SENATE JOURNAL

STATE OF ILLINOIS

ONE HUNDREDTH GENERAL ASSEMBLY

42ND LEGISLATIVE DAY

WEDNESDAY, MAY 10, 2017

12:11 O'CLOCK P.M.

NO. 42
[May 10, 2017]

SENATE
Daily Journal Index
42nd Legislative Day

The Senate met pursuant to adjournment.
Senator Kimberly A. Lightford, Maywood, Illinois, presiding.
Prayer by Rabbi Mendy Turen, Chabad Jewish Center of Springfield, Springfield, Illinois.
Senator Cunningham led the Senate in the Pledge of Allegiance.

Senator Hunter moved that reading and approval of the Journal of Tuesday, May 9, 2017, be postponed, pending arrival of the printed Journal.
The motion prevailed.

LEGISLATIVE MEASURES FILED

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

Amendment No. 1 to House Bill 3791

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

Amendment No. 1 to House Bill 2363

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

Amendment No. 4 to Senate Bill 12
Amendment No. 1 to Senate Bill 41
Amendment No. 2 to Senate Bill 323
Amendment No. 1 to Senate Bill 366
Amendment No. 1 to Senate Bill 1451
Amendment No. 2 to Senate Bill 1451
Amendment No. 2 to Senate Bill 2031

MESSAGE FROM THE PRESIDENT

OFFICE OF THE SENATE PRESIDENT
STATE OF ILLINOIS

JOHN J. CULLERTON
SENATE PRESIDENT

327 STATE CAPITOL
SPRINGFIELD, IL 62706
217-782-2728

May 10, 2017

Mr. Tim Anderson
Secretary of the Senate
Room 401 State House
Springfield, IL 62706

Dear Mr. Secretary:

Pursuant to Rule 3-2(c), I hereby appoint Senator Pat McGuire to temporarily replace Senator Bill Cunningham as a member of the Senate Labor Committee. This appointment is effective immediately and will automatically expire upon adjournment of the Senate Labor Committee.

Sincerely,
s/John J. Cullerton
John J. Cullerton

Senate President

cc: Senate Minority Leader Christine Radogno

PRESENTATION OF RESOLUTIONS

SENATE RESOLUTION NO. 496
Offered by Senator Barickman and all Senators:
Mourns the death of U.S. Army Ranger Sergeant Joshua P. Rodgers of Bloomington.

SENATE RESOLUTION NO. 497
Offered by Senator Anderson and all Senators:
Mourns the death of Robert "Bob" Decker, Jr., of Rock Island.

SENATE RESOLUTION NO. 498
Offered by Senator Anderson and all Senators:
Mourns the death of Richard "Rick" G. Miller of Rock Island.

SENATE RESOLUTION NO. 499
Offered by Senator Anderson and all Senators:
Mourns the death of Everett A. Thompson, formerly or Rural Township.

SENATE RESOLUTION NO. 500
Offered by Senator Anderson and all Senators:
Mourns the death of William D. "Bill" Gibbons, Jr., of Silvis.

SENATE RESOLUTION NO. 501
Offered by Senator Anderson and all Senators:
Mourns the death of Harley W. Hancock of Moline.

SENATE RESOLUTION NO. 502
Offered by Senator Collins and all Senators:
Mourns the death of June Charlotte Robinson of Chicago.

By unanimous consent, the foregoing resolutions were referred to the Resolutions Consent Calendar.

REPORTS FROM STANDING COMMITTEES

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

Senate Amendment No. 2 to Senate Bill 620

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

Senator Stadelman, Chairperson of the Committee on Gaming, to which was referred **Senate Joint Resolution No. 26,** reported the same back with the recommendation that the resolution be adopted.
Under the rules, **Senate Joint Resolution No. 26** was placed on the Secretary's Desk.

Senator Koehler, Chairperson of the Committee on Special Committee on Oversight of Medicaid Managed Care, to which was referred the following Senate floor amendment, reported that the Committee recommends do adopt:

Senate Amendment No. 1 to Senate Bill 321

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

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

Senate Amendment No. 3 to Senate Bill 1415

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

Senator E. Jones III, Chairperson of the Committee on Local Government, to which was referred the following Senate floor amendments, reported that the Committee recommends do adopt:

Senate Amendment No. 1 to House Bill 1811
Senate Amendment No. 2 to House Bill 1811

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

Senator E. Jones III, Chairperson of the Committee on Local Government, to which was referred **Senate Resolution No. 412,** reported the same back with the recommendation that the resolution be adopted.

Under the rules, **Senate Resolution No. 412** was placed on the Secretary's Desk.

Senator E. Jones III, Chairperson of the Committee on Local Government, to which was referred **House Bills Numbered 169, 305, 547, 619, 771, 1895, 2407, 3010 and 3325,** reported the same back with the recommendation that the bills do pass.

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

Senator Bush, Chairperson of the Committee on Government Reform, to which was referred **House Bill No. 2538,** reported the same back with amendments having been adopted thereto, with the recommendation that the bill, as amended, do pass.

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

Senator Bush, Chairperson of the Committee on Government Reform, to which was referred **House Joint Resolution No. 2,** reported the same back with the recommendation that the resolution be adopted.

Under the rules, **House Joint Resolution No. 2** was placed on the Secretary's Desk.

Senator Bush, Chairperson of the Committee on Government Reform, to which was referred **House Joint Resolution No. 25,** reported the same back with amendments having been adopted thereto, with the recommendation that the resolution, as amended, be adopted.

Under the rules, **House Joint Resolution No. 25** was placed on the Secretary's Desk.

Senator Collins, Chairperson of the Committee on Financial Institutions, to which was referred **House Bills Numbered 823, 1783, 1792, 1809, 2514, 2965, 3282 and 3791,** reported the same back with the recommendation that the bills do pass.

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

Senator Biss, Chairperson of the Committee on Labor, to which was referred **House Bill No. 2462,** reported the same back with the recommendation that the bill do pass.

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

Senator Biss, Chairperson of the Committee on Labor, to which was referred **House Bill No. 2699,** reported the same back with amendments having been adopted thereto, with the recommendation that the bill, as amended, do pass.

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

READING BILL FROM THE HOUSE OF REPRESENTATIVES A FIRST TIME

House Bill No. 2028, sponsored by Senator Fowler, was taken up, read by title a first time and referred to the Committee on Assignments.

House Bill No. 3907, sponsored by Senator Anderson, was taken up, read by title a first time and referred to the Committee on Assignments.

At the hour of 12:19 o'clock p.m., Senator Link, presiding.

At the hour of 12:28 o'clock p.m., Senator Lightford, presiding.

REPORTS FROM COMMITTEE ON ASSIGNMENTS

Senator Clayborne, Chairperson of the Committee on Assignments, during its May 10, 2017 meeting, reported the following Legislative Measures have been assigned to the indicated Standing Committees of the Senate:

Agriculture: **Floor Amendment No. 2 to Senate Bill 312**.

Education: **Floor Amendment No. 1 to House Bill 370**.

Environment and Conservation: **Floor Amendment No. 2 to Senate Bill 1417; Floor Amendment No. 2 to Senate Bill 1597**.

Executive: **Floor Amendment No. 1 to Senate Bill 1092; Floor Amendment No. 1 to Senate Bill 1093**.

Gaming: **Floor Amendment No. 3 to Senate Bill 620; Floor Amendment No. 1 to Senate Bill 1894**.

Higher Education: **Floor Amendment No. 3 to Senate Bill 888**.

Human Services: **Floor Amendment No. 1 to Senate Bill 399**.

Insurance: **Floor Amendment No. 2 to Senate Bill 634**.

Judiciary: **Floor Amendment No. 2 to Senate Bill 233**.

Licensed Activities and Pensions: **Floor Amendment No. 2 to Senate Bill 323; Floor Amendment No. 1 to Senate Bill 642; Floor Amendment No. 1 to Senate Bill 1094**.

Local Government: **Floor Amendment No. 3 to Senate Bill 1337**.

Transportation: **HOUSE BILL 2567**.

Senator Clayborne, Chairperson of the Committee on Assignments, during its May 10, 2017 meeting, reported that the Committee recommends that **Floor Amendment No. 4 to Senate Bill No. 262** be re-referred from the Committee on State Government to the Committee on Assignments.

Senator Clayborne, Chairperson of the Committee on Assignments, during its May 10, 2017 meeting, to which was referred **Senate Bills Numbered 367, 368 and 369** on April 25, 2017, reported that the Committee recommends that the bills be approved for consideration and returned to the calendar in their former position.

The report of the Committee was concurred in.
And **Senate Bills Numbered 367, 368 and 369** were returned to the order of third reading.

Senator Clayborne, Chairperson of the Committee on Assignments, during its May 10, 2017 meeting, reported that the following Legislative Measures have been approved for consideration:

Floor Amendment No. 3 to Senate Bill 12
Floor Amendment No. 4 to Senate Bill 12
Floor Amendment No. 1 to Senate Bill 41
Floor Amendment No. 1 to Senate Bill 366

The foregoing floor amendments were placed on the Secretary's Desk.

Pursuant to Senate Rule 3-8 (b-1), the following amendment will remain in the Committee on Assignments: **Floor Amendment No. 5 to Senate Bill 16**.

