

1 AN ACT concerning employment.

2 Be it enacted by the People of the State of Illinois,
3 represented in the General Assembly:

4 Section 5. The Unemployment Insurance Act is amended by
5 changing Sections 401, 403, 500, 1403, 1404, 1405, 1501.1,
6 and 1504 and adding Section 409.1 as follows:

7 (820 ILCS 405/401) (from Ch. 48, par. 401)

8 Sec. 401. Weekly Benefit Amount - Dependents'
9 Allowances.

10 A. With respect to any week beginning prior to April 24,
11 1983, an individual's weekly benefit amount shall be an
12 amount equal to the weekly benefit amount as defined in this
13 Act as in effect on November 30, 1982.

14 B. 1. With respect to any week beginning on or after
15 April 24, 1983 and before January 3, 1988, an individual's
16 weekly benefit amount shall be 48% of his prior average
17 weekly wage, rounded (if not already a multiple of one
18 dollar) to the next higher dollar; provided, however, that
19 the weekly benefit amount cannot exceed the maximum weekly
20 benefit amount, and cannot be less than 15% of the statewide
21 average weekly wage, rounded (if not already a multiple of
22 one dollar) to the next higher dollar. However, the weekly
23 benefit amount for an individual who has established a
24 benefit year beginning before April 24, 1983, shall be
25 determined, for weeks beginning on or after April 24, 1983
26 claimed with respect to that benefit year, as provided under
27 this Act as in effect on November 30, 1982. With respect to
28 any week beginning on or after January 3, 1988 and before
29 January 1, 1993, an individual's weekly benefit amount shall
30 be 49% of his prior average weekly wage, rounded (if not
31 already a multiple of one dollar) to the next higher dollar;

1 provided, however, that the weekly benefit amount cannot
2 exceed the maximum weekly benefit amount, and cannot be less
3 than \$51. With respect to any week beginning on or after
4 January 3, 1993, except as otherwise provided in this
5 paragraph, an individual's weekly benefit amount shall be
6 49.5% of his prior average weekly wage, rounded (if not
7 already a multiple of one dollar) to the next higher dollar;
8 provided, however, that the weekly benefit amount cannot
9 exceed the maximum weekly benefit amount and cannot be less
10 than \$51. With respect to any individual whose benefit year
11 includes a week beginning on or after September 9, 2001, and
12 before March 10, 2002, the individual's weekly benefit amount
13 with respect to any week beginning on or after September 9,
14 2001, during that benefit year, shall be 55% of his prior
15 average weekly wage, rounded (if not already a multiple of
16 one dollar) to the next higher dollar; provided, however,
17 that the weekly benefit amount cannot exceed the maximum
18 weekly benefit amount and cannot be less than \$51.

19 2. For the purposes of this subsection:

20 With respect to any week beginning on or after April 24,
21 1983, an individual's "prior average weekly wage" means the
22 total wages for insured work paid to that individual during
23 the 2 calendar quarters of his base period in which such
24 total wages were highest, divided by 26. If the quotient is
25 not already a multiple of one dollar, it shall be rounded to
26 the nearest dollar; however if the quotient is equally near 2
27 multiples of one dollar, it shall be rounded to the higher
28 multiple of one dollar.

29 "Determination date" means June 1, 1982, December 1, 1982
30 and December 1 of each succeeding calendar year thereafter.
31 However, if as of June 30, 1982, or any June 30 thereafter,
32 the net amount standing to the credit of this State's account
33 in the unemployment trust fund (less all outstanding advances
34 to that account, including advances pursuant to Title XII of

1 the federal Social Security Act) is greater than
2 \$100,000,000, "determination date" shall mean December 1 of
3 that year and June 1 of the succeeding year. Notwithstanding
4 the preceding sentence, for the purposes of this Act only,
5 there shall be no June 1 determination date in any year after
6 1986.

7 "Determination period" means, with respect to each June 1
8 determination date, the 12 consecutive calendar months ending
9 on the immediately preceding December 31 and, with respect to
10 each December 1 determination date, the 12 consecutive
11 calendar months ending on the immediately preceding June 30.

12 "Benefit period" means the 12 consecutive calendar month
13 period beginning on the first day of the first calendar month
14 immediately following a determination date, except that, with
15 respect to any calendar year in which there is a June 1
16 determination date, "benefit period" shall mean the 6
17 consecutive calendar month period beginning on the first day
18 of the first calendar month immediately following the
19 preceding December 1 determination date and the 6 consecutive
20 calendar month period beginning on the first day of the first
21 calendar month immediately following the June 1 determination
22 date. Notwithstanding the foregoing sentence, the 6 calendar
23 months beginning January 1, 1982 and ending June 30, 1982
24 shall be deemed a benefit period with respect to which the
25 determination date shall be June 1, 1981.

26 "Gross wages" means all the wages paid to individuals
27 during the determination period immediately preceding a
28 determination date for insured work, and reported to the
29 Director by employers prior to the first day of the third
30 calendar month preceding that date.

31 "Covered employment" for any calendar month means the
32 total number of individuals, as determined by the Director,
33 engaged in insured work at mid-month.

34 "Average monthly covered employment" means one-twelfth of

1 the sum of the covered employment for the 12 months of a
2 determination period.

3 "Statewide average annual wage" means the quotient,
4 obtained by dividing gross wages by average monthly covered
5 employment for the same determination period, rounded (if not
6 already a multiple of one cent) to the nearest cent.

7 "Statewide average weekly wage" means the quotient,
8 obtained by dividing the statewide average annual wage by 52,
9 rounded (if not already a multiple of one cent) to the
10 nearest cent. Notwithstanding any provisions of this Section
11 to the contrary, the statewide average weekly wage for the
12 benefit period beginning July 1, 1982 and ending December 31,
13 1982 shall be the statewide average weekly wage in effect for
14 the immediately preceding benefit period plus one-half of the
15 result obtained by subtracting the statewide average weekly
16 wage for the immediately preceding benefit period from the
17 statewide average weekly wage for the benefit period
18 beginning July 1, 1982 and ending December 31, 1982 as such
19 statewide average weekly wage would have been determined but
20 for the provisions of this paragraph. Notwithstanding any
21 provisions of this Section to the contrary, the statewide
22 average weekly wage for the benefit period beginning April
23 24, 1983 and ending January 31, 1984 shall be \$321 and for
24 the benefit period beginning February 1, 1984 and ending
25 December 31, 1986 shall be \$335, and for the benefit period
26 beginning January 1, 1987, and ending December 31, 1987,
27 shall be \$350, except that for an individual who has
28 established a benefit year beginning before April 24, 1983,
29 the statewide average weekly wage used in determining
30 benefits, for any week beginning on or after April 24, 1983,
31 claimed with respect to that benefit year, shall be \$334.80,
32 except that, for the purpose of determining the minimum
33 weekly benefit amount under subsection B(1) for the benefit
34 period beginning January 1, 1987, and ending December 31,

1 1987, the statewide average weekly wage shall be \$335; for
2 the benefit periods January 1, 1988 through December 31,
3 1988, January 1, 1989 through December 31, 1989, and January
4 1, 1990 through December 31, 1990, the statewide average
5 weekly wage shall be \$359, \$381, and \$406, respectively.
6 Notwithstanding the preceding sentences of this paragraph,
7 for the benefit period of calendar year 1991, the statewide
8 average weekly wage shall be \$406 plus (or minus) an amount
9 equal to the percentage change in the statewide average
10 weekly wage, as computed in accordance with the preceding
11 sentences of this paragraph, between the benefit periods of
12 calendar years 1989 and 1990, multiplied by \$406; and, for
13 the benefit periods of calendar years 1992 through 2003 and
14 calendar year 2005 and each calendar year thereafter, the
15 statewide average weekly wage, shall be the statewide average
16 weekly wage, as determined in accordance with this sentence,
17 for the immediately preceding benefit period plus (or minus)
18 an amount equal to the percentage change in the statewide
19 average weekly wage, as computed in accordance with the
20 preceding sentences of this paragraph, between the 2
21 immediately preceding benefit periods, multiplied by the
22 statewide average weekly wage, as determined in accordance
23 with this sentence, for the immediately preceding benefit
24 period. For the benefit period of 2004, the statewide average
25 weekly wage shall be \$600. Provided however, that for any
26 benefit period after December 31, 1990, if 2 of the following
27 3 factors occur, then the statewide average weekly wage shall
28 be the statewide average weekly wage in effect for the
29 immediately preceding benefit period: (a) the average
30 contribution rate for all employers in this State for the
31 calendar year 2 years prior to the benefit period, as a ratio
32 of total contribution payments (including payments in lieu of
33 contributions) to total wages reported by employers in this
34 State for that same period is 0.2% greater than the national

1 average of this ratio, the foregoing to be determined in
2 accordance with rules promulgated by the Director; (b) the
3 balance in this State's account in the unemployment trust
4 fund, as of March 31 of the prior calendar year, is less than
5 \$250,000,000; or (c) the number of first payments of initial
6 claims, as determined in accordance with rules promulgated by
7 the Director, for the one year period ending on June 30 of
8 the prior year, has increased more than 25% over the average
9 number of such payments during the 5 year period ending that
10 same June 30; and provided further that if (a), (b) and (c)
11 occur, then the statewide average weekly wage, as determined
12 in accordance with the preceding sentence, shall be 10% less
13 than it would have been but for these provisions. If the
14 reduced amount, computed in accordance with the preceding
15 sentence, is not already a multiple of one dollar, it shall
16 be rounded to the nearest dollar. The 10% reduction in the
17 statewide average weekly wage in the preceding sentence shall
18 not be in effect for more than 2 benefit periods of any 5
19 consecutive benefit periods. This 10% reduction shall not be
20 cumulative from year to year. Neither the freeze nor the
21 reduction shall be considered in the determination of
22 subsequent years' calculations of statewide average weekly
23 wage. However, for purposes of the Workers' Compensation Act,
24 the statewide average weekly wage will be computed using June
25 1 and December 1 determination dates of each calendar year
26 and such determination shall not be subject to the limitation
27 of \$321, \$335, \$350, \$359, \$381, \$406 or the statewide
28 average weekly wage as computed in accordance with the
29 preceding 7 sentences of this paragraph.

