-month period following the date the loan was made."; and

on page 6, line 10, by changing "agreement" to "agent"; and

on page 13, line 20, by changing "requirement" to "right"; and

on page 13, by replacing lines 25 and 26 with the following:

"(h) Except as prohibited elsewhere in this Section, the borrower may waive participation in the program, provided that the waiver occurs no less than 2 business days after the day that the borrower

receives the notice required by subsection (f) of this Section and that the waiver is in writing in a form approved by the Commissioner and the Director."; and
on page 13, line 31, after "Commissioner", by inserting "or the Director"; and
on page 14, by replacing lines 28 and 29 with the following:
"Section 120. Review and analysis.
(a) The Commissioner or Director shall review and analyze the"; and
on page 15, by replacing lines 4 through 7 with the following:
"(3) In comparing the reported information of a servicer."; and
on page 15, line 8, after "Commissioner", by inserting "or the Director"; and
on page 16, line 7, by changing "Enforcement and remedies" to "Remedies, enforcement, and limitations of liability"; and
on page 16, line 10, after "Any", by inserting "knowing"; and
on page 16, by replacing lines 15 through 24 with the following:
"(d)(1) Any natural or artificial person who purchases or otherwise is assigned or subsequently holds a high risk home loan shall be subject to all affirmative claims and defenses with respect to the loan that the borrower could assert against the lender or broker of the loan, provided that this item (d)(1) shall not apply if the purchaser, assignee or holder demonstrates by a preponderance of the evidence that it:
(A) has in place, at the time of the purchase, assignment or transfer of the loans, policies that expressly prohibit its purchase, acceptance of assignment or holding of any high risk home loans;
(B) requires by contract that a seller, assignor or transferor of high risk home loans to the purchaser, assignee or transferee represents and warrants to the purchaser, assignee or transferee that either (i) the seller, assignor or transferor will not sell, assign or transfer any high risk home loans to the purchaser, assignee or transferee, or (ii) the seller, assignor or transferor is a beneficiary of a representation and warranty from a previous seller, assignor or transferor to that effect; and
(C) exercises reasonable due diligence at the time of the purchase, assignment or transfer of high risk home loans, or within a reasonable period of time after the purchase, assignment or transfer of such home loans, which is intended by the purchaser, assignee or transferee to prevent the purchaser, assignee or transferee from purchasing or taking assignment or otherwise holding any high risk home loans, provided that this reasonable due diligence requirement may be met by sampling and need not require loan-by-loan review.
(2) Limited to the amount required to reduce or extinguish the borrower's liability under the high cost home loan plus the amount required to recover costs, including reasonable attorney fees, a borrower acting only in an individual capacity may assert claims that the borrower could assert against a lender of the home loan against a subsequent holder or assignee of the home loan as follows:
(A) within 5 years of the closing date of a high risk home loan, a violation of this Act in connection with the loan as an original action; and
(B) at any time during the term of a high risk home loan, after an action to collect on the home loan or to foreclose on the collateral securing the home loan has been initiated, or the debt arising from the home loan has been accelerated, or the home loan has become 60 days in default, any defense, claim, counterclaim or action to enjoin foreclosure or preserve or obtain possession of the home that secures the loan.
(e) In addition to the limitation of liability afforded to subsequent purchasers, assignees, or holders under subsection (d) of this Section, a lender and a subsequent purchaser, assignee, or holder of the high risk home loan is not liable for"; and
on page 17, by replacing line 27 with the following:
"of any provision of this Act, except as explicitly provided in subsection (h) of Section 110."; and
on page 18, line 3, after "laws,", by inserting "except the Interest Act,"; and
on page 18, by deleting lines 7 through 15; and
on page 65, by replacing lines 5 and 6 with the following:
(2) any person or entity that ~~either (i) has a physical presence in Illinois or (ii)~~ does not originate"; and
on page 85, line 29, by changing "subsection (d)" to "items (1) and (1.5) of subsection (d)"; and
on page 91, by replacing line 29 with the following:
"Banking Act, Section 1-6a of the Illinois Savings and Loan Act of 1985, or subsection (3) of Section 46 of the Illinois Credit Union Act."; and
on page 92, line 29, after "bring an", by inserting "individual"; and
on page 93, immediately below line 8, by inserting the following:

"(c) An action to enjoin any person subject to this Act from engaging in activity in violation of this Act may be maintained in the name of the people of the State of Illinois by the Attorney General or by the State's Attorney of the county in which the action is brought. This remedy shall be in addition to other remedies provided for any violation of this Act."; and

on page 94, by replacing lines 2 and 3 with the following:

"Section 900. Severability. The provisions of this Act are severable under Section 1.31 of the Statute on Statutes.".

AMENDMENT NO. __3__. Amend Senate Bill 1784, AS AMENDED, with reference to page and line numbers of House Amendment No. 2, on page 1, line 16, after "Equity", by inserting "Protection".

The motion prevailed and the amendments were adopted and ordered printed.

There being no further amendments, the foregoing Amendments numbered 1, 2 and 3 were adopted and the bill, as amended, was advanced to the order of Third Reading.

At the hour of 7:30 o'clock p.m., Representative Currie moved that the House do now adjourn until Friday, May 30, 2003, at 11:00 o'clock a.m.

The motion prevailed.

And the House stood adjourned.

NO. 1

STATE OF ILLINOIS
NINETY-THIRD
GENERAL ASSEMBLY
HOUSE ROLL CALL
QUORUM ROLL CALL FOR ATTENDANCE

May 29, 2003

0 YEAS 0 NAYS 117 PRESENT

P Acevedo	P Dunkin	P Leitch	P Phelps
P Aguilar	P Dunn	P Lindner	P Pihos
P Bailey	P Eddy	P Lyons, Eileen	P Poe
P Bassi	P Feigenholtz	P Lyons, Joseph	P Reitz
P Beaubien	P Flider	P Mathias	P Rita
P Bellock	P Flowers	P Mautino	P Rose
P Berrios	P Forby	P May	P Ryg
P Biggins	P Franks	P McAuliffe	P Sacia
P Black	P Fritchey	P McCarthy	P Saviano
P Boland	P Froehlich	P McGuire	P Schmitz
P Bost	P Giles	P McKeon	P Scully
P Bradley	P Graham	P Mendoza	P Slone
P Brady	P Granberg	P Meyer	P Smith
P Brauer	P Grunloh	P Miller	P Sommer
P Brosnahan	P Hamos	P Millner	P Soto
P Burke	P Hannig	P Mitchell, Bill	P Stephens
P Capparelli	P Hassert	P Mitchell, Jerry	P Sullivan
P Chapa LaVia	P Hoffman	E Moffitt	P Tenhouse
P Churchill	P Holbrook	P Molaro	P Turner
P Collins	P Howard	P Morrow	P Verschoore
P Colvin	P Hultgren	P Mulligan	P Wait
P Coulson	P Jakobsson	P Munson	P Washington
P Cross	P Jefferson	P Myers	P Watson
P Cultra	P Jones	P Nekritz	P Winters
P Currie	P Joyce	P Novak	P Wirsing
P Daniels	P Kelly	P O'Brien	P Yarbrough
P Davis, Monique	P Kosel	P Osmond	P Younge
P Davis, Steve	P Krause	P Osterman	P Mr. Speaker
P Davis, Will	P Kurtz	P Pankau	
P Delgado	P Lang	P Parke	

E - Denotes Excused Absence

NO. 2

STATE OF ILLINOIS
NINETY-THIRD
GENERAL ASSEMBLY
HOUSE ROLL CALL
SENATE BILL 172
MOTOR FUEL TAX-TECH
THIRD READING
PASSED

May 29, 2003

116 YEAS 0 NAYS 1 PRESENT

Y Acevedo	Y Dunkin	Y Leitch	Y Phelps
Y Aguilar	Y Dunn	Y Lindner	Y Pihos
Y Bailey	Y Eddy	Y Lyons, Eileen	Y Poe
Y Bassi	Y Feigenholtz	Y Lyons, Joseph	Y Reitz
Y Beaubien	Y Flider	Y Mathias	Y Rita
Y Bellock	Y Flowers	Y Mautino	Y Rose
Y Berrios	Y Forby	Y May	Y Ryg
Y Biggins	Y Franks	Y McAuliffe	Y Sacia
Y Black	Y Fritchey	Y McCarthy	Y Saviano
Y Boland	Y Froehlich	Y McGuire	Y Schmitz
Y Bost	Y Giles	Y McKeon	Y Scully
Y Bradley	Y Graham	Y Mendoza	Y Slone
Y Brady	Y Granberg	Y Meyer	Y Smith
Y Brauer	Y Grunloh	Y Miller	Y Sommer
Y Brosnahan	Y Hamos	Y Millner	Y Soto
Y Burke	Y Hannig	Y Mitchell, Bill	P Stephens
Y Capparelli	Y Hassert	Y Mitchell, Jerry	Y Sullivan
Y Chapa LaVia	Y Hoffman	E Moffitt	Y Tenhouse
Y Churchill	Y Holbrook	Y Molaro	Y Turner
Y Collins	Y Howard	Y Morrow	Y Verschoore
Y Colvin	Y Hultgren	Y Mulligan	Y Wait
Y Coulson	Y Jakobsson	Y Munson	Y Washington
Y Cross	Y Jefferson	Y Myers	Y Watson
Y Cultra	Y Jones	Y Nekritz	Y Winters
Y Currie	Y Joyce	Y Novak	Y Wirsing
Y Daniels	Y Kelly	Y O'Brien	Y Yarbrough
Y Davis, Monique	Y Kosel	Y Osmond	Y Younge
Y Davis, Steve	Y Krause	Y Osterman	Y Mr. Speaker
Y Davis, Will	Y Kurtz	Y Pankau	
Y Delgado	Y Lang	Y Parke	

E - Denotes Excused Absence

NO. 3

STATE OF ILLINOIS
NINETY-THIRD
GENERAL ASSEMBLY
HOUSE ROLL CALL
SENATE BILL 1743
ECONOMIC DEVELOPMENT ACT
THIRD READING
PASSED

May 29, 2003

106 YEAS 11 NAYS 0 PRESENT

Y Acevedo	Y Dunkin	Y Leitch	Y Phelps
Y Aguilar	N Dunn	Y Lindner	N Pihos
Y Bailey	N Eddy	Y Lyons, Eileen	Y Poe
Y Bassi	Y Feigenholtz	Y Lyons, Joseph	Y Reitz
Y Beaubien	Y Flider	Y Mathias	Y Rita
Y Bellock	Y Flowers	Y Mautino	Y Rose
Y Berrios	Y Forby	Y May	Y Ryg
Y Biggins	Y Franks	Y McAuliffe	Y Sacia
N Black	Y Fritchey	Y McCarthy	Y Saviano
Y Boland	Y Froehlich	Y McGuire	N Schmitz
N Bost	Y Giles	Y McKeon	Y Scully
Y Bradley	Y Graham	Y Mendoza	Y Slone
Y Brady	Y Granberg	Y Meyer	Y Smith
Y Brauer	Y Grunloh	Y Miller	Y Sommer
Y Brosnahan	Y Hamos	Y Millner	Y Soto
Y Burke	Y Hannig	Y Mitchell, Bill	Y Stephens
Y Capparelli	Y Hassert	Y Mitchell, Jerry	Y Sullivan
Y Chapa LaVia	Y Hoffman	E Moffitt	Y Tenhouse
Y Churchill	Y Holbrook	Y Molaro	Y Turner
Y Collins	Y Howard	Y Morrow	Y Verschoore
Y Colvin	N Hultgren	Y Mulligan	Y Wait
N Coulson	Y Jakobsson	N Munson	Y Washington
Y Cross	Y Jefferson	Y Myers	Y Watson
N Cultra	Y Jones	Y Nekritz	Y Winters
Y Currie	Y Joyce	Y Novak	Y Wirsing
Y Daniels	Y Kelly	Y O'Brien	Y Yarbrough
Y Davis, Monique	Y Kosel	Y Osmond	Y Younge
Y Davis, Steve	N Krause	Y Osterman	Y Mr. Speaker
Y Davis, Will	Y Kurtz	Y Pankau	
Y Delgado	Y Lang	Y Parke	

E - Denotes Excused Absence

NO. 4

STATE OF ILLINOIS
NINETY-THIRD
GENERAL ASSEMBLY
HOUSE ROLL CALL
SENATE BILL 96
TRANSPORTATION-TECH
THIRD READING
PASSED

May 29, 2003

117 YEAS 0 NAYS 0 PRESENT

Y Acevedo	Y Dunkin	Y Leitch	Y Phelps
Y Aguilar	Y Dunn	Y Lindner	Y Pihos
Y Bailey	Y Eddy	Y Lyons, Eileen	Y Poe
Y Bassi	Y Feigenholtz	Y Lyons, Joseph	Y Reitz
Y Beaubien	Y Flider	Y Mathias	Y Rita
Y Bellock	Y Flowers	Y Mautino	Y Rose
Y Berrios	Y Forby	Y May	Y Ryg
Y Biggins	Y Franks	Y McAuliffe	Y Sacia
Y Black	Y Fritchey	Y McCarthy	Y Saviano
Y Boland	Y Froehlich	Y McGuire	Y Schmitz
Y Bost	Y Giles	Y McKeon	Y Scully
Y Bradley	Y Graham	Y Mendoza	Y Slone
Y Brady	Y Granberg	Y Meyer	Y Smith
Y Brauer	Y Grunloh	Y Miller	Y Sommer
Y Brosnahan	Y Hamos	Y Millner	Y Soto
Y Burke	Y Hannig	Y Mitchell, Bill	Y Stephens
Y Capparelli	Y Hassert	Y Mitchell, Jerry	Y Sullivan
Y Chapa LaVia	Y Hoffman	E Moffitt	Y Tenhouse
Y Churchill	Y Holbrook	Y Molaro	Y Turner
Y Collins	Y Howard	Y Morrow	Y Verschoore
Y Colvin	Y Hultgren	Y Mulligan	Y Wait
Y Coulson	Y Jakobsson	Y Munson	Y Washington
Y Cross	Y Jefferson	Y Myers	Y Watson
Y Cultra	Y Jones	Y Nekritz	Y Winters
Y Currie	Y Joyce	Y Novak	Y Wirsing
Y Daniels	Y Kelly	Y O'Brien	Y Yarbrough
Y Davis, Monique	Y Kosel	Y Osmond	Y Younge
Y Davis, Steve	Y Krause	Y Osterman	Y Mr. Speaker
Y Davis, Will	Y Kurtz	Y Pankau	
Y Delgado	Y Lang	Y Parke	

E - Denotes Excused Absence

NO. 5

STATE OF ILLINOIS
NINETY-THIRD
GENERAL ASSEMBLY
HOUSE ROLL CALL
SENATE BILL 153
PBLC BLDG COMMISSION ALT BONDS
THIRD READING
PASSED