Senator Clayborne, Chairperson of the Committee on Assignments, during its May 10, 2017 meeting, reported that the following Legislative Measures have been approved for consideration:

Floor Amendment No. 4 to Senate Bill 262
Floor Amendment No. 6 to Senate Bill 262

The foregoing floor amendments were placed on the Secretary's Desk.

Pursuant to Senate Rule 3-8 (b-1), the following amendment will remain in the Committee on Assignments: **Floor Amendment No. 5 to Senate Bill 262**.

CONSIDERATION OF RESOLUTION ON SECRETARY'S DESK

Senator Hunter moved that **Senate Resolution No. 352**, on the Secretary's Desk, be taken up for immediate consideration.
The motion prevailed.
Senator Hunter moved that Senate Resolution No. 352 be adopted.
The motion prevailed.
And the resolution was adopted.

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

At the hour of 12:45 o'clock p.m., the Chair announced that the Senate stand at recess subject to the call of the Chair.

AFTER RECESS

At the hour of 1:38 o'clock p.m., the Senate resumed consideration of business.
Senator Harmon, presiding.

PRESENTATION OF RESOLUTIONS

SENATE RESOLUTION NO. 503
Offered by Senator McGuire and all Senators:
Mourns the death of Phyllis J. Bogdan of Joliet.

SENATE RESOLUTION NO. 504

Offered by Senator McGuire and all Senators:
Mourns the death of James M. Matesevac, Sr.

By unanimous consent, the foregoing resolutions were referred to the Resolutions Consent Calendar.

READING BILLS OF THE SENATE A SECOND TIME

On motion of Senator Mulroe, as chief co-sponsor pursuant to Senate Rule 5-1(b)(ii), **Senate Bill No. 309** having been printed, was taken up, read by title a second time.

The following amendment was offered in the Committee on Licensed Activities and Pensions, adopted and ordered printed:

AMENDMENT NO. 1 TO SENATE BILL 309

AMENDMENT NO. 1. Amend Senate Bill 309 by replacing everything after the enacting clause with the following:

"Section 5. The University of Illinois Hospital Act is amended by adding Section 8b as follows:
(110 ILCS 330/8b new)

Sec. 8b. Captioning required. A television in a waiting room provided for use by the general public at the University of Illinois Hospital, in a patient room provided for use by patients being treated by the University of Illinois Hospital, or in a patient room provided for use by individuals using or requesting services at the University of Illinois Hospital must have a closed captioning feature activated at all times if the television includes a captioning feature.

The University of Illinois Hospital must make reasonable efforts to prevent members of the general public and individuals using or requesting services from independently deactivating a captioning feature. It is not a violation of this Section if the captioning feature is deactivated by a member of the general public or an individual using or requesting services at the University of Illinois Hospital, so long as the captioning is reactivated as soon as is practicable by a member of the University of Illinois Hospital's staff upon knowledge that the deactivation has occurred.

If the University of Illinois Hospital does not have a television that includes a captioning feature, then the University of Illinois Hospital must obtain a sufficient number of televisions that include a captioning feature as soon as is practicable. This Section does not affect any other provision of law relating to disability discrimination or providing reasonable accommodations or diminish the rights of a person with a disability under any other law.

As used in this Section, "closed captioning" or "captioning" means a text display of spoken words presented on a television or movie screen that allows a deaf or hard of hearing viewer to follow the dialogue and the action of a program simultaneously.

Section 10. The Alternative Health Care Delivery Act is amended by adding Section 35.5 as follows:
(210 ILCS 3/35.5 new)

Sec. 35.5. Captioning required. A television in a waiting room provided for use by the general public at an alternative health care model licensed under this Act, in a patient room provided for use by patients being treated by an alternative health care model licensed under this Act, or in a patient room provided for use by individuals using or requesting services at an alternative health care model licensed under this Act must have a closed captioning feature activated at all times if the television includes a captioning feature.

An alternative health care model licensed under this Act must make reasonable efforts to prevent members of the general public and individuals using or requesting services from independently deactivating a captioning feature. It is not a violation of this Section if the captioning feature is deactivated by a member of the general public or an individual using or requesting services at an alternative health care model licensed under this Act, so long as the captioning is reactivated as soon as is practicable by a member of the alternative health care model's staff upon knowledge that the deactivation has occurred.

If an alternative health care model licensed under this Act does not have a television that includes a captioning feature, then the alternative health care model must obtain a sufficient number of televisions that include a captioning feature as soon as is practicable. This Section does not affect any other provision

of law relating to disability discrimination or providing reasonable accommodations or diminish the rights of a person with a disability under any other law.

As used in this Section, "closed captioning" or "captioning" means a text display of spoken words presented on a television or movie screen that allows a deaf or hard of hearing viewer to follow the dialogue and the action of a program simultaneously.

Section 15. The Ambulatory Surgical Treatment Center Act is amended by adding Section 7c as follows:

(210 ILCS 5/7c new)

Sec. 7c. Captioning required. A television in a waiting room provided for use by the general public at an ambulatory surgical treatment center licensed under this Act, in a patient room provided for use by patients being treated by an ambulatory surgical treatment center licensed under this Act, or in a patient room provided for use by individuals using or requesting services at an ambulatory surgical treatment center licensed under this Act must have a closed captioning feature activated at all times if the television includes a captioning feature.

An ambulatory surgical treatment center licensed under this Act must make reasonable efforts to prevent members of the general public and individuals using or requesting services from independently deactivating a captioning feature. It is not a violation of this Section if the captioning feature is deactivated by a member of the general public or an individual using or requesting services at an ambulatory surgical treatment center licensed under this Act, so long as the captioning is reactivated as soon as is practicable by a member of the ambulatory surgical treatment center's staff upon knowledge that the deactivation has occurred.

If an ambulatory surgical treatment center licensed under this Act does not have a television that includes a captioning feature, then the ambulatory surgical treatment center must obtain a sufficient number of televisions that include a captioning feature as soon as is practicable. This Section does not affect any other provision of law relating to disability discrimination or providing reasonable accommodations or diminish the rights of a person with a disability under any other law.

As used in this Section, "closed captioning" or "captioning" means a text display of spoken words presented on a television or movie screen that allows a deaf or hard of hearing viewer to follow the dialogue and the action of a program simultaneously.

Section 20. The Community Living Facilities Licensing Act is amended by adding Section 5.5 as follows:

(210 ILCS 35/5.5 new)

Sec. 5.5. Captioning required. A television in a waiting room provided for use by the general public at a Community Living Facility licensed under this Act, in a resident room provided for use by residents being treated by a Community Living Facility licensed under this Act, or in a resident room provided for use by individuals using or requesting services at a Community Living Facility licensed under this Act must have a closed captioning feature activated at all times if the television includes a captioning feature.

A Community Living Facility licensed under this Act must make reasonable efforts to prevent members of the general public and individuals using or requesting services from independently deactivating a captioning feature. It is not a violation of this Section if the captioning feature is deactivated by a member of the general public or an individual using or requesting services at a Community Living Facility licensed under this Act, so long as the captioning is reactivated as soon as is practicable by a member of the Community Living Facility's staff upon knowledge that the deactivation has occurred.

If a Community Living Facility licensed under this Act does not have a television that includes a captioning feature, then the Community Living Facility must obtain a sufficient number of televisions that include a captioning feature as soon as is practicable. This Section does not affect any other provision of law relating to disability discrimination or providing reasonable accommodations or diminish the rights of a person with a disability under any other law.

As used in this Section, "closed captioning" or "captioning" means a text display of spoken words presented on a television or movie screen that allows a deaf or hard of hearing viewer to follow the dialogue and the action of a program simultaneously.

Section 25. The Nursing Home Care Act is amended by adding Section 3-801.2 as follows:

(210 ILCS 45/3-801.2 new)

Sec. 3-801.2. Captioning required. A television in a waiting room provided for use by the general public at a facility licensed under this Act, a resident room provided for use by residents being treated by a facility licensed under this Act, or in a resident room provided for use by individuals using or requesting services

at a facility licensed under this Act must have a closed captioning feature activated at all times if the television includes a captioning feature.

A facility licensed under this Act must make reasonable efforts to prevent members of the general public and individuals using or requesting services from independently deactivating a captioning feature. It is not a violation of this Section if the captioning feature is deactivated by a member of the general public or an individual using or requesting services at a facility licensed under this Act, so long as the captioning is reactivated as soon as is practicable by a member of the facility's staff upon knowledge that the deactivation has occurred.

If a facility licensed under this Act does not have a television that includes a captioning feature, then the facility must obtain a sufficient number of televisions that include a captioning feature as soon as is practicable. This Section does not affect any other provision of law relating to disability discrimination or providing reasonable accommodations or diminish the rights of a person with a disability under any other law.

As used in this Section, "closed captioning" or "captioning" means a text display of spoken words presented on a television or movie screen that allows a deaf or hard of hearing viewer to follow the dialogue and the action of a program simultaneously.

Section 30. The MC/DD Act is amended by adding Section 3-801.2 as follows:

(210 ILCS 46/3-801.2 new)

Sec. 3-801.2. Captioning required. A television in a waiting room provided for use by the general public at a facility licensed under this Act, a resident room provided for use by residents being treated by a facility licensed under this Act, or in a resident room provided for use by individuals using or requesting services at a facility licensed under this Act must have a closed captioning feature activated at all times if the television includes a captioning feature.