30 With respect to any week beginning on or after April 24,
31 1983 and before January 3, 1988, "maximum weekly benefit
32 amount" means 48% of the statewide average weekly wage,
33 rounded (if not already a multiple of one dollar) to the
34 nearest dollar, provided however, that the maximum weekly

1 benefit amount for an individual who has established a
2 benefit year beginning before April 24, 1983, shall be
3 determined, for weeks beginning on or after April 24, 1983
4 claimed with respect to that benefit year, as provided under
5 this Act as amended and in effect on November 30, 1982,
6 except that the statewide average weekly wage used in such
7 determination shall be \$334.80.

8 With respect to any week beginning after January 2, 1988
9 and before January 1, 1993, "maximum weekly benefit amount"
10 with respect to each week beginning within a benefit period
11 means 49% of the statewide average weekly wage, rounded (if
12 not already a multiple of one dollar) to the next higher
13 dollar.

14 With respect to any week beginning on or after January 3,
15 1993, except as otherwise provided in this subsection,
16 "maximum weekly benefit amount" with respect to each week
17 beginning within a benefit period means 49.5% of the
18 statewide average weekly wage, rounded (if not already a
19 multiple of one dollar) to the next higher dollar. With
20 respect to any individual whose benefit year includes a week
21 beginning on or after September 9, 2001, and before March 10,
22 2002, "maximum weekly benefit amount" with respect to each
23 week beginning on or after September 9, 2001, during that
24 benefit year, within a benefit period, means 55% of the
25 statewide average weekly wage, rounded (if not already a
26 multiple of one dollar) to the next higher dollar.

27 C. With respect to any week beginning on or after April
28 24, 1983 and before January 3, 1988, an individual to whom
29 benefits are payable with respect to any week shall, in
30 addition to such benefits, be paid, with respect to such
31 week, as follows: in the case of an individual with a
32 nonworking spouse, 7% of his prior average weekly wage,
33 rounded (if not already a multiple of one dollar) to the
34 higher dollar; provided, that the total amount payable to the

1 individual with respect to a week shall not exceed 55% of the
2 statewide average weekly wage, rounded (if not already a
3 multiple of one dollar) to the nearest dollar; and in the
4 case of an individual with a dependent child or dependent
5 children, 14.4% of his prior average weekly wage, rounded (if
6 not already a multiple of one dollar) to the higher dollar;
7 provided, that the total amount payable to the individual
8 with respect to a week shall not exceed 62.4% of the
9 statewide average weekly wage, rounded (if not already a
10 multiple of one dollar) to the next higher dollar with
11 respect to the benefit period beginning January 1, 1987 and
12 ending December 31, 1987, and otherwise to the nearest
13 dollar. However, for an individual with a nonworking spouse
14 or with a dependent child or children who has established a
15 benefit year beginning before April 24, 1983, the amount of
16 additional benefits payable on account of the nonworking
17 spouse or dependent child or children shall be determined,
18 for weeks beginning on or after April 24, 1983 claimed with
19 respect to that benefit year, as provided under this Act as
20 in effect on November 30, 1982, except that the statewide
21 average weekly wage used in such determination shall be
22 \$334.80.

23 With respect to any week beginning on or after January 2,
24 1988 and before January 1, 1991 and any week beginning on or
25 after January 1, 1992, and before January 1, 1993, an
26 individual to whom benefits are payable with respect to any
27 week shall, in addition to those benefits, be paid, with
28 respect to such week, as follows: in the case of an
29 individual with a nonworking spouse, 8% of his prior average
30 weekly wage, rounded (if not already a multiple of one
31 dollar) to the next higher dollar, provided, that the total
32 amount payable to the individual with respect to a week
33 shall not exceed 57% of the statewide average weekly wage,
34 rounded (if not already a multiple of one dollar) to the next

1 higher dollar; and in the case of an individual with a
2 dependent child or dependent children, 15% of his prior
3 average weekly wage, rounded (if not already a multiple of
4 one dollar) to the next higher dollar, provided that the
5 total amount payable to the individual with respect to a week
6 shall not exceed 64% of the statewide average weekly wage,
7 rounded (if not already a multiple of one dollar) to the next
8 higher dollar.

9 With respect to any week beginning on or after January 1,
10 1991 and before January 1, 1992, an individual to whom
11 benefits are payable with respect to any week shall, in
12 addition to the benefits, be paid, with respect to such week,
13 as follows: in the case of an individual with a nonworking
14 spouse, 8.3% of his prior average weekly wage, rounded (if
15 not already a multiple of one dollar) to the next higher
16 dollar, provided, that the total amount payable to the
17 individual with respect to a week shall not exceed 57.3% of
18 the statewide average weekly wage, rounded (if not already a
19 multiple of one dollar) to the next higher dollar; and in the
20 case of an individual with a dependent child or dependent
21 children, 15.3% of his prior average weekly wage, rounded (if
22 not already a multiple of one dollar) to the next higher
23 dollar, provided that the total amount payable to the
24 individual with respect to a week shall not exceed 64.3% of
25 the statewide average weekly wage, rounded (if not already a
26 multiple of one dollar) to the next higher dollar.

27 With respect to any week beginning on or after January 3,
28 1993, an individual to whom benefits are payable with respect
29 to any week shall, in addition to those benefits, be paid,
30 with respect to such week, as follows: in the case of an
31 individual with a nonworking spouse, 9% of his prior average
32 weekly wage, rounded (if not already a multiple of one
33 dollar) to the next higher dollar, provided, that the total
34 amount payable to the individual with respect to a week

1 shall not exceed 58.5% of the statewide average weekly wage,
2 rounded (if not already a multiple of one dollar) to the next
3 higher dollar (except that, with respect to any individual
4 whose benefit year includes a week beginning on or after
5 September 9, 2001, and before March 10, 2002, the total
6 amount payable to the individual with respect to a week
7 beginning on or after September 9, 2001, during that benefit
8 year, shall not exceed 64% of the statewide average weekly
9 wage, rounded, if not already a multiple of one dollar, to
10 the next higher dollar); and in the case of an individual
11 with a dependent child or dependent children, 16% of his
12 prior average weekly wage, rounded (if not already a multiple
13 of one dollar) to the next higher dollar, provided that the
14 total amount payable to the individual with respect to a week
15 shall not exceed 65.5% of the statewide average weekly wage,
16 rounded (if not already a multiple of one dollar) to the next
17 higher dollar (except that, with respect to any individual
18 whose benefit year includes a week beginning on or after
19 September 9, 2001, and before March 10, 2002, the total
20 amount payable to the individual with respect to a week
21 beginning on or after September 9, 2001, during that benefit
22 year, shall not exceed 71% of the statewide average weekly
23 wage, rounded, if not already a multiple of one dollar, to
24 the next higher dollar).

25 For the purposes of this subsection:

26 "Dependent" means a child or a nonworking spouse.

27 "Child" means a natural child, stepchild, or adopted
28 child of an individual claiming benefits under this Act or a
29 child who is in the custody of any such individual by court
30 order, for whom the individual is supplying and, for at least
31 90 consecutive days (or for the duration of the parental
32 relationship if it has existed for less than 90 days)
33 immediately preceding any week with respect to which the
34 individual has filed a claim, has supplied more than one-half

1 the cost of support, or has supplied at least 1/4 of the cost
2 of support if the individual and the other parent, together,
3 are supplying and, during the aforesaid period, have supplied
4 more than one-half the cost of support, and are, and were
5 during the aforesaid period, members of the same household;
6 and who, on the first day of such week (a) is under 18 years
7 of age, or (b) is, and has been during the immediately
8 preceding 90 days, unable to work because of illness or other
9 disability: provided, that no person who has been determined
10 to be a child of an individual who has been allowed benefits
11 with respect to a week in the individual's benefit year shall
12 be deemed to be a child of the other parent, and no other
13 person shall be determined to be a child of such other
14 parent, during the remainder of that benefit year.