May 29, 2003

67 YEAS 50 NAYS 0 PRESENT

Y Acevedo	Y Dunkin	Y Leitch	N Phelps
N Aguilar	N Dunn	Y Lindner	N Pihos
Y Bailey	N Eddy	Y Lyons, Eileen	Y Poe
N Bassi	Y Feigenholtz	Y Lyons, Joseph	Y Reitz
N Beaubien	N Flider	N Mathias	Y Rita
Y Bellock	Y Flowers	Y Mautino	N Rose
Y Berrios	N Forby	N May	N Ryg
N Biggins	N Franks	Y McAuliffe	N Sacia
Y Black	N Fritchey	Y McCarthy	Y Saviano
Y Boland	N Froehlich	N McGuire	N Schmitz
Y Bost	Y Giles	N McKeon	Y Scully
Y Bradley	Y Graham	Y Mendoza	N Slone
Y Brady	Y Granberg	N Meyer	Y Smith
Y Brauer	N Grunloh	N Miller	N Sommer
Y Brosnahan	Y Hamos	Y Millner	Y Soto
Y Burke	Y Hannig	N Mitchell, Bill	N Stephens
Y Capparelli	Y Hassert	Y Mitchell, Jerry	N Sullivan
N Chapa LaVia	Y Hoffman	E Moffitt	N Tenhouse
N Churchill	Y Holbrook	Y Molaro	Y Turner
Y Collins	Y Howard	Y Morrow	N Verschoore
Y Colvin	N Hultgren	Y Mulligan	N Wait
N Coulson	N Jakobsson	N Munson	Y Washington
Y Cross	N Jefferson	N Myers	N Watson
N Cultra	Y Jones	N Nekritz	N Winters
Y Currie	Y Joyce	Y Novak	N Wirsing
N Daniels	Y Kelly	N O'Brien	Y Yarbrough
Y Davis, Monique	N Kosel	N Osmond	Y Younge
Y Davis, Steve	Y Krause	Y Osterman	Y Mr. Speaker
Y Davis, Will	N Kurtz	Y Pankau	
Y Delgado	Y Lang	Y Parke	

E - Denotes Excused Absence

NO. 6

STATE OF ILLINOIS
NINETY-THIRD
GENERAL ASSEMBLY
HOUSE ROLL CALL
SENATE BILL 173
TRANSPORTATION-TECH
THIRD READING
LOST

May 29, 2003

20 YEAS 97 NAYS 0 PRESENT

N Acevedo	N Dunkin	N Leitch	N Phelps
Y Aguilar	N Dunn	N Lindner	N Pihos
N Bailey	N Eddy	Y Lyons, Eileen	N Poe
N Bassi	Y Feigenholtz	Y Lyons, Joseph	N Reitz
N Beaubien	N Flider	N Mathias	N Rita
N Bellock	N Flowers	N Mautino	N Rose
N Berrios	N Forby	Y May	N Ryg
N Biggins	N Franks	Y McAuliffe	Y Sacia
N Black	Y Fritchey	N McCarthy	Y Saviano
N Boland	Y Froehlich	Y McGuire	N Schmitz
N Bost	N Giles	Y McKeon	N Scully
N Bradley	Y Graham	N Mendoza	N Slone
N Brady	N Granberg	N Meyer	N Smith
N Brauer	N Grunloh	N Miller	N Sommer
N Brosnahan	Y Hamos	Y Millner	N Soto
N Burke	N Hannig	N Mitchell, Bill	N Stephens
N Capparelli	N Hassert	N Mitchell, Jerry	N Sullivan
N Chapa LaVia	N Hoffman	E Moffitt	N Tenhouse
N Churchill	N Holbrook	N Molaro	N Turner
N Collins	N Howard	N Morrow	N Verschoore
N Colvin	N Hultgren	N Mulligan	N Wait
N Coulson	N Jakobsson	N Munson	N Washington
N Cross	N Jefferson	N Myers	N Watson
N Cultra	N Jones	N Nekritz	N Winters
Y Currie	N Joyce	N Novak	Y Wirsing
N Daniels	Y Kelly	N O'Brien	N Yarbrough
N Davis, Monique	N Kosel	N Osmond	N Younge
N Davis, Steve	N Krause	Y Osterman	Y Mr. Speaker
N Davis, Will	N Kurtz	N Pankau	
N Delgado	N Lang	N Parke	

E - Denotes Excused Absence

NO. 7

STATE OF ILLINOIS
NINETY-THIRD
GENERAL ASSEMBLY
HOUSE ROLL CALL
SENATE BILL 206
SCH CD-MANDATE WAIVER HEARINGS
THIRD READING
PASSED

May 29, 2003

114 YEAS 2 NAYS 1 PRESENT

Y Acevedo	Y Dunkin	Y Leitch	Y Phelps
Y Aguilar	Y Dunn	Y Lindner	Y Pihos
Y Bailey	Y Eddy	Y Lyons, Eileen	Y Poe
Y Bassi	Y Feigenholtz	Y Lyons, Joseph	Y Reitz
Y Beaubien	Y Flider	Y Mathias	Y Rita
Y Bellock	Y Flowers	Y Mautino	Y Rose
Y Berrios	Y Forby	Y May	Y Ryg
Y Biggins	Y Franks	Y McAuliffe	Y Sacia
P Black	Y Fritchey	Y McCarthy	Y Saviano
Y Boland	Y Froehlich	Y McGuire	Y Schmitz
Y Bost	Y Giles	Y McKeon	Y Scully
Y Bradley	Y Graham	Y Mendoza	Y Slone
Y Brady	Y Granberg	Y Meyer	Y Smith
Y Brauer	Y Grunloh	Y Miller	N Sommer
Y Brosnahan	Y Hamos	Y Millner	Y Soto
Y Burke	Y Hannig	N Mitchell, Bill	Y Stephens
Y Capparelli	Y Hassert	Y Mitchell, Jerry	Y Sullivan
Y Chapa LaVia	Y Hoffman	E Moffitt	Y Tenhouse
Y Churchill	Y Holbrook	Y Molaro	Y Turner
Y Collins	Y Howard	Y Morrow	Y Verschoore
Y Colvin	Y Hultgren	Y Mulligan	Y Wait
Y Coulson	Y Jakobsson	Y Munson	Y Washington
Y Cross	Y Jefferson	Y Myers	Y Watson
Y Cultra	Y Jones	Y Nekritz	Y Winters
Y Currie	Y Joyce	Y Novak	Y Wirsing
Y Daniels	Y Kelly	Y O'Brien	Y Yarbrough
Y Davis, Monique	Y Kosel	Y Osmond	Y Younge
Y Davis, Steve	Y Krause	Y Osterman	Y Mr. Speaker
Y Davis, Will	Y Kurtz	Y Pankau	
Y Delgado	Y Lang	Y Parke	

E - Denotes Excused Absence

NO. 8

STATE OF ILLINOIS
NINETY-THIRD
GENERAL ASSEMBLY
HOUSE ROLL CALL
SENATE BILL 777
CHILD CARE-TECH
THIRD READING
PASSED

May 29, 2003

117 YEAS 0 NAYS 0 PRESENT

Y Acevedo	Y Dunkin	Y Leitch	Y Phelps
Y Aguilar	Y Dunn	Y Lindner	Y Pihos
Y Bailey	Y Eddy	Y Lyons, Eileen	Y Poe
Y Bassi	Y Feigenholtz	Y Lyons, Joseph	Y Reitz
Y Beaubien	Y Flider	Y Mathias	Y Rita
Y Bellock	Y Flowers	Y Mautino	Y Rose
Y Berrios	Y Forby	Y May	Y Ryg
Y Biggins	Y Franks	Y McAuliffe	Y Sacia
Y Black	Y Fritchey	Y McCarthy	Y Saviano
Y Boland	Y Froehlich	Y McGuire	Y Schmitz
Y Bost	Y Giles	Y McKeon	Y Scully
Y Bradley	Y Graham	Y Mendoza	Y Slone
Y Brady	Y Granberg	Y Meyer	Y Smith
Y Brauer	Y Grunloh	Y Miller	Y Sommer
Y Brosnahan	Y Hamos	Y Millner	Y Soto
Y Burke	Y Hannig	Y Mitchell, Bill	Y Stephens
Y Capparelli	Y Hassert	Y Mitchell, Jerry	Y Sullivan
Y Chapa LaVia	Y Hoffman	E Moffitt	Y Tenhouse
Y Churchill	Y Holbrook	Y Molaro	Y Turner
Y Collins	Y Howard	Y Morrow	Y Verschoore
Y Colvin	Y Hultgren	Y Mulligan	Y Wait
Y Coulson	Y Jakobsson	Y Munson	Y Washington
Y Cross	Y Jefferson	Y Myers	Y Watson
Y Cultra	Y Jones	Y Nekritz	Y Winters
Y Currie	Y Joyce	Y Novak	Y Wirsing
Y Daniels	Y Kelly	Y O'Brien	Y Yarbrough
Y Davis, Monique	Y Kosel	Y Osmond	Y Younge
Y Davis, Steve	Y Krause	Y Osterman	Y Mr. Speaker
Y Davis, Will	Y Kurtz	Y Pankau	
Y Delgado	Y Lang	Y Parke	

E - Denotes Excused Absence

NO. 9

STATE OF ILLINOIS
NINETY-THIRD
GENERAL ASSEMBLY
HOUSE ROLL CALL
SENATE BILL 496
PROP TAX-TOWNSHIP ASSESSORS
THIRD READING
PASSED

May 29, 2003

116 YEAS 0 NAYS 1 PRESENT

Y Acevedo	Y Dunkin	Y Leitch	Y Phelps
Y Aguilar	Y Dunn	Y Lindner	Y Pihos
Y Bailey	Y Eddy	Y Lyons, Eileen	Y Poe
Y Bassi	Y Feigenholtz	Y Lyons, Joseph	Y Reitz
Y Beaubien	Y Flider	Y Mathias	Y Rita
Y Bellock	Y Flowers	Y Mautino	Y Rose
Y Berrios	Y Forby	Y May	Y Ryg
Y Biggins	Y Franks	Y McAuliffe	Y Sacia
Y Black	Y Fritchey	Y McCarthy	Y Saviano
Y Boland	Y Froehlich	Y McGuire	Y Schmitz
Y Bost	Y Giles	Y McKeon	Y Scully
Y Bradley	Y Graham	Y Mendoza	Y Slone
Y Brady	Y Granberg	Y Meyer	Y Smith
Y Brauer	Y Grunloh	Y Miller	Y Sommer
Y Brosnahan	Y Hamos	Y Millner	Y Soto
Y Burke	Y Hannig	Y Mitchell, Bill	Y Stephens
Y Capparelli	Y Hassert	Y Mitchell, Jerry	Y Sullivan
Y Chapa LaVia	Y Hoffman	E Moffitt	Y Tenhouse
Y Churchill	Y Holbrook	Y Molaro	Y Turner
Y Collins	Y Howard	Y Morrow	Y Verschoore
Y Colvin	Y Hultgren	Y Mulligan	Y Wait
Y Coulson	Y Jakobsson	Y Munson	Y Washington
Y Cross	Y Jefferson	Y Myers	Y Watson
Y Cultra	Y Jones	Y Nekritz	Y Winters
Y Currie	Y Joyce	Y Novak	Y Wirsing
Y Daniels	Y Kelly	Y O'Brien	Y Yarbrough
Y Davis, Monique	Y Kosel	Y Osmond	Y Younge
Y Davis, Steve	Y Krause	Y Osterman	P Mr. Speaker
Y Davis, Will	Y Kurtz	Y Pankau	
Y Delgado	Y Lang	Y Parke	

E - Denotes Excused Absence

NO. 10

STATE OF ILLINOIS
NINETY-THIRD
GENERAL ASSEMBLY
HOUSE ROLL CALL
SENATE BILL 594
MUNI CD-RETAIL SALES TAX
THIRD READING
PASSED

May 29, 2003

62 YEAS 53 NAYS 2 PRESENT

Y Acevedo	Y Dunkin	N Leitch	N Phelps
N Aguilar	N Dunn	N Lindner	N Pihos
P Bailey	N Eddy	N Lyons, Eileen	N Poe
N Bassi	Y Feigenholtz	Y Lyons, Joseph	Y Reitz
N Beaubien	N Flider	Y Mathias	Y Rita
N Bellock	Y Flowers	Y Mautino	N Rose
Y Berrios	N Forby	N May	N Ryg
N Biggins	N Franks	Y McAuliffe	N Sacia
N Black	Y Fritchey	Y McCarthy	Y Saviano
N Boland	N Froehlich	Y McGuire	N Schmitz
N Bost	Y Giles	Y McKeon	Y Scully
Y Bradley	Y Graham	Y Mendoza	Y Slone
N Brady	Y Granberg	Y Meyer	Y Smith
N Brauer	N Grunloh	Y Miller	N Sommer
Y Brosnahan	Y Hamos	N Millner	Y Soto
Y Burke	Y Hannig	N Mitchell, Bill	N Stephens
Y Capparelli	Y Hassert	N Mitchell, Jerry	Y Sullivan
N Chapa LaVia	Y Hoffman	E Moffitt	N Tenhouse
N Churchill	Y Holbrook	Y Molaro	Y Turner
Y Collins	Y Howard	Y Morrow	N Verschoore
Y Colvin	Y Hultgren	N Mulligan	N Wait
N Coulson	N Jakobsson	N Munson	P Washington
Y Cross	N Jefferson	N Myers	N Watson
N Cultra	Y Jones	N Nekritz	N Winters
Y Currie	Y Joyce	Y Novak	Y Wirsing
N Daniels	Y Kelly	Y O'Brien	Y Yarbrough
Y Davis, Monique	Y Kosel	N Osmond	Y Younge
Y Davis, Steve	Y Krause	Y Osterman	Y Mr. Speaker
Y Davis, Will	N Kurtz	N Pankau	
Y Delgado	Y Lang	N Parke	

E - Denotes Excused Absence

NO. 11

STATE OF ILLINOIS
NINETY-THIRD
GENERAL ASSEMBLY
HOUSE ROLL CALL
SENATE BILL 871
STATE FINANCE-TECH
THIRD READING
PASSED

May 29, 2003

117 YEAS 0 NAYS 0 PRESENT

Y Acevedo	Y Dunkin	Y Leitch	Y Phelps
Y Aguilar	Y Dunn	Y Lindner	Y Pihos
Y Bailey	Y Eddy	Y Lyons, Eileen	Y Poe
Y Bassi	Y Feigenholtz	Y Lyons, Joseph	Y Reitz
Y Beaubien	Y Flider	Y Mathias	Y Rita
Y Bellock	Y Flowers	Y Mautino	Y Rose
Y Berrios	Y Forby	Y May	Y Ryg
Y Biggins	Y Franks	Y McAuliffe	Y Sacia
Y Black	Y Fritchey	Y McCarthy	Y Saviano
Y Boland	Y Froehlich	Y McGuire	Y Schmitz
Y Bost	Y Giles	Y McKeon	Y Scully
Y Bradley	Y Graham	Y Mendoza	Y Slone
Y Brady	Y Granberg	Y Meyer	Y Smith
Y Brauer	Y Grunloh	Y Miller	Y Sommer
Y Brosnahan	Y Hamos	Y Millner	Y Soto
Y Burke	Y Hannig	Y Mitchell, Bill	Y Stephens
Y Capparelli	Y Hassert	Y Mitchell, Jerry	Y Sullivan
Y Chapa LaVia	Y Hoffman	E Moffitt	Y Tenhouse
Y Churchill	Y Holbrook	Y Molaro	Y Turner
Y Collins	Y Howard	Y Morrow	Y Verschoore
Y Colvin	Y Hultgren	Y Mulligan	Y Wait
Y Coulson	Y Jakobsson	Y Munson	Y Washington
Y Cross	Y Jefferson	Y Myers	Y Watson
Y Cultra	Y Jones	Y Nekritz	Y Winters
Y Currie	Y Joyce	Y Novak	Y Wirsing
Y Daniels	Y Kelly	Y O'Brien	Y Yarbrough
Y Davis, Monique	Y Kosel	Y Osmond	Y Younge
Y Davis, Steve	Y Krause	Y Osterman	Y Mr. Speaker
Y Davis, Will	Y Kurtz	Y Pankau	
Y Delgado	Y Lang	Y Parke	