A facility licensed under this Act must make reasonable efforts to prevent members of the general public and individuals using or requesting services from independently deactivating a captioning feature. It is not a violation of this Section if the captioning feature is deactivated by a member of the general public or an individual using or requesting services at a facility licensed under this Act, so long as the captioning is reactivated as soon as is practicable by a member of the facility's staff upon knowledge that the deactivation has occurred.

If a facility licensed under this Act does not have a television that includes a captioning feature, then the facility must obtain a sufficient number of televisions that include a captioning feature as soon as is practicable. This Section does not affect any other provision of law relating to disability discrimination or providing reasonable accommodations or diminish the rights of a person with a disability under any other law.

As used in this Section, "closed captioning" or "captioning" means a text display of spoken words presented on a television or movie screen that allows a deaf or hard of hearing viewer to follow the dialogue and the action of a program simultaneously.

Section 35. The ID/DD Community Care Act is amended by adding Section 3-801.2 as follows:

(210 ILCS 47/3-801.2 new)

Sec. 3-801.2. Captioning required. A television in a waiting room provided for use by the general public at a facility licensed under this Act, in a resident room provided for use by residents being treated by a facility licensed under this Act, or in a resident room provided for use by individuals using or requesting services at a facility licensed under this Act must have a closed captioning feature activated at all times if the television includes a captioning feature.

A facility licensed under this Act must make reasonable efforts to prevent members of the general public and individuals using or requesting services from independently deactivating a captioning feature. It is not a violation of this Section if the captioning feature is deactivated by a member of the general public or an individual using or requesting services at a facility licensed under this Act, so long as the captioning is reactivated as soon as is practicable by a member of the facility's staff upon knowledge that the deactivation has occurred.

If a facility licensed under this Act does not have a television that includes a captioning feature, then the facility must obtain a sufficient number of televisions that include a captioning feature as soon as is practicable. This Section does not affect any other provision of law relating to disability discrimination or providing reasonable accommodations or diminish the rights of a person with a disability under any other law.

As used in this Section, "closed captioning" or "captioning" means a text display of spoken words presented on a television or movie screen that allows a deaf or hard of hearing viewer to follow the dialogue and the action of a program simultaneously.

Section 40. The Specialized Mental Health Rehabilitation Act of 2013 is amended by adding Section 2-101.5 as follows:

(210 ILCS 49/2-101.5 new)

Sec. 2-101.5. Captioning required. A television in a waiting room provided for use by the general public at a facility licensed under this Act, in a consumer room provided for use by consumers being treated by a facility licensed under this Act, or in a consumer room provided for use by individuals using or requesting services at a facility licensed under this Act must have a closed captioning feature activated at all times if the television includes a captioning feature.

A facility licensed under this Act must make reasonable efforts to prevent members of the general public and individuals using or requesting services from independently deactivating a captioning feature. It is not a violation of this Section if the captioning feature is deactivated by a member of the general public or an individual using or requesting services at a facility licensed under this Act, so long as the captioning is reactivated as soon as is practicable by a member of the facility's staff upon knowledge that the deactivation has occurred.

If a facility licensed under this Act does not have a television that includes a captioning feature, then the facility must obtain a sufficient number of televisions that include a captioning feature as soon as is practicable. This Section does not affect any other provision of law relating to disability discrimination or providing reasonable accommodations or diminish the rights of a person with a disability under any other law.

As used in this Section, "closed captioning" or "captioning" means a text display of spoken words presented on a television or movie screen that allows a deaf or hard of hearing viewer to follow the dialogue and the action of a program simultaneously.

Section 45. The Hospital Licensing Act is amended by adding Section 11.8 as follows:

(210 ILCS 85/11.8 new)

Sec. 11.8. Captioning required. A television in a waiting room provided for use by the general public at a hospital licensed under this Act, in a patient room provided for use by patients being treated by a hospital licensed under this Act, or in a patient room provided for use by individuals using or requesting services at a hospital licensed under this Act must have a closed captioning feature activated at all times if the television includes a captioning feature.

A hospital licensed under this Act must make reasonable efforts to prevent members of the general public and individuals using or requesting services from independently deactivating a captioning feature. It is not a violation of this Section if the captioning feature is deactivated by a member of the general public or an individual using or requesting services at a hospital licensed under this Act, so long as the captioning is reactivated as soon as is practicable by a member of the hospital's staff upon knowledge that the deactivation has occurred.

If a hospital licensed under this Act does not have a television that includes a captioning feature, then the hospital must obtain a sufficient number of televisions that include a captioning feature as soon as is practicable. This Section does not affect any other provision of law relating to disability discrimination or providing reasonable accommodations or diminish the rights of a person with a disability under any other law.

As used in this Section, "closed captioning" or "captioning" means a text display of spoken words presented on a television or movie screen that allows a deaf or hard of hearing viewer to follow the dialogue and the action of a program simultaneously.

Section 50. The Community-Integrated Living Arrangements Licensure and Certification Act is amended by adding Section 10.5 as follows:

(210 ILCS 135/10.5 new)

Sec. 10.5. Captioning required. A television in a waiting room provided for use by the general public at a community-integrated living arrangement certified under this Act, in a resident room provided for use by residents being treated by a community-integrated living arrangement certified under this Act, or in a resident room provided for use by individuals using or requesting services at a community-integrated living arrangement certified under this Act must have a closed captioning feature activated at all times if the television includes a captioning feature.

A community-integrated living arrangement certified under this Act must make reasonable efforts to prevent members of the general public and individuals using or requesting services from independently deactivating a captioning feature. It is not a violation of this Section if the captioning feature is deactivated by a member of the general public or an individual using or requesting services at a community-integrated living arrangement certified under this Act, so long as the captioning is reactivated as soon as is practicable by a member of the community-integrated living arrangement's staff upon knowledge that the deactivation has occurred.

If a community-integrated living arrangement certified under this Act does not have a television that includes a captioning feature, then the community-integrated living arrangement must obtain a sufficient number of televisions that include a captioning feature as soon as is practicable. This Section does not affect any other provision of law relating to disability discrimination or providing reasonable accommodations or diminish the rights of a person with a disability under any other law.

As used in this Section, "closed captioning" or "captioning" means a text display of spoken words presented on a television or movie screen that allows a deaf or hard of hearing viewer to follow the dialogue and the action of a program simultaneously.".

Floor Amendment No. 2 was held in the Committee on Licensed Activities and Pensions.

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

READING BILLS FROM THE HOUSE OF REPRESENTATIVES A THIRD TIME

On motion of Senator Steans, **House Bill No. 40** having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, “Shall this bill pass?” it was decided in the affirmative by the following vote:

YEAS 33; NAYS 22.

The following voted in the affirmative:

Aquino	Hastings	Manar	Silverstein
Bennett	Holmes	Martinez	Stadelman
Biss	Hunter	McGuire	Steans
Bush	Hutchinson	Morrison	Trotter
Castro	Jones, E.	Mulroe	Van Pelt
Clayborne	Koehler	Muñoz	Mr. President
Collins	Landek	Murphy	
Cullerton, T.	Lightford	Raoul	
Harmon	Link	Sandoval	

The following voted in the negative:

Althoff	Fowler	Oberweis	Schimpf
Anderson	McCann	Radogno	Syverson
Barickman	McCarter	Rezin	Tracy
Bivins	McConchie	Righter	Weaver
Brady	McConnaughay	Rooney	
Connelly	Nybo	Rose	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof.

On motion of Senator Link, **House Bill No. 3012** having been printed as received from the House of Representatives, together with all Senate Amendments adopted thereto, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

YEAS 53; NAYS None.

The following voted in the affirmative:

Anderson	Harmon	McConnaughay	Sandoval
Aquino	Hastings	McGuire	Schimpf
Barickman	Holmes	Morrison	Silverstein
Bennett	Hunter	Mulroe	Stadelman
Biss	Hutchinson	Muñoz	Steans
Brady	Jones, E.	Murphy	Syverson
Bush	Koehler	Nybo	Tracy
Castro	Landek	Oberweis	Trotter
Clayborne	Lightford	Radogno	Van Pelt
Collins	Link	Raoul	Weaver
Connelly	Manar	Rezin	Mr. President
Cullerton, T.	Martinez	Righter	
Cunningham	McCann	Rooney	
Fowler	McConchie	Rose	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof.

SENATE BILL RECALLED

On motion of Senator Clayborne, **Senate Bill No. 262** was recalled from the order of third reading to the order of second reading.

Floor Amendment Nos. 2 and 3 was postponed in the Committee on State Government.

Senator Clayborne offered the following amendment and moved its adoption:

AMENDMENT NO. 4 TO SENATE BILL 262

AMENDMENT NO. 4. Amend Senate Bill 262 by replacing everything after the enacting clause with the following:

"Section 5. The State Comptroller Act is amended by changing Section 23.9 as follows:

(15 ILCS 405/23.9)

Sec. 23.9. Minority Contractor Opportunity Initiative. The State Comptroller Minority Contractor Opportunity Initiative is created to provide greater opportunities for minority-owned businesses, women-owned ~~female-owned~~ businesses, businesses owned by persons with disabilities, and small businesses with 20 or fewer employees in this State to participate in the State procurement process. The initiative shall be administered by the Comptroller. Under this initiative, the Comptroller is responsible for the following: (i) outreach to minority-owned businesses, women-owned ~~female-owned~~ businesses, businesses owned by persons with disabilities, and small businesses capable of providing services to the State; (ii) education of minority-owned businesses, women-owned ~~female-owned~~ businesses, businesses owned by persons with disabilities, and small businesses concerning State contracting and procurement; (iii) notification of minority-owned businesses, women-owned ~~female-owned~~ businesses, businesses owned by persons with disabilities, and small businesses of State contracting opportunities; and (iv) maintenance of an online database of State contracts that identifies the contracts awarded to minority-owned businesses, women-owned ~~female-owned~~ businesses, businesses owned by persons with disabilities, and small businesses that includes the total amount paid by State agencies to contractors and the percentage paid to minority-owned businesses, women-owned ~~female-owned~~ businesses, businesses owned by persons with disabilities, and small businesses.