15 "Nonworking spouse" means the lawful husband or wife of
16 an individual claiming benefits under this Act, for whom more
17 than one-half the cost of support has been supplied by the
18 individual for at least 90 consecutive days (or for the
19 duration of the marital relationship if it has existed for
20 less than 90 days) immediately preceding any week with
21 respect to which the individual has filed a claim, but only
22 if the nonworking spouse is currently ineligible to receive
23 benefits under this Act by reason of the provisions of
24 Section 500E.

25 An individual who was obligated by law to provide for the
26 support of a child or of a nonworking spouse for the
27 aforesaid period of 90 consecutive days, but was prevented by
28 illness or injury from doing so, shall be deemed to have
29 provided more than one-half the cost of supporting the child
30 or nonworking spouse for that period.

31 (Source: P.A. 90-554, eff. 12-12-97; 91-342, eff. 7-29-99.)

32 (820 ILCS 405/403) (from Ch. 48, par. 403)

33 Sec. 403. Maximum total amount of benefits.) A. With

1 respect to any benefit year beginning prior to September 30,
2 1979, any otherwise eligible individual shall be entitled,
3 during such benefit year, to a maximum total amount of
4 benefits as shall be determined in the manner set forth in
5 this Act as amended and in effect on November 9, 1977.

6 B. With respect to any benefit year beginning on or
7 after September 30, 1979, any otherwise eligible individual
8 shall be entitled, during such benefit year, to a maximum
9 total amount of benefits equal to 26 times his weekly benefit
10 amount plus dependents allowances, or to the total wages for
11 insured work paid to such individual during the individual's
12 base period, whichever amount is smaller. For the purposes of
13 this subsection, the weekly benefit amount with respect to a
14 benefit year that includes a week beginning on or after
15 September 9, 2001, and before March 10, 2002, shall be as
16 determined under Section 401 for weeks beginning on or after
17 September 9, 2001, during that benefit year, except with
18 respect to an individual who, prior to September 9, 2001,
19 received the maximum total amount of benefits with respect to
20 that benefit year, as determined prior to the effective date
21 of this amendatory Act of the 92nd General Assembly.

22 (Source: P.A. 81-962.)

23 (820 ILCS 405/409.1 new)

24 Sec. 409.1. Additional Benefits.

25 A. For the purposes of this Section:

26 1. "Regular benefits", "extended benefits", and
27 "extended benefit period" have the meanings ascribed to
28 them under Section 409.

29 2. "Additional benefits" means benefits totally
30 financed by a State and payable to exhaustees (as defined
31 in subsection C). If an individual is eligible to receive
32 additional benefits under the provisions of this Section
33 and is eligible to receive additional benefits with

1 respect to the same week under the law of another State,
2 he may elect to claim additional benefits under either
3 State's law with respect to the week.

4 3. "Supplemental benefits" means any type of payment
5 to an individual, pursuant to federal law, with respect
6 to a week of unemployment, by virtue of the fact that
7 regular benefits are no longer payable to him under this
8 Act.

9 4. "Interstate Benefit Payment Plan" means the plan
10 approved by the National Association of State Workforce
11 Agencies under which benefits shall be payable to
12 unemployed individuals absent from the state (or states)
13 in which benefit credits have been accumulated.

14 5. "State" when used in this Section includes States
15 of the United States of America, the District of
16 Columbia, Puerto Rico and the Virgin Islands. For
17 purposes of this Section, the term "state" shall also be
18 construed to include Canada.

19 6. Notwithstanding any of the provisions of Sections
20 1404, 1405B, and 1501, no employer shall be liable for
21 payments in lieu of contributions by reason of the
22 payment of additional benefits which are wholly
23 reimbursed to this State by the Federal Government.
24 Additional benefits shall become benefit charges under
25 Section 1501.1 only when an individual is paid such
26 benefits and they are not wholly reimbursed by the
27 Federal Government.

28 B. This Section applies only to an individual who becomes
29 an exhaustee in a week beginning on or after September 9,
30 2001, and before March 10, 2002. An individual to whom this
31 Section applies shall be eligible to receive additional
32 benefits pursuant to this Section for any week beginning
33 before June 9, 2002, if, with respect to such week he has
34 otherwise satisfied the terms and conditions with respect to

1 the receipt of regular benefits under this Act, including but
2 not limited to Sections 601, 602 and 603.

3 C. An individual is an exhaustee with respect to a week
4 if:

5 1. Prior to such week (a) he has received, with
6 respect to his current benefit year that includes such
7 week, the maximum total amount of benefits to which he
8 was entitled under the provisions of Section 403B, and
9 all of the regular benefits (including dependents'
10 allowances) to which he had entitlement (if any) on the
11 basis of wages or employment under any other State
12 unemployment compensation law; or (b) his benefit year
13 terminated, and he cannot meet the qualifying wage
14 requirements of Section 500E of this Act or the
15 qualifying wage or employment requirements of any other
16 State unemployment compensation law to establish a new
17 benefit year which would include such week or, having
18 established a new benefit year that includes such week,
19 he is ineligible for regular benefits by reason of
20 Section 607 of this Act or a like provision of any other
21 State unemployment compensation law; and

22 2. For such week (a) he has no right to benefits or
23 allowances, as the case may be, under the Railroad
24 Unemployment Insurance Act and no rights to extended
25 benefits under section 409 or any other state
26 unemployment insurance law consistent with the terms and
27 conditions of the Federal-State Unemployment Compensation
28 Act of 1970; and (b) he has not received and is not
29 seeking benefits under the unemployment compensation law
30 of Canada, except that if he is seeking such benefits and
31 the appropriate agency finally determines that he is not
32 entitled to benefits under such law, this clause shall
33 not apply.

34 For the purposes of clause (a) of paragraph 1, an

1 individual shall be deemed to have received, with respect to
2 his current benefit year, the maximum total amount of
3 benefits to which he was entitled or all of the regular
4 benefits to which he had entitlement, or all of the regular
5 benefits available to him, as the case may be, even though
6 (a) as a result of a pending reconsideration or appeal with
7 respect to the "finding" defined in Section 701, or of a
8 pending appeal with respect to wages or employment or both
9 under any other State unemployment compensation law, he may
10 subsequently be determined to be entitled to more regular
11 benefits; or (b) by reason of a seasonality provision in a
12 State unemployment compensation law which establishes the
13 weeks of the year for which regular benefits may be paid to
14 individuals on the basis of wages in seasonal employment he
15 may be entitled to regular benefits for future weeks but such
16 benefits are not payable with respect to the week for which
17 he is claiming additional benefits, provided that he is
18 otherwise an exhaustee under the provisions of this
19 subsection with respect to his rights to regular benefits,
20 under such seasonality provision, during the portion of the
21 year in which that week occurs.

22 For the purposes of clause (a) of paragraph 1, an
23 individual is not an exhaustee if, with respect to his
24 current benefit year, any portion of his wage credits were
25 cancelled or any portion of his rights to regular benefits
26 were reduced by reason of the application of a
27 disqualification provision of a State unemployment
28 compensation law. For the purposes of clause (b) of paragraph
29 1, an individual is not an exhaustee if, with respect to his
30 last completed benefit year, any portion of his wage credits
31 were cancelled or any portion of his rights to regular
32 benefits were reduced by reason of the application of a
33 disqualification provision of a State unemployment
34 compensation law.

1 D. 1. The provisions of Section 607 and the waiting
2 period requirements of Section 500D shall not be applicable
3 to any week with respect to which benefits are otherwise
4 payable under this Section.

5 2. An individual shall not cease to be an exhaustee with
6 respect to any week solely because he meets the qualifying
7 wage requirements of Section 500E for a part of such week.

8 E. An exhaustee's "weekly additional benefit amount" for
9 a week shall be the same as his weekly benefit amount plus
10 dependents allowances during his benefit year which includes
11 such week or, if such week is not in a benefit year, during
12 his last completed benefit year. If the exhaustee had more
13 than one weekly benefit amount during his benefit year, his
14 weekly additional benefit amount with respect to such week
15 shall be the latest of such weekly benefit amounts.

16 F. An eligible exhaustee shall be entitled to a maximum
17 total amount of additional benefits under this section equal
18 to the lesser of the following amounts:

19 1. Fifty percent of the maximum total amount of
20 benefits to which he was entitled under Section 403B
21 during his applicable benefit year; or

22 2. Thirteen times his weekly additional benefit
23 amount as determined under subsection E.