E - Denotes Excused Absence

NO. 12

STATE OF ILLINOIS
NINETY-THIRD
GENERAL ASSEMBLY
HOUSE ROLL CALL
SENATE BILL 1147
CONDO-AMERICAN FLAG
THIRD READING
PASSED

May 29, 2003

117 YEAS 0 NAYS 0 PRESENT

Y Acevedo	Y Dunkin	Y Leitch	Y Phelps
Y Aguilar	Y Dunn	Y Lindner	Y Pihos
Y Bailey	Y Eddy	Y Lyons, Eileen	Y Poe
Y Bassi	Y Feigenholtz	Y Lyons, Joseph	Y Reitz
Y Beaubien	Y Flider	Y Mathias	Y Rita
Y Bellock	Y Flowers	Y Mautino	Y Rose
Y Berrios	Y Forby	Y May	Y Ryg
Y Biggins	Y Franks	Y McAuliffe	Y Sacia
Y Black	Y Fritchey	Y McCarthy	Y Saviano
Y Boland	Y Froehlich	Y McGuire	Y Schmitz
Y Bost	Y Giles	Y McKeon	Y Scully
Y Bradley	Y Graham	Y Mendoza	Y Slone
Y Brady	Y Granberg	Y Meyer	Y Smith
Y Brauer	Y Grunloh	Y Miller	Y Sommer
Y Brosnahan	Y Hamos	Y Millner	Y Soto
Y Burke	Y Hannig	Y Mitchell, Bill	Y Stephens
Y Capparelli	Y Hassert	Y Mitchell, Jerry	Y Sullivan
Y Chapa LaVia	Y Hoffman	E Moffitt	Y Tenhouse
Y Churchill	Y Holbrook	Y Molaro	Y Turner
Y Collins	Y Howard	Y Morrow	Y Verschoore
Y Colvin	Y Hultgren	Y Mulligan	Y Wait
Y Coulson	Y Jakobsson	Y Munson	Y Washington
Y Cross	Y Jefferson	Y Myers	Y Watson
Y Cultra	Y Jones	Y Nekritz	Y Winters
Y Currie	Y Joyce	Y Novak	Y Wirsing
Y Daniels	Y Kelly	Y O'Brien	Y Yarbrough
Y Davis, Monique	Y Kosel	Y Osmond	Y Younge
Y Davis, Steve	Y Krause	Y Osterman	Y Mr. Speaker
Y Davis, Will	Y Kurtz	Y Pankau	
Y Delgado	Y Lang	Y Parke	

E - Denotes Excused Absence

NO. 13

STATE OF ILLINOIS
NINETY-THIRD
GENERAL ASSEMBLY
HOUSE ROLL CALL
SENATE BILL 1352
CONDO ACT-PUBLIC HOUS AUTHORIT
THIRD READING
PASSED

May 29, 2003

115 YEAS 0 NAYS 2 PRESENT

Y Acevedo	Y Dunkin	Y Leitch	Y Phelps
Y Aguilar	Y Dunn	Y Lindner	Y Pihos
Y Bailey	Y Eddy	Y Lyons, Eileen	Y Poe
Y Bassi	Y Feigenholtz	Y Lyons, Joseph	Y Reitz
Y Beaubien	Y Flider	Y Mathias	Y Rita
Y Bellock	Y Flowers	Y Mautino	Y Rose
Y Berrios	Y Forby	Y May	Y Ryg
Y Biggins	Y Franks	Y McAuliffe	Y Sacia
P Black	Y Fritchey	Y McCarthy	Y Saviano
Y Boland	Y Froehlich	Y McGuire	Y Schmitz
Y Bost	Y Giles	Y McKeon	Y Scully
Y Bradley	Y Graham	Y Mendoza	Y Slone
Y Brady	Y Granberg	Y Meyer	Y Smith
Y Brauer	Y Grunloh	Y Miller	Y Sommer
Y Brosnahan	Y Hamos	Y Millner	Y Soto
Y Burke	Y Hannig	Y Mitchell, Bill	Y Stephens
Y Capparelli	Y Hassert	Y Mitchell, Jerry	Y Sullivan
Y Chapa LaVia	Y Hoffman	E Moffitt	Y Tenhouse
Y Churchill	Y Holbrook	Y Molaro	Y Turner
Y Collins	Y Howard	Y Morrow	Y Verschoore
Y Colvin	Y Hultgren	Y Mulligan	Y Wait
Y Coulson	Y Jakobsson	Y Munson	Y Washington
Y Cross	Y Jefferson	Y Myers	Y Watson
P Cultra	Y Jones	Y Nekritz	Y Winters
Y Currie	Y Joyce	Y Novak	Y Wirsing
Y Daniels	Y Kelly	Y O'Brien	Y Yarbrough
Y Davis, Monique	Y Kosel	Y Osmond	Y Younge
Y Davis, Steve	Y Krause	Y Osterman	Y Mr. Speaker
Y Davis, Will	Y Kurtz	Y Pankau	
Y Delgado	Y Lang	Y Parke	

E - Denotes Excused Absence

NO. 14

STATE OF ILLINOIS
NINETY-THIRD
GENERAL ASSEMBLY
HOUSE ROLL CALL
SENATE BILL 1589
IDPH-OBESITY STUDY PREVENTION
THIRD READING
PASSED

May 29, 2003

85 YEAS 24 NAYS 8 PRESENT

Y Acevedo	Y Dunkin	Y Leitch	Y Phelps
Y Aguilar	N Dunn	Y Lindner	N Pihos
Y Bailey	N Eddy	N Lyons, Eileen	Y Poe
P Bassi	Y Feigenholtz	Y Lyons, Joseph	Y Reitz
P Beaubien	Y Flider	Y Mathias	Y Rita
Y Bellock	Y Flowers	Y Mautino	N Rose
Y Berrios	Y Forby	Y May	Y Ryg
N Biggins	Y Franks	Y McAuliffe	N Sacia
N Black	Y Fritchey	Y McCarthy	Y Saviano
Y Boland	Y Froehlich	Y McGuire	P Schmitz
Y Bost	Y Giles	Y McKeon	Y Scully
Y Bradley	Y Graham	Y Mendoza	N Slone
N Brady	Y Granberg	N Meyer	Y Smith
N Brauer	Y Grunloh	Y Miller	N Sommer
Y Brosnahan	Y Hamos	Y Millner	Y Soto
Y Burke	Y Hannig	N Mitchell, Bill	N Stephens
Y Capparelli	P Hassert	Y Mitchell, Jerry	N Sullivan
Y Chapa LaVia	Y Hoffman	E Moffitt	Y Tenhouse
Y Churchill	Y Holbrook	Y Molaro	Y Turner
Y Collins	Y Howard	Y Morrow	Y Verschoore
Y Colvin	N Hultgren	N Mulligan	N Wait
Y Coulson	Y Jakobsson	N Munson	Y Washington
P Cross	Y Jefferson	Y Myers	Y Watson
N Cultra	Y Jones	Y Nekritz	N Winters
Y Currie	Y Joyce	Y Novak	N Wirsing
Y Daniels	Y Kelly	Y O'Brien	Y Yarbrough
Y Davis, Monique	Y Kosel	P Osmond	Y Younge
Y Davis, Steve	Y Krause	Y Osterman	Y Mr. Speaker
Y Davis, Will	N Kurtz	P Pankau	
Y Delgado	Y Lang	P Parke	

E - Denotes Excused Absence

NO. 15

STATE OF ILLINOIS
NINETY-THIRD
GENERAL ASSEMBLY
HOUSE ROLL CALL
SENATE BILL 1994
UNEMPLOYMENT INSURANCE-TECH
THIRD READING
PASSED

May 29, 2003

61 YEAS 54 NAYS 2 PRESENT

Y Acevedo	P Dunkin	N Leitch	Y Phelps
N Aguilar	N Dunn	N Lindner	N Pihos
Y Bailey	N Eddy	N Lyons, Eileen	N Poe
N Bassi	Y Feigenholtz	Y Lyons, Joseph	Y Reitz
N Beaubien	Y Flider	N Mathias	Y Rita
N Bellock	Y Flowers	Y Mautino	N Rose
Y Berrios	Y Forby	N May	Y Ryg
N Biggins	Y Franks	N McAuliffe	N Sacia
N Black	Y Fritchey	Y McCarthy	Y Saviano
Y Boland	N Froehlich	Y McGuire	N Schmitz
N Bost	Y Giles	Y McKeon	Y Scully
Y Bradley	Y Graham	Y Mendoza	Y Slone
N Brady	Y Granberg	N Meyer	Y Smith
N Brauer	Y Grunloh	Y Miller	N Sommer
Y Brosnahan	N Hamos	N Millner	Y Soto
Y Burke	Y Hannig	N Mitchell, Bill	N Stephens
Y Capparelli	N Hassert	N Mitchell, Jerry	N Sullivan
N Chapa LaVia	Y Hoffman	E Moffitt	N Tenhouse
N Churchill	Y Holbrook	Y Molaro	Y Turner
Y Collins	Y Howard	Y Morrow	Y Verschoore
Y Colvin	N Hultgren	N Mulligan	N Wait
N Coulson	Y Jakobsson	N Munson	Y Washington
N Cross	Y Jefferson	N Myers	N Watson
N Cultra	Y Jones	N Nekritz	N Winters
Y Currie	Y Joyce	Y Novak	N Wirsing
N Daniels	Y Kelly	Y O'Brien	P Yarbrough
Y Davis, Monique	N Kosel	N Osmond	Y Younge
Y Davis, Steve	N Krause	Y Osterman	Y Mr. Speaker
Y Davis, Will	N Kurtz	N Pankau	
Y Delgado	Y Lang	N Parke	

E - Denotes Excused Absence

NO. 16

STATE OF ILLINOIS
NINETY-THIRD
GENERAL ASSEMBLY
HOUSE ROLL CALL
SENATE BILL 417
MUNI CD-EXTEND TIF DISTRICT
THIRD READING
PASSED

May 29, 2003

114 YEAS 2 NAYS 0 PRESENT

Y Acevedo	Y Dunkin	Y Leitch	Y Phelps
Y Aguilar	Y Dunn	Y Lindner	Y Pihos
Y Bailey	Y Eddy	Y Lyons, Eileen	Y Poe
Y Bassi	Y Feigenholtz	Y Lyons, Joseph	Y Reitz
Y Beaubien	Y Flider	Y Mathias	Y Rita
Y Bellock	Y Flowers	Y Mautino	Y Rose
Y Berrios	Y Forby	Y May	Y Ryg
Y Biggins	Y Franks	Y McAuliffe	Y Sacia
Y Black	Y Fritchey	Y McCarthy	Y Saviano
Y Boland	Y Froehlich	Y McGuire	Y Schmitz
Y Bost	Y Giles	Y McKeon	Y Scully
Y Bradley	Y Graham	Y Mendoza	Y Slone
Y Brady	Y Granberg	Y Meyer	Y Smith
Y Brauer	Y Grunloh	Y Miller	Y Sommer
Y Brosnahan	Y Hamos	Y Millner	Y Soto
Y Burke	Y Hannig	Y Mitchell, Bill	Y Stephens
Y Capparelli	Y Hassert	Y Mitchell, Jerry	Y Sullivan
Y Chapa LaVia	Y Hoffman	E Moffitt	Y Tenhouse
Y Churchill	Y Holbrook	Y Molaro	Y Turner
Y Collins	Y Howard	Y Morrow	Y Verschoore
Y Colvin	Y Hultgren	Y Mulligan	Y Wait
Y Coulson	Y Jakobsson	Y Munson	Y Washington
Y Cross	Y Jefferson	Y Myers	Y Watson
N Cultra	Y Jones	Y Nekritz	Y Winters
Y Currie	Y Joyce	Y Novak	Y Wirsing
Y Daniels	Y Kelly	Y O'Brien	Y Yarbrough
Y Davis, Monique	Y Kosel	Y Osmond	A Younge
Y Davis, Steve	Y Krause	Y Osterman	Y Mr. Speaker
Y Davis, Will	Y Kurtz	Y Pankau	
Y Delgado	Y Lang	N Parke	

E - Denotes Excused Absence

NO. 17

STATE OF ILLINOIS
NINETY-THIRD
GENERAL ASSEMBLY
HOUSE ROLL CALL
SENATE BILL 1476
PEN CD-GA-ACCELERATED 3% INCRS
THIRD READING
PASSED

May 29, 2003

116 YEAS 1 NAYS 0 PRESENT

Y Acevedo	Y Dunkin	Y Leitch	Y Phelps
Y Aguilar	Y Dunn	Y Lindner	Y Pihos
Y Bailey	Y Eddy	Y Lyons, Eileen	Y Poe
Y Bassi	Y Feigenholtz	Y Lyons, Joseph	Y Reitz
Y Beaubien	Y Flider	Y Mathias	Y Rita
Y Bellock	Y Flowers	Y Mautino	Y Rose
Y Berrios	Y Forby	Y May	Y Ryg
Y Biggins	Y Franks	Y McAuliffe	Y Sacia
Y Black	Y Fritchey	Y McCarthy	Y Saviano
Y Boland	Y Froehlich	Y McGuire	Y Schmitz
Y Bost	Y Giles	Y McKeon	Y Scully
Y Bradley	Y Graham	Y Mendoza	Y Slone
Y Brady	Y Granberg	Y Meyer	Y Smith
Y Brauer	Y Grunloh	Y Miller	Y Sommer
Y Brosnahan	Y Hamos	Y Millner	Y Soto
Y Burke	Y Hannig	Y Mitchell, Bill	Y Stephens
Y Capparelli	Y Hassert	Y Mitchell, Jerry	Y Sullivan
Y Chapa LaVia	Y Hoffman	E Moffitt	Y Tenhouse
Y Churchill	Y Holbrook	Y Molaro	Y Turner
Y Collins	Y Howard	Y Morrow	Y Verschoore
Y Colvin	Y Hultgren	Y Mulligan	Y Wait
Y Coulson	Y Jakobsson	Y Munson	Y Washington
Y Cross	Y Jefferson	Y Myers	Y Watson
Y Cultra	Y Jones	Y Nekritz	Y Winters
Y Currie	Y Joyce	Y Novak	Y Wirsing
Y Daniels	Y Kelly	Y O'Brien	Y Yarbrough
Y Davis, Monique	N Kosel	Y Osmond	Y Younge
Y Davis, Steve	Y Krause	Y Osterman	Y Mr. Speaker
Y Davis, Will	Y Kurtz	Y Pankau	
Y Delgado	Y Lang	Y Parke	

E - Denotes Excused Absence

NO. 18

STATE OF ILLINOIS
NINETY-THIRD
GENERAL ASSEMBLY
HOUSE ROLL CALL
HOUSE BILL 44
VEH CD-RENTAL CHARGE DISCLOSED
MOTION TO CONCUR IN SENATE AMENDMENT No. 1
CONCURRED