The Comptroller shall work with the Business Enterprise Council created under Section 5 of the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act to fulfill the Comptroller's responsibilities under this Section. The Comptroller may rely on the Business Enterprise

Council's identification of minority-owned businesses, women-owned ~~female-owned~~ businesses, and businesses owned by persons with disabilities.

The Comptroller shall annually prepare and submit a report to the Governor and the General Assembly concerning the progress of this initiative including the following information for the preceding calendar year: (i) a statement of the total amounts paid by each executive branch agency to contractors since the previous report; (ii) the percentage of the amounts that were paid to minority-owned businesses, women-owned ~~female-owned~~ businesses, businesses owned by persons with disabilities, and small businesses; (iii) the successes achieved and the challenges faced by the Comptroller in operating outreach programs for minorities, women, persons with disabilities, and small businesses; (iv) the challenges each executive branch agency may face in hiring qualified minority, woman ~~female~~, and small business employees and employees with disabilities and contracting with qualified minority-owned businesses, women-owned ~~female-owned~~ businesses, businesses owned by persons with disabilities, and small businesses; and (iv) any other information, findings, conclusions, and recommendations for legislative or agency action, as the Comptroller deems appropriate.

On and after the effective date of this amendatory Act of the 97th General Assembly, any bidder or offeror awarded a contract of $1,000 or more under Section 20-10, 20-15, 20-25, or 20-30 of the Illinois Procurement Code is required to pay a fee of $15 to cover expenses related to the administration of this Section. The Comptroller shall deduct the fee from the first check issued to the vendor under the contract and deposit the fee into the Comptroller's Administrative Fund. Contracts administered for statewide orders placed by agencies (commonly referred to as "statewide master contracts") are exempt from this fee.

(Source: P.A. 98-797, eff. 7-31-14; 99-143, eff. 7-27-15.)

(20 ILCS 605/605-525 rep.)

Section 10. The Department of Commerce and Economic Opportunity Law of the Civil Administrative Code of Illinois is amended by repealing Section 605-525.

Section 15. The Illinois Lottery Law is amended by changing Section 9.1 as follows:

(20 ILCS 1605/9.1)

Sec. 9.1. Private manager and management agreement.

(a) As used in this Section:

"Offeror" means a person or group of persons that responds to a request for qualifications under this Section.

"Request for qualifications" means all materials and documents prepared by the Department to solicit the following from offerors:

(1) Statements of qualifications.

(2) Proposals to enter into a management agreement, including the identity of any prospective vendor or vendors that the offeror intends to initially engage to assist the offeror in performing its obligations under the management agreement.

"Final offer" means the last proposal submitted by an offeror in response to the request for qualifications, including the identity of any prospective vendor or vendors that the offeror intends to initially engage to assist the offeror in performing its obligations under the management agreement.

"Final offeror" means the offeror ultimately selected by the Governor to be the private manager for the Lottery under subsection (h) of this Section.

(b) By September 15, 2010, the Governor shall select a private manager for the total management of the Lottery with integrated functions, such as lottery game design, supply of goods and services, and advertising and as specified in this Section.

(c) Pursuant to the terms of this subsection, the Department shall endeavor to expeditiously terminate the existing contracts in support of the Lottery in effect on the effective date of this amendatory Act of the 96th General Assembly in connection with the selection of the private manager. As part of its obligation to terminate these contracts and select the private manager, the Department shall establish a mutually agreeable timetable to transfer the functions of existing contractors to the private manager so that existing Lottery operations are not materially diminished or impaired during the transition. To that end, the Department shall do the following:

(1) where such contracts contain a provision authorizing termination upon notice, the Department shall provide notice of termination to occur upon the mutually agreed timetable for transfer of functions;

(2) upon the expiration of any initial term or renewal term of the current Lottery contracts, the Department shall not renew such contract for a term extending beyond the mutually agreed timetable for transfer of functions; or

(3) in the event any current contract provides for termination of that contract upon the implementation of a contract with the private manager, the Department shall perform all necessary actions to terminate the contract on the date that coincides with the mutually agreed timetable for transfer of functions.

If the contracts to support the current operation of the Lottery in effect on the effective date of this amendatory Act of the 96th General Assembly are not subject to termination as provided for in this subsection (c), then the Department may include a provision in the contract with the private manager specifying a mutually agreeable methodology for incorporation.

(c-5) The Department shall include provisions in the management agreement whereby the private manager shall, for a fee, and pursuant to a contract negotiated with the Department (the "Employee Use Contract"), utilize the services of current Department employees to assist in the administration and operation of the Lottery. The Department shall be the employer of all such bargaining unit employees assigned to perform such work for the private manager, and such employees shall be State employees, as defined by the Personnel Code. Department employees shall operate under the same employment policies, rules, regulations, and procedures, as other employees of the Department. In addition, neither historical representation rights under the Illinois Public Labor Relations Act, nor existing collective bargaining agreements, shall be disturbed by the management agreement with the private manager for the management of the Lottery.

(d) The management agreement with the private manager shall include all of the following:

(1) A term not to exceed 10 years, including any renewals.

(2) A provision specifying that the Department:

(A) shall exercise actual control over all significant business decisions;

(A-5) has the authority to direct or countermand operating decisions by the private manager at any time;

(B) has ready access at any time to information regarding Lottery operations;

(C) has the right to demand and receive information from the private manager concerning any aspect of the Lottery operations at any time; and

(D) retains ownership of all trade names, trademarks, and intellectual property associated with the Lottery.

(3) A provision imposing an affirmative duty on the private manager to provide the Department with material information and with any information the private manager reasonably believes the Department would want to know to enable the Department to conduct the Lottery.

(4) A provision requiring the private manager to provide the Department with advance notice of any operating decision that bears significantly on the public interest, including, but not limited to, decisions on the kinds of games to be offered to the public and decisions affecting the relative risk and reward of the games being offered, so the Department has a reasonable opportunity to evaluate and countermand that decision.

(5) A provision providing for compensation of the private manager that may consist of, among other things, a fee for services and a performance based bonus as consideration for managing the Lottery, including terms that may provide the private manager with an increase in compensation if Lottery revenues grow by a specified percentage in a given year.

(6) (Blank).

(7) A provision requiring the deposit of all Lottery proceeds to be deposited into the State Lottery Fund except as otherwise provided in Section 20 of this Act.

(8) A provision requiring the private manager to locate its principal office within the State.

(8-5) A provision encouraging that at least 20% of the cost of contracts entered into for goods and services by the private manager in connection with its management of the Lottery, other than contracts with sales agents or technical advisors, be awarded to businesses that are a minority-owned ~~minority owned~~ business, a women-owned ~~female owned~~ business, or a business owned by a person with disability, as those terms are defined in the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act.

(9) A requirement that so long as the private manager complies with all the conditions of the agreement under the oversight of the Department, the private manager shall have the following duties and obligations with respect to the management of the Lottery:

(A) The right to use equipment and other assets used in the operation of the Lottery.

(B) The rights and obligations under contracts with retailers and vendors.

(C) The implementation of a comprehensive security program by the private manager.

(D) The implementation of a comprehensive system of internal audits.

(E) The implementation of a program by the private manager to curb compulsive gambling by persons playing the Lottery.

(F) A system for determining (i) the type of Lottery games, (ii) the method of selecting winning tickets, (iii) the manner of payment of prizes to holders of winning tickets, (iv) the frequency of drawings of winning tickets, (v) the method to be used in selling tickets, (vi) a system for verifying the validity of tickets claimed to be winning tickets, (vii) the basis upon which retailer commissions are established by the manager, and (viii) minimum payouts.

(10) A requirement that advertising and promotion must be consistent with Section 7.8a of this Act.

(11) A requirement that the private manager market the Lottery to those residents who are new, infrequent, or lapsed players of the Lottery, especially those who are most likely to make regular purchases on the Internet as permitted by law.

(12) A code of ethics for the private manager's officers and employees.

(13) A requirement that the Department monitor and oversee the private manager's practices and take action that the Department considers appropriate to ensure that the private manager is in compliance with the terms of the management agreement, while allowing the manager, unless specifically prohibited by law or the management agreement, to negotiate and sign its own contracts with vendors.

(14) A provision requiring the private manager to periodically file, at least on an annual basis, appropriate financial statements in a form and manner acceptable to the Department.

(15) Cash reserves requirements.

(16) Procedural requirements for obtaining the prior approval of the Department when a management agreement or an interest in a management agreement is sold, assigned, transferred, or pledged as collateral to secure financing.

(17) Grounds for the termination of the management agreement by the Department or the private manager.

(18) Procedures for amendment of the agreement.