24 G. 1. A claims adjudicator shall examine the first claim
25 filed by an individual for additional benefits under this
26 Section and, on the basis of the information in his
27 possession, shall make an "additional benefits finding". Such
28 finding shall state whether or not the individual became an
29 exhaustee within the period established by subsection B and,
30 if so, his weekly additional benefit amount and the maximum
31 total amount of additional benefits to which he is entitled.
32 The claims adjudicator shall promptly notify the individual
33 of his "additional benefits finding", and shall promptly
34 notify the individual's most recent employing unit and the

1 individual's last employer (referred to in Section 1502.1)
2 that the individual has filed a claim for additional
3 benefits. The claims adjudicator may reconsider his
4 "additional benefits finding" at any time within one year
5 after the last week with respect to which the individual
6 received additional benefits under this Section, and shall
7 promptly notify the individual of such reconsidered finding.
8 All of the provisions of this Act applicable to reviews from
9 findings or reconsidered findings made pursuant to Sections
10 701 and 703 which are not inconsistent with the provisions of
11 this subsection shall be applicable to reviews from
12 additional benefits findings and reconsidered additional
13 benefits findings.

14 2. If, pursuant to the reconsideration or appeal with
15 respect to a "finding", referred to in paragraph 3 of
16 subsection C, an exhaustee is found to be entitled to more
17 regular benefits and, by reason thereof, is entitled to more
18 additional benefits, the claims adjudicator shall make a
19 reconsidered additional benefits finding and shall promptly
20 notify the exhaustee thereof.

21 H. The Director shall make an appropriate public
22 announcement of the additional benefits program under this
23 Section.

24 I. Notwithstanding any other provision of this Act, an
25 individual shall be eligible for a maximum of 2 weeks of
26 benefits payable under this Section after he files his
27 initial claim for additional benefits, under the Interstate
28 Benefit Payment Plan unless there exists an extended benefit
29 period in the state where such claim is filed. Such maximum
30 eligibility shall continue as long as the individual
31 continues to file his claim under the Interstate Benefit
32 Payment Plan, notwithstanding that the individual moves to
33 another state where an extended benefit period exists and
34 files for weeks prior to his initial Interstate claim in that

1 state. An individual who commutes from his state of residence
2 to work in Illinois and continues to reside in such state of
3 residence while filing his claim for unemployment insurance
4 under this Section of the Act shall not be considered filing
5 a claim under the Interstate Benefit Payment Plan so long as
6 he files his claim in and continues to report to the
7 employment office under the regulations applicable to
8 intrastate claimants in Illinois.

9 J. Subsection B is not applicable to any individual with
10 respect to any week with respect to which the individual has
11 a right to supplemental benefits or would have a right to
12 supplemental benefits but for subsection B.

13 K. The Director shall take any action or issue any
14 regulations necessary in the administration of this Section
15 to ensure that its provisions are interpreted and applied so
16 as to meet the requirements for certification under Section
17 3304 of the Federal Unemployment Tax Act and Sections 302 and
18 303 of the federal Social Security Act, as interpreted by the
19 United States Secretary of Labor or other appropriate Federal
20 agency.

21 (820 ILCS 405/500) (from Ch. 48, par. 420)

22 Sec. 500. Eligibility for benefits. An unemployed
23 individual shall be eligible to receive benefits with respect
24 to any week only if the Director finds that:

25 A. He has registered for work at and thereafter has
26 continued to report at an employment office in accordance
27 with such regulations as the Director may prescribe, except
28 that the Director may, by regulation, waive or alter either
29 or both of the requirements of this subsection as to
30 individuals attached to regular jobs, and as to such other
31 types of cases or situations with respect to which he finds
32 that compliance with such requirements would be oppressive or
33 inconsistent with the purposes of this Act, provided that no

1 such regulation shall conflict with Section 400 of this Act.

2 B. He has made a claim for benefits with respect to such
3 week in accordance with such regulations as the Director may
4 prescribe.

5 C. He is able to work, and is available for work;
6 provided that during the period in question he was actively
7 seeking work and he has certified such. Whenever requested
8 to do so by the Director, the individual shall, in the manner
9 the Director prescribes by regulation, inform the Department
10 of the places at which he has sought work during the period
11 in question. Nothing in this subsection shall limit the
12 Director's approval of alternate methods of demonstrating an
13 active search for work based on regular reporting to a trade
14 union office.

15 1. If an otherwise eligible individual is unable to
16 work or is unavailable for work on any normal workday of
17 the week, he shall be eligible to receive benefits with
18 respect to such week reduced by one-fifth of his weekly
19 benefit amount for each day of such inability to work or
20 unavailability for work. For the purposes of this
21 paragraph, an individual who reports on a day subsequent
22 to his designated report day shall be deemed unavailable
23 for work on his report day if his failure to report on
24 that day is without good cause, and on each intervening
25 day, if any, on which his failure to report is without
26 good cause. As used in the preceding sentence, "report
27 day" means the day which has been designated for the
28 individual to report to file his claim for benefits with
29 respect to any week. This paragraph shall not be
30 construed so as to effect any change in the status of
31 part-time workers as defined in Section 407.

32 2. An individual shall be considered to be
33 unavailable for work on days listed as whole holidays in
34 "An Act to revise the law in relation to promissory

1 notes, bonds, due bills and other instruments in
2 writing," approved March 18, 1874, as amended; on days
3 which are holidays in his religion or faith, and on days
4 which are holidays according to the custom of his trade
5 or occupation, if his failure to work on such day is a
6 result of the holiday. In determining the claimant's
7 eligibility for benefits and the amount to be paid him,
8 with respect to the week in which such holiday occurs, he
9 shall have attributed to him as additional earnings for
10 that week an amount equal to one-fifth of his weekly
11 benefit amount for each normal work day on which he does
12 not work because of a holiday of the type above
13 enumerated.

14 3. An individual shall be deemed unavailable for
15 work if, after his separation from his most recent
16 employing unit, he has removed himself to and remains in
17 a locality where opportunities for work are substantially
18 less favorable than those in the locality he has left.

19 4. An individual shall be deemed unavailable for
20 work with respect to any week which occurs in a period
21 when his principal occupation is that of a student in
22 attendance at, or on vacation from, a public or private
23 school.

24 5. Notwithstanding any other provisions of this
25 Act, an individual shall not be deemed unavailable for
26 work or to have failed actively to seek work, nor shall
27 he be ineligible for benefits by reason of the
28 application of the provisions of Section 603, with
29 respect to any week, because he is enrolled in and is in
30 regular attendance at a training course approved for him
31 by the Director:

32 (a) but only if, with respect to that week,
33 the individual presents, upon request, to the claims
34 adjudicator referred to in Section 702 a statement

1 executed by a responsible person connected with the
2 training course, certifying that the individual was
3 in full-time attendance at such course during the
4 week. The Director may approve such course for an
5 individual only if he finds that (1) reasonable work
6 opportunities for which the individual is fitted by
7 training and experience do not exist in his
8 locality; (2) the training course relates to an
9 occupation or skill for which there are, or are
10 expected to be in the immediate future, reasonable
11 work opportunities in his locality; (3) the training
12 course is offered by a competent and reliable
13 agency, educational institution, or employing unit;
14 (4) the individual has the required qualifications
15 and aptitudes to complete the course successfully;
16 and (5) the individual is not receiving and is not
17 eligible (other than because he has claimed benefits
18 under this Act) for subsistence payments or similar
19 assistance under any public or private retraining
20 program: Provided, that the Director shall not
21 disapprove such course solely by reason of clause
22 (5) if the subsistence payment or similar assistance
23 is subject to reduction by an amount equal to any
24 benefits payable to the individual under this Act in
25 the absence of the clause. In the event that an
26 individual's weekly unemployment compensation
27 benefit is less than his certified training
28 allowance, that person shall be eligible to receive
29 his entire unemployment compensation benefits, plus
30 such supplemental training allowances that would
31 make an applicant's total weekly benefit identical
32 to the original certified training allowance.

33 (b) The Director shall have the authority to
34 grant approval pursuant to subparagraph (a) above

1 prior to an individual's formal admission into a
2 training course. Requests for approval shall not be
3 made more than 30 days prior to the actual starting
4 date of such course. Requests shall be made at the
5 appropriate unemployment office.

6 (c) The Director shall for purposes of
7 paragraph C have the authority to issue a blanket
8 approval of training programs implemented pursuant
9 to the federal Workforce Investment Act of 1998 if
10 both the training program and the criteria for an
11 individual's participation in such training meet the
12 requirements of this paragraph C.

13 (d) Notwithstanding the requirements of
14 subparagraph (a), the Director shall have the
15 authority to issue blanket approval of training
16 programs implemented under the terms of a collective
17 bargaining agreement.

18 6. Notwithstanding any other provisions of this
19 Act, an individual shall not be deemed unavailable for
20 work or to have failed actively to seek work, nor shall
21 he be ineligible for benefits, by reason of the
22 application of the provisions of Section 603 with respect
23 to any week because he is in training approved under
24 Section 236 (a)(1) of the federal Trade Act of 1974, nor
25 shall an individual be ineligible for benefits under the
26 provisions of Section 601 by reason of leaving work
27 voluntarily to enter such training if the work left is
28 not of a substantially equal or higher skill level than
29 the individual's past adversely affected employment as
30 defined under the federal Trade Act of 1974 and the wages
31 for such work are less than 80% of his average weekly
32 wage as determined under the federal Trade Act of 1974.