May 29, 2003

116 YEAS 1 NAYS 0 PRESENT

Y Acevedo	Y Dunkin	Y Leitch	Y Phelps
Y Aguilar	Y Dunn	Y Lindner	Y Pihos
Y Bailey	Y Eddy	Y Lyons, Eileen	Y Poe
Y Bassi	Y Feigenholtz	Y Lyons, Joseph	Y Reitz
Y Beaubien	Y Flider	Y Mathias	Y Rita
Y Bellock	Y Flowers	Y Mautino	Y Rose
Y Berrios	Y Forby	Y May	Y Ryg
Y Biggins	Y Franks	Y McAuliffe	Y Sacia
Y Black	Y Fritchey	Y McCarthy	Y Saviano
Y Boland	Y Froehlich	Y McGuire	Y Schmitz
Y Bost	Y Giles	Y McKeon	Y Scully
Y Bradley	Y Graham	Y Mendoza	Y Slone
Y Brady	Y Granberg	Y Meyer	Y Smith
Y Brauer	N Grunloh	Y Miller	Y Sommer
Y Brosnahan	Y Hamos	Y Millner	Y Soto
Y Burke	Y Hannig	Y Mitchell, Bill	Y Stephens
Y Capparelli	Y Hassert	Y Mitchell, Jerry	Y Sullivan
Y Chapa LaVia	Y Hoffman	E Moffitt	Y Tenhouse
Y Churchill	Y Holbrook	Y Molaro	Y Turner
Y Collins	Y Howard	Y Morrow	Y Verschoore
Y Colvin	Y Hultgren	Y Mulligan	Y Wait
Y Coulson	Y Jakobsson	Y Munson	Y Washington
Y Cross	Y Jefferson	Y Myers	Y Watson
Y Cultra	Y Jones	Y Nekritz	Y Winters
Y Currie	Y Joyce	Y Novak	Y Wirsing
Y Daniels	Y Kelly	Y O'Brien	Y Yarbrough
Y Davis, Monique	Y Kosel	Y Osmond	Y Younge
Y Davis, Steve	Y Krause	Y Osterman	Y Mr. Speaker
Y Davis, Will	Y Kurtz	Y Pankau	
Y Delgado	Y Lang	Y Parke	

E - Denotes Excused Absence

NO. 19

STATE OF ILLINOIS
NINETY-THIRD
GENERAL ASSEMBLY
HOUSE ROLL CALL
HOUSE BILL 51
PROBATE-ELDER ABUSERS INHERIT
MOTION TO CONCUR IN SENATE AMENDMENT No. 1
CONCURRED

May 29, 2003

117 YEAS 0 NAYS 0 PRESENT

Y Acevedo	Y Dunkin	Y Leitch	Y Phelps
Y Aguilar	Y Dunn	Y Lindner	Y Pihos
Y Bailey	Y Eddy	Y Lyons, Eileen	Y Poe
Y Bassi	Y Feigenholtz	Y Lyons, Joseph	Y Reitz
Y Beaubien	Y Flider	Y Mathias	Y Rita
Y Bellock	Y Flowers	Y Mautino	Y Rose
Y Berrios	Y Forby	Y May	Y Ryg
Y Biggins	Y Franks	Y McAuliffe	Y Sacia
Y Black	Y Fritchey	Y McCarthy	Y Saviano
Y Boland	Y Froehlich	Y McGuire	Y Schmitz
Y Bost	Y Giles	Y McKeon	Y Scully
Y Bradley	Y Graham	Y Mendoza	Y Slone
Y Brady	Y Granberg	Y Meyer	Y Smith
Y Brauer	Y Grunloh	Y Miller	Y Sommer
Y Brosnahan	Y Hamos	Y Millner	Y Soto
Y Burke	Y Hannig	Y Mitchell, Bill	Y Stephens
Y Capparelli	Y Hassert	Y Mitchell, Jerry	Y Sullivan
Y Chapa LaVia	Y Hoffman	E Moffitt	Y Tenhouse
Y Churchill	Y Holbrook	Y Molaro	Y Turner
Y Collins	Y Howard	Y Morrow	Y Verschoore
Y Colvin	Y Hultgren	Y Mulligan	Y Wait
Y Coulson	Y Jakobsson	Y Munson	Y Washington
Y Cross	Y Jefferson	Y Myers	Y Watson
Y Cultra	Y Jones	Y Nekritz	Y Winters
Y Currie	Y Joyce	Y Novak	Y Wirsing
Y Daniels	Y Kelly	Y O'Brien	Y Yarbrough
Y Davis, Monique	Y Kosel	Y Osmond	Y Younge
Y Davis, Steve	Y Krause	Y Osterman	Y Mr. Speaker
Y Davis, Will	Y Kurtz	Y Pankau	
Y Delgado	Y Lang	Y Parke	

E - Denotes Excused Absence

NO. 20

STATE OF ILLINOIS
NINETY-THIRD
GENERAL ASSEMBLY
HOUSE ROLL CALL
HOUSE BILL 429
HUMAN SERVICES 211 COLLABOR
MOTION TO CONCUR IN SENATE AMENDMENT No. 1
CONCURRED

May 29, 2003

117 YEAS 0 NAYS 0 PRESENT

Y Acevedo	Y Dunkin	Y Leitch	Y Phelps
Y Aguilar	Y Dunn	Y Lindner	Y Pihos
Y Bailey	Y Eddy	Y Lyons, Eileen	Y Poe
Y Bassi	Y Feigenholtz	Y Lyons, Joseph	Y Reitz
Y Beaubien	Y Flider	Y Mathias	Y Rita
Y Bellock	Y Flowers	Y Mautino	Y Rose
Y Berrios	Y Forby	Y May	Y Ryg
Y Biggins	Y Franks	Y McAuliffe	Y Sacia
Y Black	Y Fritchey	Y McCarthy	Y Saviano
Y Boland	Y Froehlich	Y McGuire	Y Schmitz
Y Bost	Y Giles	Y McKeon	Y Scully
Y Bradley	Y Graham	Y Mendoza	Y Slone
Y Brady	Y Granberg	Y Meyer	Y Smith
Y Brauer	Y Grunloh	Y Miller	Y Sommer
Y Brosnahan	Y Hamos	Y Millner	Y Soto
Y Burke	Y Hannig	Y Mitchell, Bill	Y Stephens
Y Capparelli	Y Hassert	Y Mitchell, Jerry	Y Sullivan
Y Chapa LaVia	Y Hoffman	E Moffitt	Y Tenhouse
Y Churchill	Y Holbrook	Y Molaro	Y Turner
Y Collins	Y Howard	Y Morrow	Y Verschoore
Y Colvin	Y Hultgren	Y Mulligan	Y Wait
Y Coulson	Y Jakobsson	Y Munson	Y Washington
Y Cross	Y Jefferson	Y Myers	Y Watson
Y Cultra	Y Jones	Y Nekritz	Y Winters
Y Currie	Y Joyce	Y Novak	Y Wirsing
Y Daniels	Y Kelly	Y O'Brien	Y Yarbrough
Y Davis, Monique	Y Kosel	Y Osmond	Y Younge
Y Davis, Steve	Y Krause	Y Osterman	Y Mr. Speaker
Y Davis, Will	Y Kurtz	Y Pankau	
Y Delgado	Y Lang	Y Parke	

E - Denotes Excused Absence

NO. 21

STATE OF ILLINOIS
NINETY-THIRD
GENERAL ASSEMBLY
HOUSE ROLL CALL
HOUSE BILL 536
GENDER VIOLENCE ACT
MOTION TO CONCUR IN SENATE AMENDMENT No. 2
CONCURRED

May 29, 2003

117 YEAS 0 NAYS 0 PRESENT

Y Acevedo	Y Dunkin	Y Leitch	Y Phelps
Y Aguilar	Y Dunn	Y Lindner	Y Pihos
Y Bailey	Y Eddy	Y Lyons, Eileen	Y Poe
Y Bassi	Y Feigenholtz	Y Lyons, Joseph	Y Reitz
Y Beaubien	Y Flider	Y Mathias	Y Rita
Y Bellock	Y Flowers	Y Mautino	Y Rose
Y Berrios	Y Forby	Y May	Y Ryg
Y Biggins	Y Franks	Y McAuliffe	Y Sacia
Y Black	Y Fritchey	Y McCarthy	Y Saviano
Y Boland	Y Froehlich	Y McGuire	Y Schmitz
Y Bost	Y Giles	Y McKeon	Y Scully
Y Bradley	Y Graham	Y Mendoza	Y Slone
Y Brady	Y Granberg	Y Meyer	Y Smith
Y Brauer	Y Grunloh	Y Miller	Y Sommer
Y Brosnahan	Y Hamos	Y Millner	Y Soto
Y Burke	Y Hannig	Y Mitchell, Bill	Y Stephens
Y Capparelli	Y Hassert	Y Mitchell, Jerry	Y Sullivan
Y Chapa LaVia	Y Hoffman	E Moffitt	Y Tenhouse
Y Churchill	Y Holbrook	Y Molaro	Y Turner
Y Collins	Y Howard	Y Morrow	Y Verschoore
Y Colvin	Y Hultgren	Y Mulligan	Y Wait
Y Coulson	Y Jakobsson	Y Munson	Y Washington
Y Cross	Y Jefferson	Y Myers	Y Watson
Y Cultra	Y Jones	Y Nekritz	Y Winters
Y Currie	Y Joyce	Y Novak	Y Wirsing
Y Daniels	Y Kelly	Y O'Brien	Y Yarbrough
Y Davis, Monique	Y Kosel	Y Osmond	Y Younge
Y Davis, Steve	Y Krause	Y Osterman	Y Mr. Speaker
Y Davis, Will	Y Kurtz	Y Pankau	
Y Delgado	Y Lang	Y Parke	

E - Denotes Excused Absence

NO. 22

STATE OF ILLINOIS
NINETY-THIRD
GENERAL ASSEMBLY
HOUSE ROLL CALL
HOUSE BILL 556
CHILDREN & FAMILIES-TECH
MOTION TO CONCUR IN SENATE AMENDMENT No. 1
CONCURRED

May 29, 2003

117 YEAS 0 NAYS 0 PRESENT

Y Acevedo	Y Dunkin	Y Leitch	Y Phelps
Y Aguilar	Y Dunn	Y Lindner	Y Pihos
Y Bailey	Y Eddy	Y Lyons, Eileen	Y Poe
Y Bassi	Y Feigenholtz	Y Lyons, Joseph	Y Reitz
Y Beaubien	Y Flider	Y Mathias	Y Rita
Y Bellock	Y Flowers	Y Mautino	Y Rose
Y Berrios	Y Forby	Y May	Y Ryg
Y Biggins	Y Franks	Y McAuliffe	Y Sacia
Y Black	Y Fritchey	Y McCarthy	Y Saviano
Y Boland	Y Froehlich	Y McGuire	Y Schmitz
Y Bost	Y Giles	Y McKeon	Y Scully
Y Bradley	Y Graham	Y Mendoza	Y Slone
Y Brady	Y Granberg	Y Meyer	Y Smith
Y Brauer	Y Grunloh	Y Miller	Y Sommer
Y Brosnahan	Y Hamos	Y Millner	Y Soto
Y Burke	Y Hannig	Y Mitchell, Bill	Y Stephens
Y Capparelli	Y Hassert	Y Mitchell, Jerry	Y Sullivan
Y Chapa LaVia	Y Hoffman	E Moffitt	Y Tenhouse
Y Churchill	Y Holbrook	Y Molaro	Y Turner
Y Collins	Y Howard	Y Morrow	Y Verschoore
Y Colvin	Y Hultgren	Y Mulligan	Y Wait
Y Coulson	Y Jakobsson	Y Munson	Y Washington
Y Cross	Y Jefferson	Y Myers	Y Watson
Y Cultra	Y Jones	Y Nekritz	Y Winters
Y Currie	Y Joyce	Y Novak	Y Wirsing
Y Daniels	Y Kelly	Y O'Brien	Y Yarbrough
Y Davis, Monique	Y Kosel	Y Osmond	Y Younge
Y Davis, Steve	Y Krause	Y Osterman	Y Mr. Speaker
Y Davis, Will	Y Kurtz	Y Pankau	
Y Delgado	Y Lang	Y Parke	

E - Denotes Excused Absence

NO. 23

STATE OF ILLINOIS
NINETY-THIRD
GENERAL ASSEMBLY
HOUSE ROLL CALL
HOUSE BILL 558
VIDEOTAPED CONFESSIONS-TECH
MOTION TO CONCUR IN SENATE AMENDMENT No. 1
CONCURRED

May 29, 2003

116 YEAS 0 NAYS 1 PRESENT

Y Acevedo	Y Dunkin	Y Leitch	Y Phelps
Y Aguilar	Y Dunn	Y Lindner	Y Pihos
Y Bailey	Y Eddy	Y Lyons, Eileen	Y Poe
Y Bassi	Y Feigenholtz	Y Lyons, Joseph	Y Reitz
Y Beaubien	Y Flider	Y Mathias	Y Rita
Y Bellock	Y Flowers	Y Mautino	Y Rose
Y Berrios	Y Forby	Y May	Y Ryg
Y Biggins	Y Franks	Y McAuliffe	Y Sacia
Y Black	Y Fritchey	Y McCarthy	Y Saviano
Y Boland	Y Froehlich	Y McGuire	Y Schmitz
Y Bost	Y Giles	Y McKeon	Y Scully
Y Bradley	Y Graham	Y Mendoza	Y Slone
Y Brady	Y Granberg	Y Meyer	Y Smith
Y Brauer	Y Grunloh	Y Miller	P Sommer
Y Brosnahan	Y Hamos	Y Millner	Y Soto
Y Burke	Y Hannig	Y Mitchell, Bill	Y Stephens
Y Capparelli	Y Hassert	Y Mitchell, Jerry	Y Sullivan
Y Chapa LaVia	Y Hoffman	E Moffitt	Y Tenhouse
Y Churchill	Y Holbrook	Y Molaro	Y Turner
Y Collins	Y Howard	Y Morrow	Y Verschoore
Y Colvin	Y Hultgren	Y Mulligan	Y Wait
Y Coulson	Y Jakobsson	Y Munson	Y Washington
Y Cross	Y Jefferson	Y Myers	Y Watson
Y Cultra	Y Jones	Y Nekritz	Y Winters
Y Currie	Y Joyce	Y Novak	Y Wirsing
Y Daniels	Y Kelly	Y O'Brien	Y Yarbrough
Y Davis, Monique	Y Kosel	Y Osmond	Y Younge
Y Davis, Steve	Y Krause	Y Osterman	Y Mr. Speaker
Y Davis, Will	Y Kurtz	Y Pankau	
Y Delgado	Y Lang	Y Parke	

E - Denotes Excused Absence

NO. 24

STATE OF ILLINOIS
NINETY-THIRD
GENERAL ASSEMBLY
HOUSE ROLL CALL
HOUSE BILL 561
CRIMINAL LAW-TECH
MOTION TO CONCUR IN SENATE AMENDMENT No. 1
CONCURRED