(19) A provision requiring the private manager to engage in an open and competitive bidding process for any procurement having a cost in excess of $50,000 that is not a part of the private manager's final offer. The process shall favor the selection of a vendor deemed to have submitted a proposal that provides the Lottery with the best overall value. The process shall not be subject to the provisions of the Illinois Procurement Code, unless specifically required by the management agreement.

(20) The transition of rights and obligations, including any associated equipment or other assets used in the operation of the Lottery, from the manager to any successor manager of the lottery, including the Department, following the termination of or foreclosure upon the management agreement.

(21) Right of use of copyrights, trademarks, and service marks held by the Department in the name of the State. The agreement must provide that any use of them by the manager shall only be for the purpose of fulfilling its obligations under the management agreement during the term of the agreement.

(22) The disclosure of any information requested by the Department to enable it to comply with the reporting requirements and information requests provided for under subsection (p) of this Section.

(e) Notwithstanding any other law to the contrary, the Department shall select a private manager through a competitive request for qualifications process consistent with Section 20-35 of the Illinois Procurement Code, which shall take into account:

(1) the offeror's ability to market the Lottery to those residents who are new, infrequent, or lapsed players of the Lottery, especially those who are most likely to make regular purchases on the Internet;

(2) the offeror's ability to address the State's concern with the social effects of gambling on those who can least afford to do so;

(3) the offeror's ability to provide the most successful management of the Lottery for the benefit of the people of the State based on current and past business practices or plans of the offeror; and

(4) the offeror's poor or inadequate past performance in servicing, equipping, operating or managing a lottery on behalf of Illinois, another State or foreign government and attracting persons who are not currently regular players of a lottery.

(f) The Department may retain the services of an advisor or advisors with significant experience in financial services or the management, operation, and procurement of goods, services, and equipment for

a government-run lottery to assist in the preparation of the terms of the request for qualifications and selection of the private manager. Any prospective advisor seeking to provide services under this subsection (f) shall disclose any material business or financial relationship during the past 3 years with any potential offeror, or with a contractor or subcontractor presently providing goods, services, or equipment to the Department to support the Lottery. The Department shall evaluate the material business or financial relationship of each prospective advisor. The Department shall not select any prospective advisor with a substantial business or financial relationship that the Department deems to impair the objectivity of the services to be provided by the prospective advisor. During the course of the advisor's engagement by the Department, and for a period of one year thereafter, the advisor shall not enter into any business or financial relationship with any offeror or any vendor identified to assist an offeror in performing its obligations under the management agreement. Any advisor retained by the Department shall be disqualified from being an offeror. The Department shall not include terms in the request for qualifications that provide a material advantage whether directly or indirectly to any potential offeror, or any contractor or subcontractor presently providing goods, services, or equipment to the Department to support the Lottery, including terms contained in previous responses to requests for proposals or qualifications submitted to Illinois, another State or foreign government when those terms are uniquely associated with a particular potential offeror, contractor, or subcontractor. The request for proposals offered by the Department on December 22, 2008 as "LOT08GAMESYS" and reference number "22016176" is declared void.

(g) The Department shall select at least 2 offerors as finalists to potentially serve as the private manager no later than August 9, 2010. Upon making preliminary selections, the Department shall schedule a public hearing on the finalists' proposals and provide public notice of the hearing at least 7 calendar days before the hearing. The notice must include all of the following:

(1) The date, time, and place of the hearing.

(2) The subject matter of the hearing.

(3) A brief description of the management agreement to be awarded.

(4) The identity of the offerors that have been selected as finalists to serve as the private manager.

(5) The address and telephone number of the Department.

(h) At the public hearing, the Department shall (i) provide sufficient time for each finalist to present and explain its proposal to the Department and the Governor or the Governor's designee, including an opportunity to respond to questions posed by the Department, Governor, or designee and (ii) allow the public and non-selected offerors to comment on the presentations. The Governor or a designee shall attend the public hearing. After the public hearing, the Department shall have 14 calendar days to recommend to the Governor whether a management agreement should be entered into with a particular finalist. After reviewing the Department's recommendation, the Governor may accept or reject the Department's recommendation, and shall select a final offeror as the private manager by publication of a notice in the Illinois Procurement Bulletin on or before September 15, 2010. The Governor shall include in the notice a detailed explanation and the reasons why the final offeror is superior to other offerors and will provide management services in a manner that best achieves the objectives of this Section. The Governor shall also sign the management agreement with the private manager.

(i) Any action to contest the private manager selected by the Governor under this Section must be brought within 7 calendar days after the publication of the notice of the designation of the private manager as provided in subsection (h) of this Section.

(j) The Lottery shall remain, for so long as a private manager manages the Lottery in accordance with provisions of this Act, a Lottery conducted by the State, and the State shall not be authorized to sell or transfer the Lottery to a third party.

(k) Any tangible personal property used exclusively in connection with the lottery that is owned by the Department and leased to the private manager shall be owned by the Department in the name of the State and shall be considered to be public property devoted to an essential public and governmental function.

(l) The Department may exercise any of its powers under this Section or any other law as necessary or desirable for the execution of the Department's powers under this Section.

(m) Neither this Section nor any management agreement entered into under this Section prohibits the General Assembly from authorizing forms of gambling that are not in direct competition with the Lottery.

(n) The private manager shall be subject to a complete investigation in the third, seventh, and tenth years of the agreement (if the agreement is for a 10-year term) by the Department in cooperation with the Auditor General to determine whether the private manager has complied with this Section and the management agreement. The private manager shall bear the cost of an investigation or reinvestigation of the private manager under this subsection.

(o) The powers conferred by this Section are in addition and supplemental to the powers conferred by any other law. If any other law or rule is inconsistent with this Section, including, but not limited to, provisions of the Illinois Procurement Code, then this Section controls as to any management agreement entered into under this Section. This Section and any rules adopted under this Section contain full and complete authority for a management agreement between the Department and a private manager. No law, procedure, proceeding, publication, notice, consent, approval, order, or act by the Department or any other officer, Department, agency, or instrumentality of the State or any political subdivision is required for the Department to enter into a management agreement under this Section. This Section contains full and complete authority for the Department to approve any contracts entered into by a private manager with a vendor providing goods, services, or both goods and services to the private manager under the terms of the management agreement, including subcontractors of such vendors.

Upon receipt of a written request from the Chief Procurement Officer, the Department shall provide to the Chief Procurement Officer a complete and un-redacted copy of the management agreement or any contract that is subject to the Department's approval authority under this subsection (o). The Department shall provide a copy of the agreement or contract to the Chief Procurement Officer in the time specified by the Chief Procurement Officer in his or her written request, but no later than 5 business days after the request is received by the Department. The Chief Procurement Officer must retain any portions of the management agreement or of any contract designated by the Department as confidential, proprietary, or trade secret information in complete confidence pursuant to subsection (g) of Section 7 of the Freedom of Information Act. The Department shall also provide the Chief Procurement Officer with reasonable advance written notice of any contract that is pending Department approval.

Notwithstanding any other provision of this Section to the contrary, the Chief Procurement Officer shall adopt administrative rules, including emergency rules, to establish a procurement process to select a successor private manager if a private management agreement has been terminated. The selection process shall at a minimum take into account the criteria set forth in items (1) through (4) of subsection (e) of this Section and may include provisions consistent with subsections (f), (g), (h), and (i) of this Section. The Chief Procurement Officer shall also implement and administer the adopted selection process upon the termination of a private management agreement. The Department, after the Chief Procurement Officer certifies that the procurement process has been followed in accordance with the rules adopted under this subsection (o), shall select a final offeror as the private manager and sign the management agreement with the private manager.

Except as provided in Sections 21.5, 21.6, 21.7, 21.8, and 21.9, the Department shall distribute all proceeds of lottery tickets and shares sold in the following priority and manner:

(1) The payment of prizes and retailer bonuses.

(2) The payment of costs incurred in the operation and administration of the Lottery, including the payment of sums due to the private manager under the management agreement with the Department.

(3) On the last day of each month or as soon thereafter as possible, the State Comptroller shall direct and the State Treasurer shall transfer from the State Lottery Fund to the Common School Fund an amount that is equal to the proceeds transferred in the corresponding month of fiscal year 2009, as adjusted for inflation, to the Common School Fund.

(4) On or before the last day of each fiscal year, deposit any remaining proceeds, subject to payments under items (1), (2), and (3) into the Capital Projects Fund each fiscal year.

(p) The Department shall be subject to the following reporting and information request requirements:

(1) the Department shall submit written quarterly reports to the Governor and the General Assembly on the activities and actions of the private manager selected under this Section;

(2) upon request of the Chief Procurement Officer, the Department shall promptly produce information related to the procurement activities of the Department and the private manager requested by the Chief Procurement Officer; the Chief Procurement Officer must retain confidential, proprietary, or trade secret information designated by the Department in complete confidence pursuant to subsection (g) of Section 7 of the Freedom of Information Act; and

(3) at least 30 days prior to the beginning of the Department's fiscal year, the Department shall prepare an annual written report on the activities of the private manager selected under this Section and deliver that report to the Governor and General Assembly.

(Source: P.A. 98-463, eff. 8-16-13; 98-649, eff. 6-16-14; 99-933, eff. 1-27-17.)

Section 20. The Department of Transportation Law of the Civil Administrative Code of Illinois is amended by changing Sections 2705-585 and 2705-600 as follows:

(20 ILCS 2705/2705-585)

Sec. 2705-585. Diversity goals.