33 D. If his benefit year begins prior to July 6, 1975 or
34 subsequent to January 2, 1982 (except on or after September

1 9, 2001, and before March 10, 2002), he has been unemployed
2 for a waiting period of 1 week during such benefit year. If
3 his benefit year begins on or after July 6, 1975, but prior
4 to January 3, 1982, and his unemployment continues for more
5 than three weeks during such benefit year, he shall be
6 eligible for benefits with respect to each week of such
7 unemployment, including the first week thereof. An
8 individual shall be deemed to be unemployed within the
9 meaning of this subsection while receiving public assistance
10 as remuneration for services performed on work projects
11 financed from funds made available to governmental agencies
12 for such purpose. No week shall be counted as a week of
13 unemployment for the purposes of this subsection:

14 1. Unless it occurs within the benefit year which
15 includes the week with respect to which he claims payment
16 of benefits, provided that, for benefit years beginning
17 prior to January 3, 1982, this requirement shall not
18 interrupt the payment of benefits for consecutive weeks
19 of unemployment; and provided further that the week
20 immediately preceding a benefit year, if part of one
21 uninterrupted period of unemployment which continues into
22 such benefit year, shall be deemed (for the purpose of
23 this subsection only and with respect to benefit years
24 beginning prior to January 3, 1982, only) to be within
25 such benefit year, as well as within the preceding
26 benefit year, if the unemployed individual would, except
27 for the provisions of the first paragraph and paragraph 1
28 of this subsection and of Section 605, be eligible for
29 and entitled to benefits for such week.

30 2. If benefits have been paid with respect thereto.

31 3. Unless the individual was eligible for benefits
32 with respect thereto except for the requirements of this
33 subsection and of Section 605.

34 E. With respect to any benefit year beginning prior to

1 January 3, 1982, he has been paid during his base period
2 wages for insured work not less than the amount specified in
3 Section 500E of this Act as amended and in effect on October
4 5, 1980. With respect to any benefit year beginning on or
5 after January 3, 1982, he has been paid during his base
6 period wages for insured work equal to not less than \$1,600,
7 provided that he has been paid wages for insured work equal
8 to at least \$440 during that part of his base period which
9 does not include the calendar quarter in which the wages paid
10 to him were highest.

11 F. During that week he has participated in reemployment
12 services to which he has been referred, including but not
13 limited to job search assistance services, pursuant to a
14 profiling system established by the Director by rule in
15 conformity with Section 303(j)(1) of the federal Social
16 Security Act, unless the Director determines that:

- 17 1. the individual has completed such services; or
- 18 2. there is justifiable cause for the claimant's
19 failure to participate in such services.

20 This subsection F is added by this amendatory Act of 1995
21 to clarify authority already provided under subsections A and
22 C in connection with the unemployment insurance claimant
23 profiling system required under subsections (a)(10) and
24 (j)(1) of Section 303 of the federal Social Security Act as a
25 condition of federal funding for the administration of the
26 Unemployment Insurance Act.

27 (Source: P.A. 92-396, eff. 1-1-02.)

28 (820 ILCS 405/1403) (from Ch. 48, par. 553)

29 Sec. 1403. Financing benefits paid to state employees.
30 Benefits paid to individuals on the basis of wages paid to
31 them for insured work in the employ of this State or any of
32 its wholly owned instrumentalities shall be financed by
33 appropriations to the Department of Employment Security.

1 There is hereby established a special fund to be known as the
2 State Employees' Unemployment Benefit Fund. Such Fund shall
3 consist of and there shall be deposited in such Fund all
4 moneys appropriated to the Department of Employment Security
5 pursuant to this Section, all interest earned upon such
6 moneys, any property or securities acquired through the use
7 thereof, all earnings of such property or securities, and all
8 other moneys for the Fund received from any other source. The
9 Fund shall be held by the State Treasurer, as ex-officio
10 custodian thereof, separate and apart from all public moneys
11 or funds of this State, but the moneys in the Fund shall be
12 deposited as required by law and maintained in a separate
13 account on the books of a savings and loan association or
14 bank. The Fund shall be administered by the Director
15 exclusively for the purposes of this Section. No moneys in
16 the Fund shall be paid or expended except upon the direction
17 of the Director exclusively for the purposes of this Section.

18 The State Treasurer shall be liable on his general
19 official bond for the faithful performance of his duties as
20 custodian of such moneys as may come into his hands by virtue
21 of this Section. Such liability on his official bond shall
22 exist in addition to the liability upon any separate bond
23 given by him. All sums recovered for losses sustained by the
24 Fund herein described shall be deposited therein.

25 In lieu of contributions required of other employers
26 under this Act, the State Treasurer, upon the direction of
27 the Director, shall transfer to and deposit in the clearing
28 account established by Section 2100, an amount equivalent to
29 the amount of regular benefits and one-half the amount of
30 extended benefits (defined in Section 409) paid for weeks
31 which begin before January 1, 1979, and to the amount of all
32 benefits paid for weeks which begin on and after January 1,
33 1979, to individuals who, during there respective base
34 periods, were paid wages for insured work by the State or any

1 of its wholly owned instrumentalities. If an individual was
2 paid such wages during his base period both by the State or
3 any of such instrumentalities and by one or more other
4 employers, the amount to be so transferred by the State
5 Treasurer with respect to such individual shall be a sum
6 which bears the same ratio to the total benefits paid to the
7 individual as the wages for insured work paid to the
8 individual during his base period by the State and any such
9 instrumentalities bear to the total wages for insured work
10 paid to the individual during the base period by all of the
11 employers. Notwithstanding the previous provisions of this
12 Section with respect to benefit years beginning prior to July
13 1, 1989, any adjustment after September 30, 1989 to the base
14 period wages paid to the individual by any employer shall not
15 affect the ratio for determining the amount to be transferred
16 to the clearing account by the State Treasurer. Provided,
17 however, that with respect to benefit years beginning on or
18 after July 1, 1989, the State Treasurer shall transfer to and
19 deposit in the clearing account an amount equal to 100% of
20 regular or additional benefits, including dependents'
21 allowances, and 100% of extended benefits, including
22 dependents' allowances paid to an individual, but only if the
23 State: (a) is the last employer as provided in Section 1502.1
24 and (b) paid, to the individual receiving benefits, wages for
25 insured work during his base period. If the State meets the
26 requirements of (a) but not (b), with respect to benefit
27 years beginning on or after July 1, 1989, it shall be
28 required to make payments in an amount equal to 50% of
29 regular or additional benefits, including dependents'
30 allowances, and 50% of extended benefits, including
31 dependents' allowances, paid to an individual.

32 The Director shall ascertain the amount to be so
33 transferred and deposited by the State Treasurer as soon as
34 practicable after the end of each calendar quarter. The

1 provisions of paragraphs 4 and 5 of Section 1404B shall be
2 applicable to a determination of the amount to be so
3 transferred and deposited. Such deposit shall be made by the
4 State Treasurer at such times and in such manner as the
5 Director may determine and direct.

6 Every department, institution, agency and instrumentality
7 of the State of Illinois shall make available to the Director
8 such information with respect to any individual who has
9 performed insured work for it as the Director may find
10 practicable and necessary for the determination of such
11 individual's rights under this Act. Each such department,
12 institution, agency and instrumentality shall file such
13 reports with the Director as he may by regulation prescribe.

14 (Source: P.A. 86-3.)

15 (820 ILCS 405/1404) (from Ch. 48, par. 554)

16 Sec. 1404. Payments in lieu of contributions by
17 nonprofit organizations. A. For the year 1972 and for each
18 calendar year thereafter, contributions shall accrue and
19 become payable, pursuant to Section 1400, by each nonprofit
20 organization (defined in Section 211.2) upon the wages paid
21 by it with respect to employment after 1971, unless the
22 nonprofit organization elects, in accordance with the
23 provisions of this Section, to pay, in lieu of contributions,
24 an amount equal to the amount of regular benefits and
25 one-half the amount of extended benefits (defined in Section
26 409) paid to individuals, for any weeks which begin on or
27 after the effective date of the election, on the basis of
28 wages for insured work paid to them by such nonprofit
29 organization during the effective period of such election.
30 Notwithstanding the preceding provisions of this subsection
31 and the provisions of subsection D, with respect to benefit
32 years beginning prior to July 1, 1989, any adjustment after
33 September 30, 1989 to the base period wages paid to the

1 individual by any employer shall not affect the ratio for
2 determining the payments in lieu of contributions of a
3 nonprofit organization which has elected to make payments in
4 lieu of contributions. Provided, however, that with respect
5 to benefit years beginning on or after July 1, 1989, the
6 nonprofit organization shall be required to make payments
7 equal to 100% of regular or additional benefits, including
8 dependents' allowances, and 50% of extended benefits,
9 including dependents' allowances, paid to an individual with
10 respect to benefit years beginning during the effective
11 period of the election, but only if the nonprofit
12 organization: (a) is the last employer as provided in
13 Section 1502.1 and (b) paid to the individual receiving
14 benefits, wages for insured work during his base period. If
15 the nonprofit organization described in this paragraph meets
16 the requirements of (a) but not (b), with respect to benefit
17 years beginning on or after July 1, 1989, it shall be
18 required to make payments in an amount equal to 50% of
19 regular or additional benefits, including dependents'
20 allowances, and 25% of extended benefits, including
21 dependents' allowances, paid to an individual with respect to
22 benefit years beginning during the effective period of the
23 election.