May 29, 2003

116 YEAS 0 NAYS 1 PRESENT

Y Acevedo	Y Dunkin	Y Leitch	Y Phelps
Y Aguilar	Y Dunn	Y Lindner	Y Pihos
Y Bailey	Y Eddy	Y Lyons, Eileen	Y Poe
Y Bassi	Y Feigenholtz	Y Lyons, Joseph	Y Reitz
Y Beaubien	Y Flider	Y Mathias	Y Rita
Y Bellock	Y Flowers	Y Mautino	Y Rose
Y Berrios	Y Forby	Y May	Y Ryg
Y Biggins	Y Franks	Y McAuliffe	Y Sacia
Y Black	Y Fritchey	Y McCarthy	Y Saviano
Y Boland	Y Froehlich	Y McGuire	Y Schmitz
Y Bost	Y Giles	Y McKeon	Y Scully
Y Bradley	Y Graham	Y Mendoza	Y Slone
Y Brady	Y Granberg	Y Meyer	Y Smith
Y Brauer	Y Grunloh	Y Miller	P Sommer
Y Brosnahan	Y Hamos	Y Millner	Y Soto
Y Burke	Y Hannig	Y Mitchell, Bill	Y Stephens
Y Capparelli	Y Hassert	Y Mitchell, Jerry	Y Sullivan
Y Chapa LaVia	Y Hoffman	E Moffitt	Y Tenhouse
Y Churchill	Y Holbrook	Y Molaro	Y Turner
Y Collins	Y Howard	Y Morrow	Y Verschoore
Y Colvin	Y Hultgren	Y Mulligan	Y Wait
Y Coulson	Y Jakobsson	Y Munson	Y Washington
Y Cross	Y Jefferson	Y Myers	Y Watson
Y Cultra	Y Jones	Y Nekritz	Y Winters
Y Currie	Y Joyce	Y Novak	Y Wirsing
Y Daniels	Y Kelly	Y O'Brien	Y Yarbrough
Y Davis, Monique	Y Kosel	Y Osmond	Y Younge
Y Davis, Steve	Y Krause	Y Osterman	Y Mr. Speaker
Y Davis, Will	Y Kurtz	Y Pankau	
Y Delgado	Y Lang	Y Parke	

E - Denotes Excused Absence

NO. 25

STATE OF ILLINOIS
NINETY-THIRD
GENERAL ASSEMBLY
HOUSE ROLL CALL
HOUSE BILL 563
CRIMINAL LAW-TECH
MOTION TO CONCUR IN SENATE AMENDMENT No. 2
CONCURRED

May 29, 2003

117 YEAS 0 NAYS 0 PRESENT

Y Acevedo	Y Dunkin	Y Leitch	Y Phelps
Y Aguilar	Y Dunn	Y Lindner	Y Pihos
Y Bailey	Y Eddy	Y Lyons, Eileen	Y Poe
Y Bassi	Y Feigenholtz	Y Lyons, Joseph	Y Reitz
Y Beaubien	Y Flider	Y Mathias	Y Rita
Y Bellock	Y Flowers	Y Mautino	Y Rose
Y Berrios	Y Forby	Y May	Y Ryg
Y Biggins	Y Franks	Y McAuliffe	Y Sacia
Y Black	Y Fritchey	Y McCarthy	Y Saviano
Y Boland	Y Froehlich	Y McGuire	Y Schmitz
Y Bost	Y Giles	Y McKeon	Y Scully
Y Bradley	Y Graham	Y Mendoza	Y Slone
Y Brady	Y Granberg	Y Meyer	Y Smith
Y Brauer	Y Grunloh	Y Miller	Y Sommer
Y Brosnahan	Y Hamos	Y Millner	Y Soto
Y Burke	Y Hannig	Y Mitchell, Bill	Y Stephens
Y Capparelli	Y Hassert	Y Mitchell, Jerry	Y Sullivan
Y Chapa LaVia	Y Hoffman	E Moffitt	Y Tenhouse
Y Churchill	Y Holbrook	Y Molaro	Y Turner
Y Collins	Y Howard	Y Morrow	Y Verschoore
Y Colvin	Y Hultgren	Y Mulligan	Y Wait
Y Coulson	Y Jakobsson	Y Munson	Y Washington
Y Cross	Y Jefferson	Y Myers	Y Watson
Y Cultra	Y Jones	Y Nekritz	Y Winters
Y Currie	Y Joyce	Y Novak	Y Wirsing
Y Daniels	Y Kelly	Y O'Brien	Y Yarbrough
Y Davis, Monique	Y Kosel	Y Osmond	Y Younge
Y Davis, Steve	Y Krause	Y Osterman	Y Mr. Speaker
Y Davis, Will	Y Kurtz	Y Pankau	
Y Delgado	Y Lang	Y Parke	

E - Denotes Excused Absence

NO. 26

STATE OF ILLINOIS
NINETY-THIRD
GENERAL ASSEMBLY
HOUSE ROLL CALL
HOUSE BILL 564
CRIMINAL LAW-TECH
MOTION TO CONCUR IN SENATE AMENDMENT No. 1
CONCURRED

May 29, 2003

112 YEAS 4 NAYS 1 PRESENT

Y Acevedo	Y Dunkin	Y Leitch	Y Phelps
Y Aguilar	Y Dunn	Y Lindner	Y Pihos
Y Bailey	Y Eddy	Y Lyons, Eileen	Y Poe
Y Bassi	Y Feigenholtz	Y Lyons, Joseph	Y Reitz
Y Beaubien	Y Flider	Y Mathias	Y Rita
Y Bellock	Y Flowers	Y Mautino	Y Rose
Y Berrios	Y Forby	Y May	Y Ryg
Y Biggins	Y Franks	Y McAuliffe	Y Sacia
P Black	Y Fritchey	Y McCarthy	Y Saviano
Y Boland	Y Froehlich	Y McGuire	Y Schmitz
Y Bost	Y Giles	Y McKeon	Y Scully
Y Bradley	Y Graham	Y Mendoza	Y Slone
Y Brady	Y Granberg	Y Meyer	Y Smith
Y Brauer	Y Grunloh	Y Miller	Y Sommer
Y Brosnahan	Y Hamos	Y Millner	Y Soto
Y Burke	Y Hannig	Y Mitchell, Bill	Y Stephens
Y Capparelli	Y Hassert	Y Mitchell, Jerry	Y Sullivan
Y Chapa LaVia	Y Hoffman	E Moffitt	Y Tenhouse
N Churchill	Y Holbrook	Y Molaro	Y Turner
Y Collins	Y Howard	Y Morrow	Y Verschoore
Y Colvin	N Hultgren	Y Mulligan	Y Wait
Y Coulson	Y Jakobsson	Y Munson	Y Washington
Y Cross	Y Jefferson	Y Myers	Y Watson
N Cultra	Y Jones	Y Nekritz	Y Winters
Y Currie	Y Joyce	Y Novak	Y Wirsing
N Daniels	Y Kelly	Y O'Brien	Y Yarbrough
Y Davis, Monique	Y Kosel	Y Osmond	Y Younge
Y Davis, Steve	Y Krause	Y Osterman	Y Mr. Speaker
Y Davis, Will	Y Kurtz	Y Pankau	
Y Delgado	Y Lang	Y Parke	

E - Denotes Excused Absence

NO. 27

STATE OF ILLINOIS
NINETY-THIRD
GENERAL ASSEMBLY
HOUSE ROLL CALL
HOUSE BILL 571
CRIM CD-MURDER-TECH
MOTION TO CONCUR IN SENATE AMENDMENT No. 3
CONCURRED

May 29, 2003

117 YEAS 0 NAYS 0 PRESENT

Y Acevedo	Y Dunkin	Y Leitch	Y Phelps
Y Aguilar	Y Dunn	Y Lindner	Y Pihos
Y Bailey	Y Eddy	Y Lyons, Eileen	Y Poe
Y Bassi	Y Feigenholtz	Y Lyons, Joseph	Y Reitz
Y Beaubien	Y Flider	Y Mathias	Y Rita
Y Bellock	Y Flowers	Y Mautino	Y Rose
Y Berrios	Y Forby	Y May	Y Ryg
Y Biggins	Y Franks	Y McAuliffe	Y Sacia
Y Black	Y Fritchey	Y McCarthy	Y Saviano
Y Boland	Y Froehlich	Y McGuire	Y Schmitz
Y Bost	Y Giles	Y McKeon	Y Scully
Y Bradley	Y Graham	Y Mendoza	Y Slone
Y Brady	Y Granberg	Y Meyer	Y Smith
Y Brauer	Y Grunloh	Y Miller	Y Sommer
Y Brosnahan	Y Hamos	Y Millner	Y Soto
Y Burke	Y Hannig	Y Mitchell, Bill	Y Stephens
Y Capparelli	Y Hassert	Y Mitchell, Jerry	Y Sullivan
Y Chapa LaVia	Y Hoffman	E Moffitt	Y Tenhouse
Y Churchill	Y Holbrook	Y Molaro	Y Turner
Y Collins	Y Howard	Y Morrow	Y Verschoore
Y Colvin	Y Hultgren	Y Mulligan	Y Wait
Y Coulson	Y Jakobsson	Y Munson	Y Washington
Y Cross	Y Jefferson	Y Myers	Y Watson
Y Cultra	Y Jones	Y Nekritz	Y Winters
Y Currie	Y Joyce	Y Novak	Y Wirsing
Y Daniels	Y Kelly	Y O'Brien	Y Yarbrough
Y Davis, Monique	Y Kosel	Y Osmond	Y Younge
Y Davis, Steve	Y Krause	Y Osterman	Y Mr. Speaker
Y Davis, Will	Y Kurtz	Y Pankau	
Y Delgado	Y Lang	Y Parke	

E - Denotes Excused Absence

NO. 28

STATE OF ILLINOIS
NINETY-THIRD
GENERAL ASSEMBLY
HOUSE ROLL CALL
HOUSE BILL 567
CRIMINAL-TECH
MOTION TO CONCUR IN SENATE AMENDMENT No. 1
CONCURRED

May 29, 2003

117 YEAS 0 NAYS 0 PRESENT

Y Acevedo	Y Dunkin	Y Leitch	Y Phelps
Y Aguilar	Y Dunn	Y Lindner	Y Pihos
Y Bailey	Y Eddy	Y Lyons, Eileen	Y Poe
Y Bassi	Y Feigenholtz	Y Lyons, Joseph	Y Reitz
Y Beaubien	Y Flider	Y Mathias	Y Rita
Y Bellock	Y Flowers	Y Mautino	Y Rose
Y Berrios	Y Forby	Y May	Y Ryg
Y Biggins	Y Franks	Y McAuliffe	Y Sacia
Y Black	Y Fritchey	Y McCarthy	Y Saviano
Y Boland	Y Froehlich	Y McGuire	Y Schmitz
Y Bost	Y Giles	Y McKeon	Y Scully
Y Bradley	Y Graham	Y Mendoza	Y Slone
Y Brady	Y Granberg	Y Meyer	Y Smith
Y Brauer	Y Grunloh	Y Miller	Y Sommer
Y Brosnahan	Y Hamos	Y Millner	Y Soto
Y Burke	Y Hannig	Y Mitchell, Bill	Y Stephens
Y Capparelli	Y Hassert	Y Mitchell, Jerry	Y Sullivan
Y Chapa LaVia	Y Hoffman	E Moffitt	Y Tenhouse
Y Churchill	Y Holbrook	Y Molaro	Y Turner
Y Collins	Y Howard	Y Morrow	Y Verschoore
Y Colvin	Y Hultgren	Y Mulligan	Y Wait
Y Coulson	Y Jakobsson	Y Munson	Y Washington
Y Cross	Y Jefferson	Y Myers	Y Watson
Y Cultra	Y Jones	Y Nekritz	Y Winters
Y Currie	Y Joyce	Y Novak	Y Wirsing
Y Daniels	Y Kelly	Y O'Brien	Y Yarbrough
Y Davis, Monique	Y Kosel	Y Osmond	Y Younge
Y Davis, Steve	Y Krause	Y Osterman	Y Mr. Speaker
Y Davis, Will	Y Kurtz	Y Pankau	
Y Delgado	Y Lang	Y Parke	

E - Denotes Excused Absence

NO. 29

STATE OF ILLINOIS
NINETY-THIRD
GENERAL ASSEMBLY
HOUSE ROLL CALL
HOUSE BILL 572
CRIMINAL LAW-TECH
MOTION TO CONCUR IN SENATE AMENDMENT No. 1
CONCURRED

May 29, 2003

116 YEAS 0 NAYS 0 PRESENT

Y Acevedo	Y Dunkin	Y Leitch	Y Phelps
Y Aguilar	Y Dunn	Y Lindner	Y Pihos
Y Bailey	Y Eddy	Y Lyons, Eileen	Y Poe
Y Bassi	Y Feigenholtz	Y Lyons, Joseph	Y Reitz
Y Beaubien	Y Flider	Y Mathias	Y Rita
Y Bellock	Y Flowers	Y Mautino	Y Rose
Y Berrios	Y Forby	Y May	Y Ryg
Y Biggins	Y Franks	Y McAuliffe	Y Sacia
Y Black	Y Fritchey	Y McCarthy	Y Saviano
Y Boland	Y Froehlich	Y McGuire	Y Schmitz
Y Bost	Y Giles	Y McKeon	Y Scully
Y Bradley	Y Graham	Y Mendoza	Y Slone
Y Brady	Y Granberg	Y Meyer	Y Smith
Y Brauer	Y Grunloh	Y Miller	Y Sommer
Y Brosnahan	Y Hamos	Y Millner	Y Soto
Y Burke	Y Hannig	Y Mitchell, Bill	Y Stephens
Y Capparelli	Y Hassert	Y Mitchell, Jerry	Y Sullivan
Y Chapa LaVia	Y Hoffman	E Moffitt	Y Tenhouse
Y Churchill	Y Holbrook	Y Molaro	Y Turner
Y Collins	Y Howard	Y Morrow	Y Verschoore
Y Colvin	Y Hultgren	Y Mulligan	Y Wait
Y Coulson	Y Jakobsson	Y Munson	Y Washington
Y Cross	Y Jefferson	Y Myers	Y Watson
Y Cultra	Y Jones	Y Nekritz	Y Winters
Y Currie	Y Joyce	Y Novak	Y Wirsing
Y Daniels	Y Kelly	Y O'Brien	Y Yarbrough
Y Davis, Monique	Y Kosel	Y Osmond	Y Younge
Y Davis, Steve	Y Krause	Y Osterman	A Mr. Speaker
Y Davis, Will	Y Kurtz	Y Pankau	
Y Delgado	Y Lang	Y Parke	

E - Denotes Excused Absence

NO. 30

STATE OF ILLINOIS
NINETY-THIRD
GENERAL ASSEMBLY
HOUSE ROLL CALL
HOUSE BILL 579
DEATH PENALTY-TECH
MOTION TO CONCUR IN SENATE AMENDMENT No. 1
CONCURRED