(a) To the extent permitted by any applicable federal law or regulation, all State construction projects funded from amounts (i) made available under the Governor's Fiscal Year 2009 supplemental budget or the American Recovery and Reinvestment Act of 2009 and (ii) that are appropriated to the Illinois Department of Transportation shall comply with the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act.

(b) The Illinois Department of Transportation shall appoint representatives to professional and artistic services selection committees representative of the State's ethnic, cultural, and geographic diversity, including, but not limited to, at least one person from each of the following: an association representing the interests of African American business owners, an association representing the interests of Latino business owners, and an association representing the interests of women business owners. These committees shall comply with all requirements of the Open Meetings Act.

(Source: P.A. 96-8, eff. 4-28-09.)

(20 ILCS 2705/2705-600)

(Section scheduled to be repealed on June 30, 2017)

Sec. 2705-600. Target market program. In order to remedy particular incidents and patterns of egregious race or gender discrimination, the chief procurement officer, in consultation with the Department, shall have the power to implement a target market program incorporating the following terms:

(0.5) Each fiscal year, the Department shall review any and all evidence of discrimination related to transportation construction projects. Evidence of discrimination may include, but is not limited to: (i) the determination of the Department's utilization of minority-owned and women-owned ~~female-owned~~ firms in its prime contracts and associated subcontracts; (ii) the availability of minority-owned and women-owned ~~female-owned~~ firms in the Department's geographic market areas and specific construction industry markets; (iii) any disparities between the utilization of minority-owned and women-owned ~~female-owned~~ firms in the Department's markets and the utilization of those firms on the Department's prime contracts and subcontracts in those markets; (iv) any disparities between the utilization of minority-owned and women-owned ~~female-owned~~ firms in the overall construction markets in which the Department purchases and the utilization of those firms in the overall construction economy in which the Department operates; (v) evidence of discrimination in the rates at which minority-owned and women-owned ~~female-owned~~ firms in the Department's markets form businesses compared to similar non-minority-owned and non-women-owned ~~non-female-owned~~ firms in the Department's markets and in the dollars earned by such businesses; and (vi) quantitative and qualitative anecdotal evidence of discrimination. If after reviewing such evidence, the Department finds and the chief procurement officer concurs in the findings that the Department has a strong basis in evidence that it has a compelling interest in remedying the identified discrimination against a specific group, race, or gender, and that the only remedy for such discrimination is a narrowly tailored target market, the chief procurement officer, in consultation with the Department, has the power to establish and implement a target market program tailored to address the specific findings of egregious discrimination made by the Department, after a public hearing at which minority, women ~~female~~, and general contractor groups, community organizations, and other interested parties shall have the opportunity to provide comments.

(1) In January of each year, the Department and the chief procurement officer shall report jointly to the General Assembly the results of any evidentiary inquiries or studies that establish the Department's compelling interest in remedying egregious discrimination based upon strong evidence of the need for a narrowly tailored target market to remedy such discrimination and public hearings held pursuant to this Section, and shall report the actions to be taken to address the findings, including, if warranted, the establishment and implementation of any target market initiatives.

(2) The chief procurement officer shall work with the officers and divisions of the Department to determine the appropriate designation of contracts as target market contracts. The chief procurement officer, in consultation with the Department, shall determine appropriate contract formation and bidding procedures for target market contracts, including, but not limited to, the dividing of procurements so designated into contract award units in order to facilitate offers or bids from minority-owned businesses and women-owned ~~female-owned~~ businesses and the removal of bid bond requirements for minority-owned businesses and women-owned ~~female-owned~~ businesses. Minority-owned businesses and women-owned ~~female-owned~~ businesses shall remain eligible to seek the procurement award of contracts that have not been designated as target market contracts.

(3) The chief procurement officer may make participation in the target market program dependent upon submission to stricter compliance audits than are generally applicable. No contract shall be eligible for inclusion in the target market program unless the Department determines that there are

at least 3 minority-owned businesses or women-owned ~~female-owned~~ businesses interested in participating in that type of contract. The Department, with the concurrence of the chief procurement officer, may develop guidelines to regulate the level of participation of individual minority-owned businesses and women-owned ~~female-owned~~ businesses in the target market program in order to prevent the domination of the target market program by a small number of those entities. The Department may require minority-owned businesses and women-owned ~~female-owned~~ businesses to participate in training programs offered by the Department or other State agencies as a condition precedent to participation in the target market program.

(4) Participation in the target market program shall be limited to minority-owned businesses and women-owned ~~female-owned~~ businesses and joint ventures consisting exclusively of minority-owned businesses, women-owned ~~female-owned~~ businesses, or both, that are certified as disadvantaged businesses pursuant to the provisions of Section 6(d) of the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act. A firm awarded a target market contract may subcontract up to 50% of the dollar value of the target market contract to subcontractors who are not minority-owned businesses or women-owned ~~female-owned~~ businesses.

(5) The Department may include in the target market program contracts that are funded by the federal government to the extent allowed by federal law and may vary the standards of eligibility of the target market program to the extent necessary to comply with the federal funding requirements.

(6) If no satisfactory bid or response is received with respect to a contract that has been designated as part of the target market program, the chief procurement officer, in consultation with the Department, may delete that contract from the target market program. In addition, the chief procurement officer, in consultation with the Department, may thereupon designate and set aside for the target market program additional contracts corresponding in approximate value to the contract that was deleted from the target market program, in keeping with the narrowly tailored process used for selecting contracts suitable for the program and to the extent feasible.

(7) The chief procurement officer, in consultation with the Department, shall promulgate such rules as he or she deems necessary to administer the target market program.

If any part, sentence, or clause of this Section is for any reason held invalid or to be unconstitutional, such decision shall not affect the validity of the remaining portions of this Section.

This Section is repealed on June 30, 2017.

(Source: P.A. 97-228, eff. 7-28-11; 98-670, eff. 6-27-14.)

Section 25. The Capital Development Board Act is amended by changing Section 16 as follows:

(20 ILCS 3105/16) (from Ch. 127, par. 783b)

Sec. 16. (a) In addition to any other power granted in this Act to adopt rules or regulations, the Board may adopt regulations or rules relating to the issuance or renewal of the prequalification of an architect, engineer or contractor or the suspension or modification of the prequalification of any such person or entity including, without limitation, an interim or emergency suspension or modification without a hearing founded on any one or more of the bases set forth in this Section.

(b) Among the bases for an interim or emergency suspension or modification of prequalification are:

(1) A finding by the Board that the public interest, safety or welfare requires a summary suspension or modification of a prequalification without hearings.

(2) The occurrence of an event or series of events which, in the Board's opinion, warrants a summary suspension or modification of a prequalification without a hearing including, without limitation, (i) the indictment of the holder of the prequalification by a State or federal agency or other branch of government for a crime; (ii) the suspension or modification of a license or prequalification by another State agency or federal agency or other branch of government after hearings; (iii) a material breach of a contract made between the Board and an architect, engineer or contractor; and (iv) the failure to comply with State law including, without limitation, the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act, the prevailing wage requirements, and the Steel Products Procurement Act.

(c) If a prequalification is suspended or modified by the Board without hearings for any reason set forth in this Section or in Section 10-65 of the Illinois Administrative Procedure Act, as amended, the Board shall within 30 days of the issuance of an order of suspension or modification of a prequalification initiate proceedings for the suspension or modification of or other action upon the prequalification.

(Source: P.A. 92-16, eff. 6-28-01.)

Section 30. The Illinois Health Information Exchange and Technology Act is amended by changing Section 20 as follows:

(20 ILCS 3860/20)

(Section scheduled to be repealed on January 1, 2021)

Sec. 20. Powers and duties of the Illinois Health Information Exchange Authority. The Authority has the following powers, together with all powers incidental or necessary to accomplish the purposes of this Act:

(1) The Authority shall create and administer the ILHIE using information systems and processes that are secure, are cost effective, and meet all other relevant privacy and security requirements under State and federal law.

(2) The Authority shall establish and adopt standards and requirements for the use of health information and the requirements for participation in the ILHIE by persons or entities including, but not limited to, health care providers, payors, and local health information exchanges.

(3) The Authority shall establish minimum standards for accessing the ILHIE to ensure that the appropriate security and privacy protections apply to health information, consistent with applicable federal and State standards and laws. The Authority shall have the power to suspend, limit, or terminate the right to participate in the ILHIE for non-compliance or failure to act, with respect to applicable standards and laws, in the best interests of patients, users of the ILHIE, or the public. The Authority may seek all remedies allowed by law to address any violation of the terms of participation in the ILHIE.

(4) The Authority shall identify barriers to the adoption of electronic health records systems, including researching the rates and patterns of dissemination and use of electronic health record systems throughout the State. The Authority shall make the results of the research available on its website.

(5) The Authority shall prepare educational materials and educate the general public on the benefits of electronic health records, the ILHIE, and the safeguards available to prevent unauthorized disclosure of health information.

(6) The Authority may appoint or designate an institutional review board in accordance with federal and State law to review and approve requests for research in order to ensure compliance with standards and patient privacy and security protections as specified in paragraph (3) of this Section.

(7) The Authority may enter into all contracts and agreements necessary or incidental to the performance of its powers under this Act. The Authority's expenditures of private funds are exempt from the Illinois Procurement Code, pursuant to Section 1-10 of that Act. Notwithstanding this exception, the Authority shall comply with the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act.