24 1. Any employing unit which becomes a nonprofit
25 organization on January 1, 1972, may elect to make payments
26 in lieu of contributions for not less than one calendar year
27 beginning with January 1, 1972, provided that it files its
28 written election with the Director not later than January 31,
29 1972.

30 2. Any employing unit which becomes a nonprofit
31 organization after January 1, 1972, may elect to make
32 payments in lieu of contributions for a period of not less
33 than one calendar year beginning as of the first day with
34 respect to which it would, in the absence of its election,

1 incur liability for the payment of contributions, provided
2 that it files its written election with the Director not
3 later than 30 days immediately following the end of the
4 calendar quarter in which it becomes a nonprofit
5 organization.

6 3. A nonprofit organization which has incurred liability
7 for the payment of contributions for at least 2 calendar
8 years and is not delinquent in such payment and in the
9 payment of any interest or penalties which may have accrued,
10 may elect to make payments in lieu of contributions beginning
11 January 1 of any calendar year, provided that it files its
12 written election with the Director prior to such January 1,
13 and provided, further, that such election shall be for a
14 period of not less than 2 calendar years.

15 4. An election to make payments in lieu of contributions
16 shall not terminate any liability incurred by an employer for
17 the payment of contributions, interest or penalties with
18 respect to any calendar quarter which ends prior to the
19 effective period of the election.

20 5. A nonprofit organization which has elected, pursuant
21 to paragraph 1, 2, or 3, to make payments in lieu of
22 contributions may terminate the effective period of the
23 election as of January 1 of any calendar year subsequent to
24 the required minimum period of the election only if, prior to
25 such January 1, it files with the Director a written notice
26 to that effect. Upon such termination, the organization shall
27 become liable for the payment of contributions upon wages for
28 insured work paid by it on and after such January 1 and,
29 notwithstanding such termination, it shall continue to be
30 liable for payments in lieu of contributions with respect to
31 benefits paid to individuals on and after such January 1,
32 with respect to benefit years beginning prior to July 1,
33 1989, on the basis of wages for insured work paid to them by
34 the nonprofit organization prior to such January 1, and, with

1 respect to benefit years beginning after June 30, 1989, if
2 such employer was the last employer as provided in Section
3 1502.1 during a benefit year beginning prior to such January
4 1.

5 6. Written elections to make payments in lieu of
6 contributions and written notices of termination of election
7 shall be filed in such form and shall contain such
8 information as the Director may prescribe. Upon the filing of
9 such election or notice, the Director shall either order it
10 approved, or, if it appears to the Director that the
11 nonprofit organization has not filed such election or notice
12 within the time prescribed, he shall order it disapproved.
13 The Director shall serve notice of his order upon the
14 nonprofit organization. The Director's order shall be final
15 and conclusive upon the nonprofit organization unless, within
16 15 days after the date of mailing of notice thereof, the
17 nonprofit organization files with the Director an application
18 for its review, setting forth its reasons in support thereof.
19 Upon receipt of an application for review within the time
20 prescribed, the Director shall order it allowed, or shall
21 order that it be denied, and shall serve notice upon the
22 nonprofit organization of his order. All of the provisions of
23 Section 1509, applicable to orders denying applications for
24 review of determinations of employers' rates of contribution
25 and not inconsistent with the provisions of this subsection,
26 shall be applicable to an order denying an application for
27 review filed pursuant to this subsection.

28 B. As soon as practicable following the close of each
29 calendar quarter, the Director shall mail to each nonprofit
30 organization which has elected to make payments in lieu of
31 contributions a Statement of the amount due from it for the
32 regular or additional benefits and one-half the extended
33 benefits paid (or the amounts otherwise provided for in
34 subsection A) during the calendar quarter, together with the

1 names of its workers or former workers and the amounts of
2 benefits paid to each of them during the calendar quarter,
3 with respect to benefit years beginning prior to July 1,
4 1989, on the basis of wages for insured work paid to them by
5 the nonprofit organization; or, with respect to benefit years
6 beginning after June 30, 1989, if such nonprofit organization
7 was the last employer as provided in Section 1502.1 with
8 respect to a benefit year beginning during the effective
9 period of the election. The amount due shall be payable, and
10 the nonprofit organization shall make payment of such amount
11 not later than 30 days after the date of mailing of the
12 Statement. The Statement shall be final and conclusive upon
13 the nonprofit organization unless, within 20 days after the
14 date of mailing of the Statement, the nonprofit organization
15 files with the Director an application for revision thereof.
16 Such application shall specify wherein the nonprofit
17 organization believes the Statement to be incorrect, and
18 shall set forth its reasons for such belief. All of the
19 provisions of Section 1508, applicable to applications for
20 revision of Statements of Benefit Wages and Statements of
21 Benefit Charges and not inconsistent with the provisions of
22 this subsection, shall be applicable to an application for
23 revision of a Statement filed pursuant to this subsection.

24 1. Payments in lieu of contributions made by any
25 nonprofit organization shall not be deducted or deductible,
26 in whole or in part, from the remuneration of individuals in
27 the employ of the organization, nor shall any nonprofit
28 organization require or accept any waiver of any right under
29 this Act by an individual in its employ. The making of any
30 such deduction or the requirement or acceptance of any such
31 waiver is a Class A misdemeanor. Any agreement by an
32 individual in the employ of any person or concern to pay all
33 or any portion of a payment in lieu of contributions,
34 required under this Act from a nonprofit organization, is

1 void.

2 2. A nonprofit organization which fails to make any
3 payment in lieu of contributions when due under the
4 provisions of this subsection shall pay interest thereon at
5 the rates specified in Section 1401. A nonprofit organization
6 which has elected to make payments in lieu of contributions
7 shall be subject to the penalty provisions of Section 1402.
8 In the making of any payment in lieu of contributions or in
9 the payment of any interest or penalties, a fractional part
10 of a cent shall be disregarded unless it amounts to one-half
11 cent or more, in which case it shall be increased to one
12 cent.

13 3. All of the remedies available to the Director under
14 the provisions of this Act or of any other law to enforce the
15 payment of contributions, interest, or penalties under this
16 Act, including the making of determinations and assessments
17 pursuant to Section 2200, are applicable to the enforcement
18 of payments in lieu of contributions and of interest and
19 penalties, due under the provisions of this Section. For the
20 purposes of this paragraph, the term "contribution" or
21 "contributions" which appears in any such provision means
22 "payment in lieu of contributions" or "payments in lieu of
23 contributions." The term "contribution" which appears in
24 Section 2800 also means "payment in lieu of contributions."

25 4. All of the provisions of Sections 2201 and 2201.1,
26 applicable to adjustment or refund of contributions, interest
27 and penalties erroneously paid and not inconsistent with the
28 provisions of this Section, shall be applicable to payments
29 in lieu of contributions erroneously made or interest or
30 penalties erroneously paid by a nonprofit organization.

31 5. Payment in lieu of contributions shall be due with
32 respect to any sum erroneously paid as benefits to an
33 individual unless such sum has been recouped pursuant to
34 Section 900 or has otherwise been recovered. If such payment

1 in lieu of contributions has been made, the amount thereof
2 shall be adjusted or refunded in accordance with the
3 provisions of paragraph 4 and Section 2201 if recoupment or
4 other recovery has been made.

5 6. A nonprofit organization which has elected to make
6 payments in lieu of contributions and thereafter ceases to be
7 an employer shall continue to be liable for payments in lieu
8 of contributions with respect to benefits paid to individuals
9 on and after the date it has ceased to be an employer, with
10 respect to benefit years beginning prior to July 1, 1989, on
11 the basis of wages for insured work paid to them by it prior
12 to the date it ceased to be an employer, and, with respect to
13 benefit years beginning after June 30, 1989, if such employer
14 was the last employer as provided in Section 1502.1 prior to
15 the date that it ceased to be an employer.

16 7. With respect to benefit years beginning prior to July
17 1, 1989, wages paid to an individual during his base period,
18 by a nonprofit organization which elects to make payments in
19 lieu of contributions, for less than full time work,
20 performed during the same weeks in the base period during
21 which the individual had other insured work, shall not be
22 subject to payments in lieu of contributions (upon such
23 employer's request pursuant to the regulation of the
24 Director) so long as the employer continued after the end of
25 the base period, and continues during the applicable benefit
26 year, to furnish such less than full time work to the
27 individual on the same basis and in substantially the same
28 amount as during the base period. If the individual is paid
29 benefits with respect to a week (in the applicable benefit
30 year) after the employer has ceased to furnish the work
31 hereinabove described, the nonprofit organization shall be
32 liable for payments in lieu of contributions with respect to
33 the benefits paid to the individual after the date on which
34 the nonprofit organization ceases to furnish the work.