May 29, 2003

117 YEAS 0 NAYS 0 PRESENT

Y Acevedo	Y Dunkin	Y Leitch	Y Phelps
Y Aguilar	Y Dunn	Y Lindner	Y Pihos
Y Bailey	Y Eddy	Y Lyons, Eileen	Y Poe
Y Bassi	Y Feigenholtz	Y Lyons, Joseph	Y Reitz
Y Beaubien	Y Flider	Y Mathias	Y Rita
Y Bellock	Y Flowers	Y Mautino	Y Rose
Y Berrios	Y Forby	Y May	Y Ryg
Y Biggins	Y Franks	Y McAuliffe	Y Sacia
Y Black	Y Fritchey	Y McCarthy	Y Saviano
Y Boland	Y Froehlich	Y McGuire	Y Schmitz
Y Bost	Y Giles	Y McKeon	Y Scully
Y Bradley	Y Graham	Y Mendoza	Y Slone
Y Brady	Y Granberg	Y Meyer	Y Smith
Y Brauer	Y Grunloh	Y Miller	Y Sommer
Y Brosnahan	Y Hamos	Y Millner	Y Soto
Y Burke	Y Hannig	Y Mitchell, Bill	Y Stephens
Y Capparelli	Y Hassert	Y Mitchell, Jerry	Y Sullivan
Y Chapa LaVia	Y Hoffman	E Moffitt	Y Tenhouse
Y Churchill	Y Holbrook	Y Molaro	Y Turner
Y Collins	Y Howard	Y Morrow	Y Verschoore
Y Colvin	Y Hultgren	Y Mulligan	Y Wait
Y Coulson	Y Jakobsson	Y Munson	Y Washington
Y Cross	Y Jefferson	Y Myers	Y Watson
Y Cultra	Y Jones	Y Nekritz	Y Winters
Y Currie	Y Joyce	Y Novak	Y Wirsing
Y Daniels	Y Kelly	Y O'Brien	Y Yarbrough
Y Davis, Monique	Y Kosel	Y Osmond	Y Younge
Y Davis, Steve	Y Krause	Y Osterman	Y Mr. Speaker
Y Davis, Will	Y Kurtz	Y Pankau	
Y Delgado	Y Lang	Y Parke	

E - Denotes Excused Absence

NO. 31

STATE OF ILLINOIS
NINETY-THIRD
GENERAL ASSEMBLY
HOUSE ROLL CALL
HOUSE BILL 691
IDPH-TECH
MOTION TO CONCUR IN SENATE AMENDMENTS No. 1&2
CONCURRED

May 29, 2003

116 YEAS 0 NAYS 0 PRESENT

Y Acevedo	A Dunkin	Y Leitch	Y Phelps
Y Aguilar	Y Dunn	Y Lindner	Y Pihos
Y Bailey	Y Eddy	Y Lyons, Eileen	Y Poe
Y Bassi	Y Feigenholtz	Y Lyons, Joseph	Y Reitz
Y Beaubien	Y Flider	Y Mathias	Y Rita
Y Bellock	Y Flowers	Y Mautino	Y Rose
Y Berrios	Y Forby	Y May	Y Ryg
Y Biggins	Y Franks	Y McAuliffe	Y Sacia
Y Black	Y Fritchey	Y McCarthy	Y Saviano
Y Boland	Y Froehlich	Y McGuire	Y Schmitz
Y Bost	Y Giles	Y McKeon	Y Scully
Y Bradley	Y Graham	Y Mendoza	Y Slone
Y Brady	Y Granberg	Y Meyer	Y Smith
Y Brauer	Y Grunloh	Y Miller	Y Sommer
Y Brosnahan	Y Hamos	Y Millner	Y Soto
Y Burke	Y Hannig	Y Mitchell, Bill	Y Stephens
Y Capparelli	Y Hassert	Y Mitchell, Jerry	Y Sullivan
Y Chapa LaVia	Y Hoffman	E Moffitt	Y Tenhouse
Y Churchill	Y Holbrook	Y Molaro	Y Turner
Y Collins	Y Howard	Y Morrow	Y Verschoore
Y Colvin	Y Hultgren	Y Mulligan	Y Wait
Y Coulson	Y Jakobsson	Y Munson	Y Washington
Y Cross	Y Jefferson	Y Myers	Y Watson
Y Cultra	Y Jones	Y Nekritz	Y Winters
Y Currie	Y Joyce	Y Novak	Y Wirsing
Y Daniels	Y Kelly	Y O'Brien	Y Yarbrough
Y Davis, Monique	Y Kosel	Y Osmond	Y Younge
Y Davis, Steve	Y Krause	Y Osterman	Y Mr. Speaker
Y Davis, Will	Y Kurtz	Y Pankau	
Y Delgado	Y Lang	Y Parke	

E - Denotes Excused Absence

NO. 32

STATE OF ILLINOIS
NINETY-THIRD
GENERAL ASSEMBLY
HOUSE ROLL CALL
HOUSE BILL 703
PUBLIC AID-TECH
MOTION TO CONCUR IN SENATE AMENDMENT No. 1
CONCURRED

May 29, 2003

117 YEAS 0 NAYS 0 PRESENT

Y Acevedo	Y Dunkin	Y Leitch	Y Phelps
Y Aguilar	Y Dunn	Y Lindner	Y Pihos
Y Bailey	Y Eddy	Y Lyons, Eileen	Y Poe
Y Bassi	Y Feigenholtz	Y Lyons, Joseph	Y Reitz
Y Beaubien	Y Flider	Y Mathias	Y Rita
Y Bellock	Y Flowers	Y Mautino	Y Rose
Y Berrios	Y Forby	Y May	Y Ryg
Y Biggins	Y Franks	Y McAuliffe	Y Sacia
Y Black	Y Fritchey	Y McCarthy	Y Saviano
Y Boland	Y Froehlich	Y McGuire	Y Schmitz
Y Bost	Y Giles	Y McKeon	Y Scully
Y Bradley	Y Graham	Y Mendoza	Y Slone
Y Brady	Y Granberg	Y Meyer	Y Smith
Y Brauer	Y Grunloh	Y Miller	Y Sommer
Y Brosnahan	Y Hamos	Y Millner	Y Soto
Y Burke	Y Hannig	Y Mitchell, Bill	Y Stephens
Y Capparelli	Y Hassert	Y Mitchell, Jerry	Y Sullivan
Y Chapa LaVia	Y Hoffman	E Moffitt	Y Tenhouse
Y Churchill	Y Holbrook	Y Molaro	Y Turner
Y Collins	Y Howard	Y Morrow	Y Verschoore
Y Colvin	Y Hultgren	Y Mulligan	Y Wait
Y Coulson	Y Jakobsson	Y Munson	Y Washington
Y Cross	Y Jefferson	Y Myers	Y Watson
Y Cultra	Y Jones	Y Nekritz	Y Winters
Y Currie	Y Joyce	Y Novak	Y Wirsing
Y Daniels	Y Kelly	Y O'Brien	Y Yarbrough
Y Davis, Monique	Y Kosel	Y Osmond	Y Younge
Y Davis, Steve	Y Krause	Y Osterman	Y Mr. Speaker
Y Davis, Will	Y Kurtz	Y Pankau	
Y Delgado	Y Lang	Y Parke	

E - Denotes Excused Absence

NO. 33

STATE OF ILLINOIS
NINETY-THIRD
GENERAL ASSEMBLY
HOUSE ROLL CALL
HOUSE BILL 715
VEH CD-SEC OF STATE-TECH
MOTION TO CONCUR IN SENATE AMENDMENT No. 1
CONCURRED

May 29, 2003

117 YEAS 0 NAYS 0 PRESENT

Y Acevedo	Y Dunkin	Y Leitch	Y Phelps
Y Aguilar	Y Dunn	Y Lindner	Y Pihos
Y Bailey	Y Eddy	Y Lyons, Eileen	Y Poe
Y Bassi	Y Feigenholtz	Y Lyons, Joseph	Y Reitz
Y Beaubien	Y Flider	Y Mathias	Y Rita
Y Bellock	Y Flowers	Y Mautino	Y Rose
Y Berrios	Y Forby	Y May	Y Ryg
Y Biggins	Y Franks	Y McAuliffe	Y Sacia
Y Black	Y Fritchey	Y McCarthy	Y Saviano
Y Boland	Y Froehlich	Y McGuire	Y Schmitz
Y Bost	Y Giles	Y McKeon	Y Scully
Y Bradley	Y Graham	Y Mendoza	Y Slone
Y Brady	Y Granberg	Y Meyer	Y Smith
Y Brauer	Y Grunloh	Y Miller	Y Sommer
Y Brosnahan	Y Hamos	Y Millner	Y Soto
Y Burke	Y Hannig	Y Mitchell, Bill	Y Stephens
Y Capparelli	Y Hassert	Y Mitchell, Jerry	Y Sullivan
Y Chapa LaVia	Y Hoffman	E Moffitt	Y Tenhouse
Y Churchill	Y Holbrook	Y Molaro	Y Turner
Y Collins	Y Howard	Y Morrow	Y Verschoore
Y Colvin	Y Hultgren	Y Mulligan	Y Wait
Y Coulson	Y Jakobsson	Y Munson	Y Washington
Y Cross	Y Jefferson	Y Myers	Y Watson
Y Cultra	Y Jones	Y Nekritz	Y Winters
Y Currie	Y Joyce	Y Novak	Y Wirsing
Y Daniels	Y Kelly	Y O'Brien	Y Yarbrough
Y Davis, Monique	Y Kosel	Y Osmond	Y Younge
Y Davis, Steve	Y Krause	Y Osterman	Y Mr. Speaker
Y Davis, Will	Y Kurtz	Y Pankau	
Y Delgado	Y Lang	Y Parke	

E - Denotes Excused Absence

NO. 34

STATE OF ILLINOIS
NINETY-THIRD
GENERAL ASSEMBLY
HOUSE ROLL CALL
HOUSE BILL 761
EDUCATION-TECH
MOTION TO CONCUR IN SENATE AMENDMENT No. 1
CONCURRED

May 29, 2003

115 YEAS 1 NAYS 0 PRESENT

Y Acevedo	Y Dunkin	N Leitch	Y Phelps
Y Aguilar	Y Dunn	Y Lindner	Y Pihos
Y Bailey	Y Eddy	Y Lyons, Eileen	Y Poe
Y Bassi	Y Feigenholtz	Y Lyons, Joseph	Y Reitz
Y Beaubien	Y Flider	Y Mathias	Y Rita
Y Bellock	Y Flowers	Y Mautino	Y Rose
Y Berrios	Y Forby	Y May	Y Ryg
Y Biggins	Y Franks	Y McAuliffe	Y Sacia
Y Black	Y Fritchey	Y McCarthy	Y Saviano
Y Boland	Y Froehlich	Y McGuire	Y Schmitz
Y Bost	Y Giles	Y McKeon	Y Scully
Y Bradley	Y Graham	Y Mendoza	Y Slone
Y Brady	Y Granberg	Y Meyer	Y Smith
Y Brauer	Y Grunloh	Y Miller	Y Sommer
Y Brosnahan	Y Hamos	Y Millner	Y Soto
Y Burke	Y Hannig	Y Mitchell, Bill	Y Stephens
Y Capparelli	Y Hassert	Y Mitchell, Jerry	Y Sullivan
Y Chapa LaVia	Y Hoffman	E Moffitt	Y Tenhouse
Y Churchill	Y Holbrook	Y Molaro	Y Turner
Y Collins	Y Howard	Y Morrow	Y Verschoore
Y Colvin	Y Hultgren	Y Mulligan	Y Wait
A Coulson	Y Jakobsson	Y Munson	Y Washington
Y Cross	Y Jefferson	Y Myers	Y Watson
Y Cultra	Y Jones	Y Nekritz	Y Winters
Y Currie	Y Joyce	Y Novak	Y Wirsing
Y Daniels	Y Kelly	Y O'Brien	Y Yarbrough
Y Davis, Monique	Y Kosel	Y Osmond	Y Younge
Y Davis, Steve	Y Krause	Y Osterman	Y Mr. Speaker
Y Davis, Will	Y Kurtz	Y Pankau	
Y Delgado	Y Lang	Y Parke	

E - Denotes Excused Absence

NO. 35

STATE OF ILLINOIS
NINETY-THIRD
GENERAL ASSEMBLY
HOUSE ROLL CALL
HOUSE BILL 771
AGING-TECH
MOTION TO CONCUR IN SENATE AMENDMENT No. 1
CONCURRED

May 29, 2003

117 YEAS 0 NAYS 0 PRESENT

Y Acevedo	Y Dunkin	Y Leitch	Y Phelps
Y Aguilar	Y Dunn	Y Lindner	Y Pihos
Y Bailey	Y Eddy	Y Lyons, Eileen	Y Poe
Y Bassi	Y Feigenholtz	Y Lyons, Joseph	Y Reitz
Y Beaubien	Y Flider	Y Mathias	Y Rita
Y Bellock	Y Flowers	Y Mautino	Y Rose
Y Berrios	Y Forby	Y May	Y Ryg
Y Biggins	Y Franks	Y McAuliffe	Y Sacia
Y Black	Y Fritchey	Y McCarthy	Y Saviano
Y Boland	Y Froehlich	Y McGuire	Y Schmitz
Y Bost	Y Giles	Y McKeon	Y Scully
Y Bradley	Y Graham	Y Mendoza	Y Slone
Y Brady	Y Granberg	Y Meyer	Y Smith
Y Brauer	Y Grunloh	Y Miller	Y Sommer
Y Brosnahan	Y Hamos	Y Millner	Y Soto
Y Burke	Y Hannig	Y Mitchell, Bill	Y Stephens
Y Capparelli	Y Hassert	Y Mitchell, Jerry	Y Sullivan
Y Chapa LaVia	Y Hoffman	E Moffitt	Y Tenhouse
Y Churchill	Y Holbrook	Y Molaro	Y Turner
Y Collins	Y Howard	Y Morrow	Y Verschoore
Y Colvin	Y Hultgren	Y Mulligan	Y Wait
Y Coulson	Y Jakobsson	Y Munson	Y Washington
Y Cross	Y Jefferson	Y Myers	Y Watson
Y Cultra	Y Jones	Y Nekritz	Y Winters
Y Currie	Y Joyce	Y Novak	Y Wirsing
Y Daniels	Y Kelly	Y O'Brien	Y Yarbrough
Y Davis, Monique	Y Kosel	Y Osmond	Y Younge
Y Davis, Steve	Y Krause	Y Osterman	Y Mr. Speaker
Y Davis, Will	Y Kurtz	Y Pankau	
Y Delgado	Y Lang	Y Parke	

E - Denotes Excused Absence

NO. 36

STATE OF ILLINOIS
NINETY-THIRD
GENERAL ASSEMBLY
HOUSE ROLL CALL
HOUSE BILL 784
SENIORS & DISABLD PERSONS-TECH
MOTION TO CONCUR IN SENATE AMENDMENT No. 2
CONCURRED