(8) The Authority may solicit and accept grants, loans, contributions, or appropriations from any public or private source and may expend those moneys, through contracts, grants, loans, or agreements, on activities it considers suitable to the performance of its duties under this Act.

(9) The Authority may determine, charge, and collect any fees, charges, costs, and expenses from any healthcare provider or entity in connection with its duties under this Act. Moneys collected under this paragraph (9) shall be deposited into the Health Information Exchange Fund.

(10) The Authority may, under the direction of the Executive Director, employ and discharge staff, including administrative, technical, expert, professional, and legal staff, as is necessary or convenient to carry out the purposes of this Act. The Authority may establish and administer standards of classification regarding compensation, benefits, duties, performance, and tenure for that staff and may enter into contracts of employment with members of that staff for such periods and on such terms as the Authority deems desirable. All employees of the Authority are exempt from the Personnel Code as provided by Section 4 of the Personnel Code.

(11) The Authority shall consult and coordinate with the Department of Public Health to further the Authority's collection of health information from health care providers for public health purposes. The collection of public health information shall include identifiable information for use by the Authority or other State agencies to comply with State and federal laws. Any identifiable information so collected shall be privileged and confidential in accordance with Sections 8-2101, 8-2102, 8-2103, 8-2104, and 8-2105 of the Code of Civil Procedure.

(12) All identified or deidentified health information in the form of health data or medical records contained in, stored in, submitted to, transferred by, or released from the Illinois Health Information Exchange, and identified or deidentified health information in the form of health data and medical records of the Illinois Health Information Exchange in the possession of the Illinois Health

Information Exchange Authority due to its administration of the Illinois Health Information Exchange, shall be exempt from inspection and copying under the Freedom of Information Act. The terms "identified" and "deidentified" shall be given the same meaning as in the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191, or any subsequent amendments thereto, and any regulations promulgated thereunder.

(13) To address gaps in the adoption of, workforce preparation for, and exchange of electronic health records that result in regional and socioeconomic disparities in the delivery of care, the Authority may evaluate such gaps and provide resources as available, giving priority to healthcare providers serving a significant percentage of Medicaid or uninsured patients and in medically underserved or rural areas.

(Source: P.A. 99-642, eff. 7-28-16.)

Section 35. The Illinois Global Partnership Act is amended by changing Section 20 as follows:

(20 ILCS 3948/20)

Sec. 20. Board of directors. IGP shall be governed by a board of directors. The IGP board of directors shall consist of 14 members. Five of the members shall be voting members appointed by the Governor with the advice and consent of the Senate. The Speaker and Minority Leader of the House of Representatives, the President and Minority Leader of the Senate, the Lieutenant Governor, the Director of Agriculture, the Director of Commerce and Economic Opportunity, the Chairperson of the Illinois Arts Council, and the Director of the Illinois Finance Authority, or the designee of each, shall be non-voting ex officio members.

Of the members appointed by the Governor, one member must have a background in agriculture, one member must have a background in manufacturing, and one member must have a background in international business relations.

Of the initial members appointed by the Governor, 3 members shall serve 4-year terms and 2 members shall serve 2-year terms as designated by the Governor. Thereafter, members appointed by the Governor shall serve 4-year terms. A vacancy among members appointed by the Governor shall be filled by appointment by the Governor for the remainder of the vacated term.

Members of the board shall receive no compensation but shall be reimbursed for expenses incurred in the performance of their duties.

The Governor shall designate the chairman of the board until a successor is designated. The board shall meet at the call of the chair.

No less than 90 days after a majority of the members of the board of directors of the IGP is appointed by the Governor, the board shall develop a policy adopted by resolution of the board stating the board's plan for the use of services provided by businesses owned by minorities, women ~~females~~, and persons with disabilities, as defined under the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act. The board shall provide a copy of this resolution to the Governor and the General Assembly upon its adoption.

On December 31 of each year, the board shall report to the General Assembly and the Governor regarding the use of services provided by businesses owned by minorities, women ~~females~~, and persons with disabilities, as defined under the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act.

(Source: P.A. 94-388, eff. 7-29-05.)

Section 40. The State Finance Act is amended by changing Sections 8.32 and 45 as follows:

(30 ILCS 105/8.32) (from Ch. 127, par. 144.32)

Sec. 8.32. All moneys received by the Minority and Women ~~Female~~ Business Enterprise Council, or by the Department of Central Management Services on behalf of the Council or the Department's ~~Minority and Female~~ Business Enterprise for Minorities, Women, and Persons with Disabilities Division, from grants, donations, seminar registration fees, and the sale of directories, lists and other such information, shall be deposited into the Minority and Female Business Enterprise Fund in the State treasury. Expenses of the Council or the Department's ~~Minority and Female~~ Business Enterprise for Minorities, Women, and Persons with Disabilities Division may be paid from this Fund.

(Source: P.A. 86-1482.)

(30 ILCS 105/45)

Sec. 45. Award of capital funds. Each award by grant or loan of State funds of $250,000 or more for capital construction costs or professional services is conditioned upon the recipient's written certification that the recipient shall comply with the business enterprise program practices for minority-owned businesses, women-owned ~~female-owned~~ businesses, and businesses owned by persons with disabilities

of the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act (30 ILCS 575/) and the equal employment practices of Section 2-105 of the Illinois Human Rights Act (775 ILCS 5/2-105). This Section, however, does not apply to any grant or loan (i) for which a grant or loan agreement was executed before the effective date of this amendatory Act of the 96th General Assembly, (ii) for which prior-incurred costs are being reimbursed, or (iii) for a federally funded program under which the requirement of this Section would contravene federal law. Each recipient shall submit the written certification and business enterprise program plan for minority-owned businesses, women-owned ~~female-owned~~ businesses, and businesses owned by persons with disabilities before signing the relevant grant or loan agreement. Each grant or loan agreement shall include a provision that the grant or loan recipient agrees to comply with the provisions of the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act (30 ILCS 575/) and the equal employment practices of Section 2-105 of the Illinois Human Rights Act (775 ILCS 5/2-105).

Each business enterprise program plan shall apply only to the State-funded portion of the relevant capital project and must be in compliance with all certification and other requirements of the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act.

(Source: P.A. 96-1064, eff. 7-16-10.)

Section 45. The General Obligation Bond Act is amended by changing Sections 8 and 15.5 as follows:

(30 ILCS 330/8) (from Ch. 127, par. 658)

Sec. 8. Bond sale expenses.

(a) An amount not to exceed 0.5 percent of the principal amount of the proceeds of sale of each bond sale is authorized to be used to pay the reasonable costs of issuance and sale, including, without limitation, underwriter's discounts and fees, but excluding bond insurance, of State of Illinois general obligation bonds authorized and sold pursuant to this Act, provided that no salaries of State employees or other State office operating expenses shall be paid out of non-appropriated proceeds, provided further that the percent shall be 1.0% for each sale of "Build America Bonds" or "Qualified School Construction Bonds" as defined in subsections (d) and (e) of Section 9, respectively. The Governor's Office of Management and Budget shall compile a summary of all costs of issuance on each sale (including both costs paid out of proceeds and those paid out of appropriated funds) and post that summary on its web site within 20 business days after the issuance of the Bonds. The summary shall include, as applicable, the respective percentages of participation and compensation of each underwriter that is a member of the underwriting syndicate, legal counsel, financial advisors, and other professionals for the bond issue and an identification of all costs of issuance paid to minority-owned ~~minority-owned~~ businesses, women-owned ~~female-owned~~ businesses, and businesses owned by persons with disabilities. The terms " minority-owned ~~minority-owned~~ businesses", " women-owned ~~female-owned~~ businesses", and "business owned by a person with a disability" have the meanings given to those terms in the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act. That posting shall be maintained on the web site for a period of at least 30 days. In addition, the Governor's Office of Management and Budget shall provide a written copy of each summary of costs to the Speaker and Minority Leader of the House of Representatives, the President and Minority Leader of the Senate, and the Commission on Government Forecasting and Accountability within 20 business days after each issuance of the Bonds. In addition, the Governor's Office of Management and Budget shall provide copies of all contracts under which any costs of issuance are paid or to be paid to the Commission on Government Forecasting and Accountability within 20 business days after the issuance of Bonds for which those costs are paid or to be paid. Instead of filing a second or subsequent copy of the same contract, the Governor's Office of Management and Budget may file a statement that specified costs are paid under specified contracts filed earlier with the Commission.

(b) The Director of the Governor's Office of Management and Budget shall not, in connection with the issuance of Bonds, contract with any underwriter, financial advisor, or attorney unless that underwriter, financial advisor, or attorney certifies that the underwriter, financial advisor, or attorney has not and will not pay a contingent fee, whether directly or indirectly, to a third party for having promoted the selection of the underwriter, financial advisor, or attorney for that contract. In the event that the Governor's Office of Management and Budget determines that an underwriter, financial advisor, or attorney has filed a false certification with respect to the payment of contingent fees, the Governor's Office of Management and Budget shall not contract with that underwriter, financial advisor, or attorney, or with any firm employing any person who signed false certifications, for a period of 2 calendar years, beginning with the date the determination is made. The validity of Bonds issued under such circumstances of violation pursuant to this Section shall not be affected.

(Source: P.A. 96-828, eff. 12-2-09.)