1 C. With respect to benefit years beginning prior to July
2 1, 1989, whenever benefits have been paid to an individual on
3 the basis of wages for insured work paid to him by a
4 nonprofit organization, and the organization incurred
5 liability for the payment of contributions on some of the
6 wages because only a part of the individual's base period was
7 within the effective period of the organization's written
8 election to make payments in lieu of contributions, the
9 organization shall pay an amount in lieu of contributions
10 which bears the same ratio to the total benefits paid to the
11 individual as the total wages for insured work paid to him
12 during the base period by the organization upon which it did
13 not incur liability for the payment of contributions (for the
14 aforesaid reason) bear to the total wages for insured work
15 paid to the individual during the base period by the
16 organization.

17 D. With respect to benefit years beginning prior to July
18 1, 1989, whenever benefits have been paid to an individual on
19 the basis of wages for insured work paid to him by a
20 nonprofit organization which has elected to make payments in
21 lieu of contributions, and by one or more other employers,
22 the nonprofit organization shall pay an amount in lieu of
23 contributions which bears the same ratio to the total
24 benefits paid to the individual as the wages for insured work
25 paid to the individual during his base period by the
26 nonprofit organization bear to the total wages for insured
27 work paid to the individual during the base period by all of
28 the employers. If the nonprofit organization incurred
29 liability for the payment of contributions on some of the
30 wages for insured work paid to the individual, it shall be
31 treated, with respect to such wages, as one of the other
32 employers for the purposes of this paragraph.

33 E. Two or more nonprofit organizations which have
34 elected to make payments in lieu of contributions may file a

1 joint application with the Director for the establishment of
2 a group account, effective January 1 of any calendar year,
3 for the purpose of sharing the cost of benefits paid on the
4 basis of the wages for insured work paid by such nonprofit
5 organizations, provided that such joint application is filed
6 with the Director prior to such January 1. The application
7 shall identify and authorize a group representative to act as
8 the group's agent for the purposes of this paragraph, and
9 shall be filed in such form and shall contain such
10 information as the Director may prescribe. Upon his approval
11 of a joint application, the Director shall, by order,
12 establish a group account for the applicants and shall serve
13 notice upon the group's representative of such order. Such
14 account shall remain in effect for not less than 2 calendar
15 years and thereafter until terminated by the Director for
16 good cause or, as of the close of any calendar quarter, upon
17 application by the group. Upon establishment of the account,
18 the group shall be liable to the Director for payments in
19 lieu of contributions in an amount equal to the total amount
20 for which, in the absence of the group account, liability
21 would have been incurred by all of its members; provided,
22 with respect to benefit years beginning prior to July 1,
23 1989, that the liability of any member to the Director with
24 respect to any payment in lieu of contributions, interest or
25 penalties not paid by the group when due with respect to any
26 calendar quarter shall be in an amount which bears the same
27 ratio to the total benefits paid during such quarter on the
28 basis of the wages for insured work paid by all members of
29 the group as the total wages for insured work paid by such
30 member during such quarter bear to the total wages for
31 insured work paid during the quarter by all members of the
32 group, and, with respect to benefit years beginning on or
33 after July 1, 1989, that the liability of any member to the
34 Director with respect to any payment in lieu of

1 contributions, interest or penalties not paid by the group
2 when due with respect to any calendar quarter shall be in an
3 amount which bears the same ratio to the total benefits paid
4 during such quarter to individuals with respect to whom any
5 member of the group was the last employer as provided in
6 Section 1502.1 as the total wages for insured work paid by
7 such member during such quarter bear to the total wages for
8 insured work paid during the quarter by all members of the
9 group. All of the provisions of this Section applicable to
10 nonprofit organizations which have elected to make payments
11 in lieu of contributions, and not inconsistent with the
12 provisions of this paragraph, shall apply to a group account
13 and, upon its termination, to each former member thereof. The
14 Director shall by regulation prescribe the conditions for
15 establishment, maintenance and termination of group accounts,
16 and for addition of new members to and withdrawal of active
17 members from such accounts.

18 F. Whenever service of notice is required by this
19 Section, such notice may be given and be complete by
20 depositing it with the United States Mail, addressed to the
21 nonprofit organization (or, in the case of a group account,
22 to its representative) at its last known address. If such
23 organization is represented by counsel in proceedings before
24 the Director, service of notice may be made upon the
25 nonprofit organization by mailing the notice to such counsel.
26 (Source: P.A. 86-3.)

27 (820 ILCS 405/1405) (from Ch. 48, par. 555)

28 Sec. 1405. Financing Benefits for Employees of Local
29 Governments. A. For the year 1978 and for each calendar year
30 thereafter, contributions shall accrue and become payable,
31 pursuant to Section 1400, by each governmental entity (other
32 than the State of Illinois and its wholly owned
33 instrumentalities) referred to in clause (B) of Section

1 211.1, upon the wages paid by such entity with respect to
2 employment after 1977, unless the entity elects to make
3 payments in lieu of contributions pursuant to the provisions
4 of subsection B. Notwithstanding the provisions of Sections
5 1500 to 1510, inclusive, a governmental entity which has not
6 made such election shall, for liability for contributions
7 incurred prior to January 1, 1984, pay contributions equal to
8 1 percent with respect to wages for insured work paid during
9 each such calendar year or portion of such year as may be
10 applicable. As used in this subsection, the word "wages",
11 defined in Section 234, is subject to all of the provisions
12 of Section 235.

13 B. Any governmental entity subject to subsection A may
14 elect to make payments in lieu of contributions, in amounts
15 equal to the amounts of regular and extended benefits paid to
16 individuals, for any weeks which begin on or after the
17 effective date of the election, on the basis of wages for
18 insured work paid to them by the entity during the effective
19 period of such election. Notwithstanding the preceding
20 provisions of this subsection and the provisions of
21 subsection D of Section 1404, with respect to benefit years
22 beginning prior to July 1, 1989, any adjustment after
23 September 30, 1989 to the base period wages paid to the
24 individual by any employer shall not affect the ratio for
25 determining payments in lieu of contributions of a
26 governmental entity which has elected to make payments in
27 lieu of contributions. Provided, however, that with respect
28 to benefit years beginning on or after July 1, 1989, the
29 governmental entity shall be required to make payments equal
30 to 100% of regular or additional benefits, including
31 dependents' allowances, and 100% of extended benefits,
32 including dependents' allowances, paid to an individual with
33 respect to benefit years beginning during the effective
34 period of the election, but only if the governmental entity:

1 (a) is the last employer as provided in Section 1502.1 and
2 (b) paid to the individual receiving benefits, wages for
3 insured work during his base period. If the governmental
4 entity described in this paragraph meets the requirements of
5 (a) but not (b), with respect to benefit years beginning on
6 or after July 1, 1989, it shall be required to make payments
7 in an amount equal to 50% of regular or additional benefits,
8 including dependents' allowances, and 50% of extended
9 benefits, including dependents' allowances, paid to an
10 individual with respect to benefit years beginning during the
11 effective period of the election.

12 1. Any such governmental entity which becomes an
13 employer on January 1, 1978 pursuant to Section 205 may elect
14 to make payments in lieu of contributions for not less than
15 one calendar year beginning with January 1, 1978, provided
16 that it files its written election with the Director not
17 later than January 31, 1978.

18 2. A governmental entity newly created after January 1,
19 1978, may elect to make payments in lieu of contributions for
20 a period of not less than one calendar year beginning as of
21 the first day with respect to which it would, in the absence
22 of its election, incur liability for the payment of
23 contributions, provided that it files its written election
24 with the Director not later than 30 days immediately
25 following the end of the calendar quarter in which it has
26 been created.

27 3. A governmental entity which has incurred liability
28 for the payment of contributions for at least 2 calendar
29 years, and is not delinquent in such payment and in the
30 payment of any interest or penalties which may have accrued,
31 may elect to make payments in lieu of contributions beginning
32 January 1 of any calendar year, provided that it files its
33 written election with the Director prior to such January 1,
34 and provided, further, that such election shall be for a

1 period of not less than 2 calendar years.

2 4. An election to make payments in lieu of contributions
3 shall not terminate any liability incurred by a governmental
4 entity for the payment of contributions, interest or
5 penalties with respect to any calendar quarter which ends
6 prior to the effective period of the election.

7 5. The termination by a governmental entity of the
8 effective period of its election to make payments in lieu of
9 contributions, and the filing of and subsequent action upon
10 written notices of termination of election, shall be governed
11 by the provisions of paragraphs 5 and 6 of Section 1404A,
12 pertaining to nonprofit organizations.