May 29, 2003

116 YEAS 0 NAYS 0 PRESENT

Y Acevedo	Y Dunkin	Y Leitch	Y Phelps
Y Aguilar	Y Dunn	Y Lindner	Y Pihos
Y Bailey	Y Eddy	Y Lyons, Eileen	Y Poe
Y Bassi	Y Feigenholtz	Y Lyons, Joseph	Y Reitz
Y Beaubien	Y Flider	Y Mathias	Y Rita
Y Bellock	Y Flowers	Y Mautino	Y Rose
Y Berrios	Y Forby	Y May	Y Ryg
Y Biggins	Y Franks	Y McAuliffe	Y Sacia
Y Black	Y Fritchey	Y McCarthy	Y Saviano
Y Boland	Y Froehlich	Y McGuire	Y Schmitz
Y Bost	Y Giles	Y McKeon	Y Scully
Y Bradley	Y Graham	Y Mendoza	Y Slone
Y Brady	Y Granberg	Y Meyer	Y Smith
Y Brauer	Y Grunloh	Y Miller	Y Sommer
Y Brosnahan	Y Hamos	Y Millner	Y Soto
Y Burke	Y Hannig	Y Mitchell, Bill	Y Stephens
Y Capparelli	Y Hassert	Y Mitchell, Jerry	Y Sullivan
Y Chapa LaVia	Y Hoffman	E Moffitt	Y Tenhouse
Y Churchill	Y Holbrook	Y Molaro	Y Turner
Y Collins	Y Howard	Y Morrow	Y Verschoore
Y Colvin	Y Hultgren	Y Mulligan	Y Wait
Y Coulson	Y Jakobsson	Y Munson	Y Washington
Y Cross	Y Jefferson	Y Myers	Y Watson
Y Cultra	Y Jones	Y Nekritz	Y Winters
Y Currie	Y Joyce	Y Novak	Y Wirsing
Y Daniels	Y Kelly	Y O'Brien	Y Yarbrough
Y Davis, Monique	Y Kosel	Y Osmond	Y Younge
Y Davis, Steve	Y Krause	Y Osterman	Y Mr. Speaker
Y Davis, Will	Y Kurtz	Y Pankau	
Y Delgado	Y Lang	A Parke	

E - Denotes Excused Absence

NO. 37

STATE OF ILLINOIS
NINETY-THIRD
GENERAL ASSEMBLY
HOUSE ROLL CALL
HOUSE BILL 816
EMPLOYMENT-TECH
MOTION TO CONCUR IN SENATE AMENDMENT No. 1
CONCURRED

May 29, 2003

117 YEAS 0 NAYS 0 PRESENT

Y Acevedo	Y Dunkin	Y Leitch	Y Phelps
Y Aguilar	Y Dunn	Y Lindner	Y Pihos
Y Bailey	Y Eddy	Y Lyons, Eileen	Y Poe
Y Bassi	Y Feigenholtz	Y Lyons, Joseph	Y Reitz
Y Beaubien	Y Flider	Y Mathias	Y Rita
Y Bellock	Y Flowers	Y Mautino	Y Rose
Y Berrios	Y Forby	Y May	Y Ryg
Y Biggins	Y Franks	Y McAuliffe	Y Sacia
Y Black	Y Fritchey	Y McCarthy	Y Saviano
Y Boland	Y Froehlich	Y McGuire	Y Schmitz
Y Bost	Y Giles	Y McKeon	Y Scully
Y Bradley	Y Graham	Y Mendoza	Y Slone
Y Brady	Y Granberg	Y Meyer	Y Smith
Y Brauer	Y Grunloh	Y Miller	Y Sommer
Y Brosnahan	Y Hamos	Y Millner	Y Soto
Y Burke	Y Hannig	Y Mitchell, Bill	Y Stephens
Y Capparelli	Y Hassert	Y Mitchell, Jerry	Y Sullivan
Y Chapa LaVia	Y Hoffman	E Moffitt	Y Tenhouse
Y Churchill	Y Holbrook	Y Molaro	Y Turner
Y Collins	Y Howard	Y Morrow	Y Verschoore
Y Colvin	Y Hultgren	Y Mulligan	Y Wait
Y Coulson	Y Jakobsson	Y Munson	Y Washington
Y Cross	Y Jefferson	Y Myers	Y Watson
Y Cultra	Y Jones	Y Nekritz	Y Winters
Y Currie	Y Joyce	Y Novak	Y Wirsing
Y Daniels	Y Kelly	Y O'Brien	Y Yarbrough
Y Davis, Monique	Y Kosel	Y Osmond	Y Younge
Y Davis, Steve	Y Krause	Y Osterman	Y Mr. Speaker
Y Davis, Will	Y Kurtz	Y Pankau	
Y Delgado	Y Lang	Y Parke	

E - Denotes Excused Absence

NO. 38

STATE OF ILLINOIS
NINETY-THIRD
GENERAL ASSEMBLY
HOUSE ROLL CALL
HOUSE BILL 865
INCOME TAXES-TECH
MOTION TO CONCUR IN SENATE AMENDMENT No. 1
CONCURRED

May 29, 2003

117 YEAS 0 NAYS 0 PRESENT

Y Acevedo	Y Dunkin	Y Leitch	Y Phelps
Y Aguilar	Y Dunn	Y Lindner	Y Pihos
Y Bailey	Y Eddy	Y Lyons, Eileen	Y Poe
Y Bassi	Y Feigenholtz	Y Lyons, Joseph	Y Reitz
Y Beaubien	Y Flider	Y Mathias	Y Rita
Y Bellock	Y Flowers	Y Mautino	Y Rose
Y Berrios	Y Forby	Y May	Y Ryg
Y Biggins	Y Franks	Y McAuliffe	Y Sacia
Y Black	Y Fritchey	Y McCarthy	Y Saviano
Y Boland	Y Froehlich	Y McGuire	Y Schmitz
Y Bost	Y Giles	Y McKeon	Y Scully
Y Bradley	Y Graham	Y Mendoza	Y Slone
Y Brady	Y Granberg	Y Meyer	Y Smith
Y Brauer	Y Grunloh	Y Miller	Y Sommer
Y Brosnahan	Y Hamos	Y Millner	Y Soto
Y Burke	Y Hannig	Y Mitchell, Bill	Y Stephens
Y Capparelli	Y Hassert	Y Mitchell, Jerry	Y Sullivan
Y Chapa LaVia	Y Hoffman	E Moffitt	Y Tenhouse
Y Churchill	Y Holbrook	Y Molaro	Y Turner
Y Collins	Y Howard	Y Morrow	Y Verschoore
Y Colvin	Y Hultgren	Y Mulligan	Y Wait
Y Coulson	Y Jakobsson	Y Munson	Y Washington
Y Cross	Y Jefferson	Y Myers	Y Watson
Y Cultra	Y Jones	Y Nekritz	Y Winters
Y Currie	Y Joyce	Y Novak	Y Wirsing
Y Daniels	Y Kelly	Y O'Brien	Y Yarbrough
Y Davis, Monique	Y Kosel	Y Osmond	Y Younge
Y Davis, Steve	Y Krause	Y Osterman	Y Mr. Speaker
Y Davis, Will	Y Kurtz	Y Pankau	
Y Delgado	Y Lang	Y Parke	

E - Denotes Excused Absence

NO. 39

STATE OF ILLINOIS
NINETY-THIRD
GENERAL ASSEMBLY
HOUSE ROLL CALL
HOUSE BILL 873
PUB UTIL SHORT TITLE TECH
MOTION TO CONCUR IN SENATE AMENDMENT No. 1
CONCURRED

May 29, 2003

117 YEAS 0 NAYS 0 PRESENT

Y Acevedo	Y Dunkin	Y Leitch	Y Phelps
Y Aguilar	Y Dunn	Y Lindner	Y Pihos
Y Bailey	Y Eddy	Y Lyons, Eileen	Y Poe
Y Bassi	Y Feigenholtz	Y Lyons, Joseph	Y Reitz
Y Beaubien	Y Flider	Y Mathias	Y Rita
Y Bellock	Y Flowers	Y Mautino	Y Rose
Y Berrios	Y Forby	Y May	Y Ryg
Y Biggins	Y Franks	Y McAuliffe	Y Sacia
Y Black	Y Fritchey	Y McCarthy	Y Saviano
Y Boland	Y Froehlich	Y McGuire	Y Schmitz
Y Bost	Y Giles	Y McKeon	Y Scully
Y Bradley	Y Graham	Y Mendoza	Y Slone
Y Brady	Y Granberg	Y Meyer	Y Smith
Y Brauer	Y Grunloh	Y Miller	Y Sommer
Y Brosnahan	Y Hamos	Y Millner	Y Soto
Y Burke	Y Hannig	Y Mitchell, Bill	Y Stephens
Y Capparelli	Y Hassert	Y Mitchell, Jerry	Y Sullivan
Y Chapa LaVia	Y Hoffman	E Moffitt	Y Tenhouse
Y Churchill	Y Holbrook	Y Molaro	Y Turner
Y Collins	Y Howard	Y Morrow	Y Verschoore
Y Colvin	Y Hultgren	Y Mulligan	Y Wait
Y Coulson	Y Jakobsson	Y Munson	Y Washington
Y Cross	Y Jefferson	Y Myers	Y Watson
Y Cultra	Y Jones	Y Nekritz	Y Winters
Y Currie	Y Joyce	Y Novak	Y Wirsing
Y Daniels	Y Kelly	Y O'Brien	Y Yarbrough
Y Davis, Monique	Y Kosel	Y Osmond	Y Younge
Y Davis, Steve	Y Krause	Y Osterman	Y Mr. Speaker
Y Davis, Will	Y Kurtz	Y Pankau	
Y Delgado	Y Lang	Y Parke	

E - Denotes Excused Absence

NO. 40

STATE OF ILLINOIS
NINETY-THIRD
GENERAL ASSEMBLY
HOUSE ROLL CALL
HOUSE BILL 696
DEPT HUMAN SERVICES-TECH
MOTION TO CONCUR IN SENATE AMENDMENT No. 2
CONCURRED

May 29, 2003

96 YEAS 8 NAYS 13 PRESENT

Y Acevedo	Y Dunkin	Y Leitch	Y Phelps
Y Aguilar	N Dunn	P Lindner	P Pihos
Y Bailey	N Eddy	Y Lyons, Eileen	Y Poe
P Bassi	Y Feigenholtz	Y Lyons, Joseph	Y Reitz
Y Beaubien	Y Flider	Y Mathias	Y Rita
Y Bellock	Y Flowers	Y Mautino	N Rose
Y Berrios	Y Forby	Y May	Y Ryg
N Biggins	Y Franks	Y McAuliffe	Y Sacia
P Black	Y Fritchey	Y McCarthy	Y Saviano
Y Boland	Y Froehlich	Y McGuire	P Schmitz
Y Bost	Y Giles	Y McKeon	Y Scully
Y Bradley	Y Graham	Y Mendoza	Y Slone
P Brady	Y Granberg	P Meyer	Y Smith
Y Brauer	Y Grunloh	Y Miller	P Sommer
Y Brosnahan	Y Hamos	Y Millner	Y Soto
Y Burke	Y Hannig	P Mitchell, Bill	N Stephens
Y Capparelli	P Hassert	Y Mitchell, Jerry	N Sullivan
Y Chapa LaVia	Y Hoffman	E Moffitt	Y Tenhouse
Y Churchill	Y Holbrook	Y Molaro	Y Turner
Y Collins	Y Howard	Y Morrow	Y Verschoore
Y Colvin	P Hultgren	Y Mulligan	Y Wait
Y Coulson	Y Jakobsson	N Munson	Y Washington
P Cross	Y Jefferson	Y Myers	Y Watson
N Cultra	Y Jones	Y Nekritz	Y Winters
Y Currie	Y Joyce	Y Novak	P Wirsing
Y Daniels	Y Kelly	Y O'Brien	Y Yarbrough
Y Davis, Monique	Y Kosel	Y Osmond	Y Younge
Y Davis, Steve	Y Krause	Y Osterman	Y Mr. Speaker
Y Davis, Will	Y Kurtz	Y Pankau	
Y Delgado	Y Lang	Y Parke	

E - Denotes Excused Absence

NO. 41

STATE OF ILLINOIS
NINETY-THIRD
GENERAL ASSEMBLY
HOUSE ROLL CALL
HOUSE BILL 943
STATE EMPLOYEES-TECH
MOTION TO CONCUR IN SENATE AMENDMENT No. 1
CONCURRED

May 29, 2003

109 YEAS 3 NAYS 5 PRESENT

Y Acevedo	Y Dunkin	Y Leitch	Y Phelps
Y Aguilar	Y Dunn	Y Lindner	P Pihos
Y Bailey	N Eddy	Y Lyons, Eileen	Y Poe
Y Bassi	Y Feigenholtz	Y Lyons, Joseph	Y Reitz
Y Beaubien	Y Flider	Y Mathias	Y Rita
Y Bellock	Y Flowers	Y Mautino	Y Rose
Y Berrios	Y Forby	Y May	Y Ryg
Y Biggins	Y Franks	Y McAuliffe	Y Sacia
Y Black	Y Fritchey	Y McCarthy	Y Saviano
Y Boland	Y Froehlich	Y McGuire	Y Schmitz
Y Bost	Y Giles	Y McKeon	Y Scully
Y Bradley	Y Graham	Y Mendoza	Y Slone
Y Brady	Y Granberg	Y Meyer	Y Smith
Y Brauer	Y Grunloh	Y Miller	P Sommer
Y Brosnahan	Y Hamos	Y Millner	Y Soto
Y Burke	Y Hannig	Y Mitchell, Bill	N Stephens
Y Capparelli	Y Hassert	Y Mitchell, Jerry	Y Sullivan
Y Chapa LaVia	Y Hoffman	E Moffitt	Y Tenhouse
Y Churchill	Y Holbrook	Y Molaro	Y Turner
Y Collins	Y Howard	Y Morrow	Y Verschoore
Y Colvin	P Hultgren	Y Mulligan	Y Wait
Y Coulson	Y Jakobsson	Y Munson	Y Washington
Y Cross	Y Jefferson	Y Myers	Y Watson
N Cultra	Y Jones	Y Nekritz	Y Winters
Y Currie	Y Joyce	Y Novak	P Wirsing
Y Daniels	Y Kelly	Y O'Brien	Y Yarbrough
Y Davis, Monique	Y Kosel	Y Osmond	Y Younge
Y Davis, Steve	Y Krause	Y Osterman	Y Mr. Speaker
Y Davis, Will	Y Kurtz	Y Pankau	
Y Delgado	Y Lang	P Parke	

E - Denotes Excused Absence

NO. 42

STATE OF ILLINOIS
NINETY-THIRD
GENERAL ASSEMBLY
HOUSE ROLL CALL
SENATE BILL 320
MWRD-BOND LIMIT INCREASE
THIRD READING
PASSED

May 29, 2003

72 YEAS 44 NAYS 0 PRESENT

Y Acevedo	Y Dunkin	Y Leitch	N Phelps
N Aguilar	N Dunn	N Lindner	N Pihos
Y Bailey	N Eddy	N Lyons, Eileen	Y Poe
N Bassi	Y Feigenholtz	Y Lyons, Joseph	Y Reitz
Y Beaubien	N Flider	Y Mathias	Y Rita
N Bellock	Y Flowers	Y Mautino	N Rose
Y Berrios	N Forby	N May	N Ryg
Y Biggins	N Franks	Y McAuliffe	Y Sacia
Y Black	N Fritchey	Y McCarthy	Y Saviano
N Boland	N Froehlich	Y McGuire	N Schmitz
N Bost	Y Giles	Y McKeon	Y Scully
Y Bradley	Y Graham	Y Mendoza	Y Slone
Y Brady	Y Granberg	N Meyer	Y Smith
Y Brauer	N Grunloh	Y Miller	N Sommer
Y Brosnahan	Y Hamos	A Millner	Y Soto
Y Burke	Y Hannig	N Mitchell, Bill	N Stephens
Y Capparelli	Y Hassert	Y Mitchell, Jerry	N Sullivan
N Chapa LaVia	Y Hoffman	E Moffitt	N Tenhouse
N Churchill	N Holbrook	Y Molaro	Y Turner
Y Collins	Y Howard	Y Morrow	N Verschoore
Y Colvin	N Hultgren	Y Mulligan	N Wait
Y Coulson	N Jakobsson	N Munson	Y Washington
Y Cross	N Jefferson	N Myers	N Watson
N Cultra	Y Jones	N Nekritz	N Winters
Y Currie	Y Joyce	Y Novak	Y Wirsing
Y Daniels	Y Kelly	Y O'Brien	Y Yarbrough
Y Davis, Monique	N Kosel	N Osmond	Y Younge
Y Davis, Steve	Y Krause	Y Osterman	Y Mr. Speaker
Y Davis, Will	N Kurtz	Y Pankau	
Y Delgado	Y Lang	Y Parke	