13 6. With respect to benefit years beginning prior to July
14 1, 1989, wages paid to an individual during his base period
15 by a governmental entity which elects to make payments in
16 lieu of contributions for less than full time work, performed
17 during the same weeks in the base period during which the
18 individual had other insured work, shall not be subject to
19 payments in lieu of contribution (upon such employer's
20 request pursuant to the regulation of the Director) so long
21 as the employer continued after the end of the base period,
22 and continues during the applicable benefit year, to furnish
23 such less than full time work to the individual on the same
24 basis and in substantially the same amount as during the base
25 period. If the individual is paid benefits with respect to a
26 week (in the applicable benefit year) after the employer has
27 ceased to furnish the work hereinabove described, the
28 governmental entity shall be liable for payments in lieu of
29 contributions with respect to the benefits paid to the
30 individual after the date on which the governmental entity
31 ceases to furnish the work.

32 C. As soon as practicable following the close of each
33 calendar quarter, the Director shall mail to each
34 governmental entity which has elected to make payments in

1 lieu of contributions a Statement of the amount due from it
2 for all the regular, additional, and extended benefits paid
3 during the calendar quarter, together with the names of its
4 workers or former workers and the amounts of benefits paid to
5 each of them during the calendar quarter with respect to
6 benefit years beginning prior to July 1, 1989, on the basis
7 of wages for insured work paid to them by the governmental
8 entity; or, with respect to benefit years beginning after
9 June 30, 1989, if such governmental entity was the last
10 employer as provided in Section 1502.1 with respect to a
11 benefit year beginning during the effective period of the
12 election. All of the provisions of subsection B of Section
13 1404 pertaining to nonprofit organizations, not inconsistent
14 with the preceding sentence, shall be applicable to payments
15 in lieu of contributions by a governmental entity.

16 D. The provisions of subsections C through F, inclusive,
17 of Section 1404, pertaining to nonprofit organizations, shall
18 be applicable to each governmental entity which has elected
19 to make payments in lieu of contributions.

20 (Source: P.A. 86-3.)

21 (820 ILCS 405/1501.1) (from Ch. 48, par. 571.1)

22 Sec. 1501.1. Benefit charges. A. When an individual is
23 paid regular or additional benefits with respect to a week in
24 a benefit year which begins on or after July 1, 1989, an
25 amount equal to such regular or additional benefits,
26 including dependents' allowances, shall immediately become
27 benefit charges.

28 B. When an individual is paid regular benefits on or
29 after July 1, 1989, with respect to a week in a benefit year
30 which began prior to July 1, 1989, an amount equal to such
31 regular benefits, including dependents' allowances, shall
32 immediately become benefit charges.

33 C. When an individual is paid extended benefits with

1 respect to any week in his eligibility period beginning in a
2 benefit year which begins on or after July 1, 1989, an amount
3 equal to one-half of such extended benefits including
4 dependents' allowances, shall immediately become benefit
5 charges.

6 D. When an individual is paid extended benefits on or
7 after July 1, 1989, with respect to any week in his
8 eligibility period beginning in a benefit year which began
9 prior to July 1, 1989, an amount equal to one-half of such
10 extended benefits including dependents' allowances, shall
11 immediately become benefit charges.

12 E. Notwithstanding the foregoing subsections, the
13 payment of benefits shall not become benefit charges if, by
14 reason of the application of the third paragraph of Section
15 237, he is paid benefits based upon wages other than those
16 paid in a base period as defined in the second paragraph of
17 Section 237.

18 F. Notwithstanding the foregoing subsections, the
19 payment of regular or extended benefits on or after July 1,
20 1989, with respect to a week in a benefit year which began
21 prior to July 1, 1989, shall not become benefit charges under
22 subsections B and D above where such benefit charges, had
23 they been benefit wages under Section 1501, would have been
24 subject to transfer under subsection F of Section 1501.

25 G. Notwithstanding any other provision of this Act, the
26 benefit charges with respect to the payment of regular or
27 extended benefits on or after July 1, 1989, with respect to a
28 week in a benefit year which began prior to July 1, 1989,
29 shall not exceed the difference between the base period wages
30 paid with respect to that benefit year and the wages which
31 became benefit wages with respect to that same benefit year
32 (not including any benefit wages transferred pursuant to
33 subsection F of Section 1501), provided that any change after
34 September 30, 1989, in either base period wages or wages

1 which became benefit wages as a result of benefit payments
2 made prior to July 1, 1989 shall not affect such benefit
3 charges.

4 H. For the purposes of this Section and of Section 1504,
5 benefits shall be deemed to have been paid on the date such
6 payment has been mailed to the individual by the Director.

7 (Source: P.A. 85-956.)

8 (820 ILCS 405/1504) (from Ch. 48, par. 574)

9 Sec. 1504. State experience factor. A. For each calendar
10 year prior to 1988, the total benefits paid from this State's
11 account in the unemployment trust fund during the 36
12 consecutive calendar month period ending June 30 of the
13 calendar year immediately preceding the calendar year for
14 which a contribution rate is being determined shall be termed
15 the loss experience. The loss experience less all repayments
16 (including payments in lieu of contributions pursuant to
17 Sections 1403, 1404 and 1405B and paragraph 2 of Section
18 302C) to this State's account in the unemployment trust fund
19 during the same 36 consecutive calendar month period divided
20 by the total benefit wages of all employers for the same
21 period, after adjustment of any fraction to the nearer
22 multiple of one percent, shall be termed the state experience
23 factor. Whenever such fraction is exactly one-half, it shall
24 be adjusted to the next higher multiple of one percent.

25 B. For calendar year 1988 and each calendar year
26 thereafter, the state experience factor shall be the sum of
27 all regular and additional benefits paid plus the applicable
28 benefit reserve for fund building, pursuant to Section 1505,
29 during the three year period ending on June 30 of the year
30 immediately preceding the year for which a contribution rate
31 is being determined divided by the "net revenues" for the
32 three year period ending on September 30 of the year
33 immediately preceding the year for which a contribution rate

1 is being determined, after adjustment of any fraction to the
2 nearer multiple of one percent. Whenever such fraction is
3 exactly one-half, it shall be adjusted to the next higher
4 multiple of one percent.

5 For purposes of this subsection, "Net revenue" means, for
6 each one year period ending on September 30, the sum of the
7 amounts, as determined pursuant to (1) and (2) of this
8 subsection, in each quarter of such one year period.

9 (1) For each calendar quarter prior to the second
10 calendar quarter of 1988, "net revenue" means all repayments
11 (including payments in lieu of contributions pursuant to
12 Sections 1403, 1404 and 1405B and paragraph 2 of Section
13 302C) to this State's account in the unemployment trust fund
14 less "net voluntary debt repayments" during the same calendar
15 quarter. "Net voluntary debt repayments" means an amount
16 equal to repayments to Title XII advances less any new
17 advances. Any such repayments made after June 30, 1987 but
18 prior to November 10, 1987 shall be deemed to have been made
19 prior to June 30, 1987.

20 (2) For each calendar quarter after the first calendar
21 quarter of 1988, "net revenue" shall be the sum of:

22 (a) the amount determined by (i) multiplying the benefit
23 wage or benefit ratios, pursuant to Sections 1503 or 1503.1,
24 respectively, of all employers who have not elected to make
25 payments in lieu of contributions applicable to the prior
26 quarter by the state experience factor for that same quarter,
27 (ii) adding this product to the fund building factor provided
28 for in Section 1506.3, (iii) constraining this sum by the
29 application of Sections 1506.1 and 1506.3, except that the
30 State experience factor shall be substituted for the adjusted
31 State experience factor in determining these constraints, and
32 then (iv) multiplying this sum by the total wages for insured
33 work subject to the payment of contributions under Sections
34 234, 235 and 245 of each employer for the prior quarter

1 except that such wages shall not include those wages
2 estimated by the Director prior to the issuance of a
3 Determination and Assessment or those wages estimated as a
4 result of an audit because of the employer's failure to
5 report wages; plus (b) all payments in lieu of contributions
6 pursuant to Sections 1403 and 1404 and subsection B of
7 Section 1405 and paragraph 2 of subsection C of Section 302
8 received during the same calendar quarter. For purposes of
9 computing "net revenue", employers who have not incurred
10 liability for the payment of contributions for at least three
11 years will be excluded from the calculation as will
12 predecessor employers pursuant to Section 1507.

13 C. The state experience factor shall be determined for
14 each calendar year by the Director. Any change in the benefit
15 wages or benefit charges of any employer or any change in
16 contributions (including payments in lieu of contributions
17 pursuant to Sections 1403 and 1404 and subsection B of
18 Section 1405 and paragraph 2 of subsection C of Section 302)
19 received into this State's account in the unemployment trust
20 fund after June 30 of the calendar year immediately preceding
21 the calendar year for which the state experience factor is
22 being determined shall not affect the state experience factor
23 as determined by the Director for that year.

24 (Source: P.A. 86-3.)

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