E - Denotes Excused Absence

NO. 43

STATE OF ILLINOIS
NINETY-THIRD
GENERAL ASSEMBLY
HOUSE ROLL CALL
SENATE BILL 969
OCC & USE TAXES-TECH
THIRD READING
PASSED

May 29, 2003

116 YEAS 0 NAYS 0 PRESENT

Y Acevedo	Y Dunkin	Y Leitch	Y Phelps
Y Aguilar	Y Dunn	Y Lindner	Y Pihos
Y Bailey	Y Eddy	Y Lyons, Eileen	Y Poe
Y Bassi	Y Feigenholtz	E Lyons, Joseph	Y Reitz
Y Beaubien	Y Flider	Y Mathias	Y Rita
Y Bellock	Y Flowers	Y Mautino	Y Rose
Y Berrios	Y Forby	Y May	Y Ryg
Y Biggins	Y Franks	Y McAuliffe	Y Sacia
Y Black	Y Fritchey	Y McCarthy	Y Saviano
Y Boland	Y Froehlich	Y McGuire	Y Schmitz
Y Bost	Y Giles	Y McKeon	Y Scully
Y Bradley	Y Graham	Y Mendoza	Y Slone
Y Brady	Y Granberg	Y Meyer	Y Smith
Y Brauer	Y Grunloh	Y Miller	Y Sommer
Y Brosnahan	Y Hamos	Y Millner	Y Soto
Y Burke	Y Hannig	Y Mitchell, Bill	Y Stephens
Y Capparelli	Y Hassert	Y Mitchell, Jerry	Y Sullivan
Y Chapa LaVia	Y Hoffman	E Moffitt	Y Tenhouse
Y Churchill	Y Holbrook	Y Molaro	Y Turner
Y Collins	Y Howard	Y Morrow	Y Verschoore
Y Colvin	Y Hultgren	Y Mulligan	Y Wait
Y Coulson	Y Jakobsson	Y Munson	Y Washington
Y Cross	Y Jefferson	Y Myers	Y Watson
Y Cultra	Y Jones	Y Nekritz	Y Winters
Y Currie	Y Joyce	Y Novak	Y Wirsing
Y Daniels	Y Kelly	Y O'Brien	Y Yarbrough
Y Davis, Monique	Y Kosel	Y Osmond	Y Younge
Y Davis, Steve	Y Krause	Y Osterman	Y Mr. Speaker
Y Davis, Will	Y Kurtz	Y Pankau	
Y Delgado	Y Lang	Y Parke	

E - Denotes Excused Absence

NO. 44

STATE OF ILLINOIS
NINETY-THIRD
GENERAL ASSEMBLY
HOUSE ROLL CALL
HOUSE BILL 235
ECON ASSISTANCE ACCOUNTABILITY
MOTION TO CONCUR IN SENATE AMENDMENTS No. 1&3
CONCURRED

May 29, 2003

89 YEAS 27 NAYS 0 PRESENT

Y Acevedo	Y Dunkin	N Leitch	Y Phelps
Y Aguilar	N Dunn	Y Lindner	N Pihos
Y Bailey	N Eddy	Y Lyons, Eileen	Y Poe
Y Bassi	Y Feigenholtz	E Lyons, Joseph	Y Reitz
Y Beaubien	Y Flider	Y Mathias	Y Rita
Y Bellock	Y Flowers	Y Mautino	N Rose
Y Berrios	Y Forby	Y May	Y Ryg
Y Biggins	Y Franks	Y McAuliffe	N Sacia
N Black	Y Fritchey	Y McCarthy	Y Saviano
Y Boland	N Froehlich	Y McGuire	Y Schmitz
N Bost	Y Giles	Y McKeon	Y Scully
Y Bradley	Y Graham	Y Mendoza	Y Slone
N Brady	Y Granberg	Y Meyer	Y Smith
Y Brauer	Y Grunloh	Y Miller	N Sommer
Y Brosnahan	Y Hamos	Y Millner	Y Soto
Y Burke	Y Hannig	Y Mitchell, Bill	N Stephens
Y Capparelli	N Hassert	N Mitchell, Jerry	N Sullivan
Y Chapa LaVia	Y Hoffman	E Moffitt	N Tenhouse
N Churchill	Y Holbrook	Y Molaro	Y Turner
Y Collins	Y Howard	Y Morrow	Y Verschoore
Y Colvin	N Hultgren	N Mulligan	Y Wait
Y Coulson	Y Jakobsson	N Munson	Y Washington
N Cross	Y Jefferson	Y Myers	Y Watson
N Cultra	Y Jones	Y Nekritz	N Winters
Y Currie	Y Joyce	Y Novak	N Wirsing
Y Daniels	Y Kelly	Y O'Brien	Y Yarbrough
Y Davis, Monique	N Kosel	Y Osmond	Y Younge
Y Davis, Steve	Y Krause	Y Osterman	Y Mr. Speaker
Y Davis, Will	N Kurtz	Y Pankau	
Y Delgado	Y Lang	N Parke	

E - Denotes Excused Absence

NO. 45

STATE OF ILLINOIS
NINETY-THIRD
GENERAL ASSEMBLY
HOUSE ROLL CALL
HOUSE BILL 685
DISABLED PERSONS REHAB-TECH
MOTION TO CONCUR IN SENATE AMENDMENT No. 1
CONCURRED

May 29, 2003

116 YEAS 0 NAYS 0 PRESENT

Y Acevedo	Y Dunkin	Y Leitch	Y Phelps
Y Aguilar	Y Dunn	Y Lindner	Y Pihos
Y Bailey	Y Eddy	Y Lyons, Eileen	Y Poe
Y Bassi	Y Feigenholtz	E Lyons, Joseph	Y Reitz
Y Beaubien	Y Flider	Y Mathias	Y Rita
Y Bellock	Y Flowers	Y Mautino	Y Rose
Y Berrios	Y Forby	Y May	Y Ryg
Y Biggins	Y Franks	Y McAuliffe	Y Sacia
Y Black	Y Fritchey	Y McCarthy	Y Saviano
Y Boland	Y Froehlich	Y McGuire	Y Schmitz
Y Bost	Y Giles	Y McKeon	Y Scully
Y Bradley	Y Graham	Y Mendoza	Y Slone
Y Brady	Y Granberg	Y Meyer	Y Smith
Y Brauer	Y Grunloh	Y Miller	Y Sommer
Y Brosnahan	Y Hamos	Y Millner	Y Soto
Y Burke	Y Hannig	Y Mitchell, Bill	Y Stephens
Y Capparelli	Y Hassert	Y Mitchell, Jerry	Y Sullivan
Y Chapa LaVia	Y Hoffman	E Moffitt	Y Tenhouse
Y Churchill	Y Holbrook	Y Molaro	Y Turner
Y Collins	Y Howard	Y Morrow	Y Verschoore
Y Colvin	Y Hultgren	Y Mulligan	Y Wait
Y Coulson	Y Jakobsson	Y Munson	Y Washington
Y Cross	Y Jefferson	Y Myers	Y Watson
Y Cultra	Y Jones	Y Nekritz	Y Winters
Y Currie	Y Joyce	Y Novak	Y Wirsing
Y Daniels	Y Kelly	Y O'Brien	Y Yarbrough
Y Davis, Monique	Y Kosel	Y Osmond	Y Younge
Y Davis, Steve	Y Krause	Y Osterman	Y Mr. Speaker
Y Davis, Will	Y Kurtz	Y Pankau	
Y Delgado	Y Lang	Y Parke	

E - Denotes Excused Absence

NO. 46

STATE OF ILLINOIS
NINETY-THIRD
GENERAL ASSEMBLY
HOUSE ROLL CALL
HOUSE BILL 3661
INS CONTINUATION OF BENEFITS
MOTION TO CONCUR IN SENATE AMENDMENTS No. 1,2,5&6
CONCURRED

May 29, 2003

116 YEAS 0 NAYS 0 PRESENT

Y Acevedo	Y Dunkin	Y Leitch	Y Phelps
Y Aguilar	Y Dunn	Y Lindner	Y Pihos
Y Bailey	Y Eddy	Y Lyons, Eileen	Y Poe
Y Bassi	Y Feigenholtz	E Lyons, Joseph	Y Reitz
Y Beaubien	Y Flider	Y Mathias	Y Rita
Y Bellock	Y Flowers	Y Mautino	Y Rose
Y Berrios	Y Forby	Y May	Y Ryg
Y Biggins	Y Franks	Y McAuliffe	Y Sacia
Y Black	Y Fritchey	Y McCarthy	Y Saviano
Y Boland	Y Froehlich	Y McGuire	Y Schmitz
Y Bost	Y Giles	Y McKeon	Y Scully
Y Bradley	Y Graham	Y Mendoza	Y Slone
Y Brady	Y Granberg	Y Meyer	Y Smith
Y Brauer	Y Grunloh	Y Miller	Y Sommer
Y Brosnahan	Y Hamos	Y Millner	Y Soto
Y Burke	Y Hannig	Y Mitchell, Bill	Y Stephens
Y Capparelli	Y Hassert	Y Mitchell, Jerry	Y Sullivan
Y Chapa LaVia	Y Hoffman	E Moffitt	Y Tenhouse
Y Churchill	Y Holbrook	Y Molaro	Y Turner
Y Collins	Y Howard	Y Morrow	Y Verschoore
Y Colvin	Y Hultgren	Y Mulligan	Y Wait
Y Coulson	Y Jakobsson	Y Munson	Y Washington
Y Cross	Y Jefferson	Y Myers	Y Watson
Y Cultra	Y Jones	Y Nekritz	Y Winters
Y Currie	Y Joyce	Y Novak	Y Wirsing
Y Daniels	Y Kelly	Y O'Brien	Y Yarbrough
Y Davis, Monique	Y Kosel	Y Osmond	Y Younge
Y Davis, Steve	Y Krause	Y Osterman	Y Mr. Speaker
Y Davis, Will	Y Kurtz	Y Pankau	
Y Delgado	Y Lang	Y Parke	

E - Denotes Excused Absence

NO. 47

STATE OF ILLINOIS
NINETY-THIRD
GENERAL ASSEMBLY
HOUSE ROLL CALL
HOUSE BILL 2843
CONT SUB-SYNTHET DRUG MAN CON
MOTION TO CONCUR IN SENATE AMENDMENT No. 1
CONCURRED

May 29, 2003

116 YEAS 0 NAYS 0 PRESENT

Y Acevedo	Y Dunkin	Y Leitch	Y Phelps
Y Aguilar	Y Dunn	Y Lindner	Y Pihos
Y Bailey	Y Eddy	Y Lyons, Eileen	Y Poe
Y Bassi	Y Feigenholtz	E Lyons, Joseph	Y Reitz
Y Beaubien	Y Flider	Y Mathias	Y Rita
Y Bellock	Y Flowers	Y Mautino	Y Rose
Y Berrios	Y Forby	Y May	Y Ryg
Y Biggins	Y Franks	Y McAuliffe	Y Sacia
Y Black	Y Fritchey	Y McCarthy	Y Saviano
Y Boland	Y Froehlich	Y McGuire	Y Schmitz
Y Bost	Y Giles	Y McKeon	Y Scully
Y Bradley	Y Graham	Y Mendoza	Y Slone
Y Brady	Y Granberg	Y Meyer	Y Smith
Y Brauer	Y Grunloh	Y Miller	Y Sommer
Y Brosnahan	Y Hamos	Y Millner	Y Soto
Y Burke	Y Hannig	Y Mitchell, Bill	Y Stephens
Y Capparelli	Y Hassert	Y Mitchell, Jerry	Y Sullivan
Y Chapa LaVia	Y Hoffman	E Moffitt	Y Tenhouse
Y Churchill	Y Holbrook	Y Molaro	Y Turner
Y Collins	Y Howard	Y Morrow	Y Verschoore
Y Colvin	Y Hultgren	Y Mulligan	Y Wait
Y Coulson	Y Jakobsson	Y Munson	Y Washington
Y Cross	Y Jefferson	Y Myers	Y Watson
Y Cultra	Y Jones	Y Nekritz	Y Winters
Y Currie	Y Joyce	Y Novak	Y Wirsing
Y Daniels	Y Kelly	Y O'Brien	Y Yarbrough
Y Davis, Monique	Y Kosel	Y Osmond	Y Younge
Y Davis, Steve	Y Krause	Y Osterman	Y Mr. Speaker
Y Davis, Will	Y Kurtz	Y Pankau	
Y Delgado	Y Lang	Y Parke	

E - Denotes Excused Absence

NO. 48

STATE OF ILLINOIS
NINETY-THIRD
GENERAL ASSEMBLY
HOUSE ROLL CALL
HOUSE BILL 625
HOUSING-TECH
MOTION TO CONCUR IN SENATE AMENDMENT No. 1
CONCURRED

May 29, 2003

61 YEAS 52 NAYS 3 PRESENT

Y Acevedo	Y Dunkin	N Leitch	N Phelps
Y Aguilar	N Dunn	N Lindner	N Pihos
Y Bailey	N Eddy	N Lyons, Eileen	Y Poe
N Bassi	Y Feigenholtz	E Lyons, Joseph	Y Reitz
N Beaubien	N Flider	N Mathias	Y Rita
N Bellock	Y Flowers	Y Mautino	N Rose
Y Berrios	N Forby	Y May	Y Ryg
N Biggins	Y Franks	N McAuliffe	N Sacia
N Black	Y Fritchey	N McCarthy	N Saviano
Y Boland	Y Froehlich	Y McGuire	N Schmitz
N Bost	Y Giles	Y McKeon	Y Scully
Y Bradley	Y Graham	Y Mendoza	Y Slone
N Brady	Y Granberg	N Meyer	Y Smith
N Brauer	N Grunloh	Y Miller	N Sommer
N Brosnahan	Y Hamos	N Millner	Y Soto
Y Burke	N Hannig	N Mitchell, Bill	N Stephens
P Capparelli	N Hassert	N Mitchell, Jerry	N Sullivan
Y Chapa LaVia	Y Hoffman	E Moffitt	N Tenhouse
N Churchill	Y Holbrook	Y Molaro	Y Turner
Y Collins	Y Howard	Y Morrow	N Verschoore
Y Colvin	Y Hultgren	N Mulligan	N Wait
Y Coulson	Y Jakobsson	Y Munson	Y Washington
N Cross	Y Jefferson	N Myers	P Watson
N Cultra	Y Jones	Y Nekritz	N Winters
Y Currie	N Joyce	N Novak	N Wirsing
N Daniels	Y Kelly	Y O'Brien	Y Yarbrough
Y Davis, Monique	N Kosel	N Osmond	Y Younge
Y Davis, Steve	Y Krause	Y Osterman	Y Mr. Speaker
Y Davis, Will	P Kurtz	N Pankau	
Y Delgado	Y Lang	N Parke	

E - Denotes Excused Absence