(30 ILCS 330/15.5)

Sec. 15.5. Compliance with the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act. Notwithstanding any other provision of law, the Governor's Office of Management and Budget shall comply with the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act.
(Source: P.A. 93-839, eff. 7-30-04.)

Section 50. The Build Illinois Bond Act is amended by changing Sections 5 and 8.3 as follows:
(30 ILCS 425/5) (from Ch. 127, par. 2805)
Sec. 5. Bond Sale Expenses.
(a) An amount not to exceed 0.5% of the principal amount of the proceeds of the sale of each bond sale is authorized to be used to pay reasonable costs of each issuance and sale of Bonds authorized and sold pursuant to this Act, including, without limitation, underwriter's discounts and fees, but excluding bond insurance, advertising, printing, bond rating, travel of outside vendors, security, delivery, legal and financial advisory services, initial fees of trustees, registrars, paying agents and other fiduciaries, initial costs of credit or liquidity enhancement arrangements, initial fees of indexing and remarketing agents, and initial costs of interest rate swaps, guarantees or arrangements to limit interest rate risk, as determined in the related Bond Sale Order, from the proceeds of each Bond sale, provided that no salaries of State employees or other State office operating expenses shall be paid out of non-appropriated proceeds, and provided further that the percent shall be 1.0% for each sale of "Build America Bonds" as defined in subsection (c) of Section 6. The Governor's Office of Management and Budget shall compile a summary of all costs of issuance on each sale (including both costs paid out of proceeds and those paid out of appropriated funds) and post that summary on its web site within 20 business days after the issuance of the bonds. That posting shall be maintained on the web site for a period of at least 30 days. In addition, the Governor's Office of Management and Budget shall provide a written copy of each summary of costs to the Speaker and Minority Leader of the House of Representatives, the President and Minority Leader of the Senate, and the Commission on Government Forecasting and Accountability within 20 business days after each issuance of the bonds. This summary shall include, as applicable, the respective percentage of participation and compensation of each underwriter that is a member of the underwriting syndicate, legal counsel, financial advisors, and other professionals for the Bond issue, and an identification of all costs of issuance paid to minority-owned ~~minority-owned~~ businesses, women-owned ~~female-owned~~ businesses, and businesses owned by persons with disabilities. The terms " minority-owned ~~minority-owned~~ businesses", " women-owned ~~female-owned~~ businesses", and "business owned by a person with a disability" have the meanings given to those terms in the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act. In addition, the Governor's Office of Management and Budget shall provide copies of all contracts under which any costs of issuance are paid or to be paid to the Commission on Government Forecasting and Accountability within 20 business days after the issuance of Bonds for which those costs are paid or to be paid. Instead of filing a second or subsequent copy of the same contract, the Governor's Office of Management and Budget may file a statement that specified costs are paid under specified contracts filed earlier with the Commission.
(b) The Director of the Governor's Office of Management and Budget shall not, in connection with the issuance of Bonds, contract with any underwriter, financial advisor, or attorney unless that underwriter, financial advisor, or attorney certifies that the underwriter, financial advisor, or attorney has not and will not pay a contingent fee, whether directly or indirectly, to any third party for having promoted the selection of the underwriter, financial advisor, or attorney for that contract. In the event that the Governor's Office of Management and Budget determines that an underwriter, financial advisor, or attorney has filed a false certification with respect to the payment of contingent fees, the Governor's Office of Management and Budget shall not contract with that underwriter, financial advisor, or attorney, or with any firm employing any person who signed false certifications, for a period of 2 calendar years, beginning with the date the determination is made. The validity of Bonds issued under such circumstances of violation pursuant to this Section shall not be affected.
(Source: P.A. 96-828, eff. 12-2-09.)
(30 ILCS 425/8.3)
Sec. 8.3. Compliance with the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act. Notwithstanding any other provision of law, the Governor's Office of Management and Budget shall comply with the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act.
(Source: P.A. 93-839, eff. 7-30-04.)

Section 55. The Illinois Procurement Code is amended by changing Sections 15-25, 30-30, 45-45, 45-57, and 45-65 as follows:

(30 ILCS 500/15-25)

Sec. 15-25. Bulletin content.

(a) Invitations for bids. Notice of each and every contract that is offered, including renegotiated contracts and change orders, shall be published in the Bulletin. All businesses listed on the Department of Transportation Disadvantaged Business Enterprise Directory, the Department of Central Management Services Business Enterprise Program, and the Chief Procurement Office's Small Business Vendors Directory shall be furnished written instructions and information on how to register on each Procurement Bulletin maintained by the State. Such information shall be provided to each business within 30 calendar days after the business' notice of certification. The applicable chief procurement officer may provide by rule an organized format for the publication of this information, but in any case it must include at least the date first offered, the date submission of offers is due, the location that offers are to be submitted to, the purchasing State agency, the responsible State purchasing officer, a brief purchase description, the method of source selection, information of how to obtain a comprehensive purchase description and any disclosure and contract forms, and encouragement to potential contractors to hire qualified veterans, as defined by Section 45-67 of this Code, and qualified Illinois minorities, women, persons with disabilities, and residents discharged from any Illinois adult correctional center.

(b) Contracts let. Notice of each and every contract that is let, including renegotiated contracts and change orders, shall be issued electronically to those bidders submitting responses to the solicitations, inclusive of the unsuccessful bidders, immediately upon contract let. Failure of any chief procurement officer to give such notice shall result in tolling the time for filing a bid protest up to 7 calendar days.

For purposes of this subsection (b), "contracts let" means a construction agency's act of advertising an invitation for bids for one or more construction projects.

(b-5) Contracts awarded. Notice of each and every contract that is awarded, including renegotiated contracts and change orders, shall be issued electronically to the successful responsible bidder, offeror, or contractor and published in the next available subsequent Bulletin. The applicable chief procurement officer may provide by rule an organized format for the publication of this information, but in any case it must include at least all of the information specified in subsection (a) as well as the name of the successful responsible bidder, offeror, the contract price, the number of unsuccessful bidders or offerors and any other disclosure specified in any Section of this Code. This notice must be posted in the online electronic Bulletin prior to execution of the contract.

For purposes of this subsection (b-5), "contract award" means the determination that a particular bidder or offeror has been selected from among other bidders or offerors to receive a contract, subject to the successful completion of final negotiations. "Contract award" is evidenced by the posting of a Notice of Award or a Notice of Intent to Award to the respective volume of the Illinois Procurement Bulletin.

(c) Emergency purchase disclosure. Any chief procurement officer or State purchasing officer exercising emergency purchase authority under this Code shall publish a written description and reasons and the total cost, if known, or an estimate if unknown and the name of the responsible chief procurement officer and State purchasing officer, and the business or person contracted with for all emergency purchases in the next timely, practicable Bulletin. This notice must be posted in the online electronic Bulletin no later than 5 calendar days after the contract is awarded. Notice of a hearing to extend an emergency contract must be posted in the online electronic Procurement Bulletin no later than 14 calendar days prior to the hearing.

(c-5) Business Enterprise Program report. Each purchasing agency shall, with the assistance of the applicable chief procurement officer, post in the online electronic Bulletin a copy of its annual report of utilization of businesses owned by minorities, women ~~females~~, and persons with disabilities as submitted to the Business Enterprise Council for Minorities, Women ~~Females~~, and Persons with Disabilities pursuant to Section 6(c) of the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act within 10 calendar days after its submission of its report to the Council.

(c-10) Renewals. Notice of each contract renewal shall be posted in the online electronic Bulletin within 14 calendar days of the determination to renew the contract and the next available subsequent Bulletin. The notice shall include at least all of the information required in subsection (b).

(c-15) Sole source procurements. Before entering into a sole source contract, a chief procurement officer exercising sole source procurement authority under this Code shall publish a written description of intent to enter into a sole source contract along with a description of the item to be procured and the intended sole source contractor. This notice must be posted in the online electronic Procurement Bulletin before a sole source contract is awarded and at least 14 calendar days before the hearing required by Section 20-25.

(d) Other required disclosure. The applicable chief procurement officer shall provide by rule for the organized publication of all other disclosure required in other Sections of this Code in a timely manner.

(e) The changes to subsections (b), (c), (c-5), (c-10), and (c-15) of this Section made by this amendatory Act of the 96th General Assembly apply to reports submitted, offers made, and notices on contracts executed on or after its effective date.

(f) Each chief procurement officer shall, in consultation with the agencies under his or her jurisdiction, provide the Procurement Policy Board with the information and resources necessary, and in a manner, to effectuate the purpose of this amendatory Act of the 96th General Assembly.

(Source: P.A. 97-895, eff. 8-3-12; 98-1038, eff. 8-25-14; 98-1076, eff. 1-1-15.)

(30 ILCS 500/30-30)

Sec. 30-30. Design-bid-build construction.

(a) The provisions of this subsection are operative through December 31, 2019.

For building construction contracts in excess of $250,000, separate specifications may be prepared for all equipment, labor, and materials in connection with the following 5 subdivisions of the work to be performed:

(1) plumbing;

(2) heating, piping, refrigeration, and automatic temperature control systems, including the testing and balancing of those systems;

(3) ventilating and distribution systems for conditioned air, including the testing and balancing of those systems;

(4) electric wiring; and

(5) general contract work.

The specifications may be so drawn as to permit separate and independent bidding upon each of the 5 subdivisions of work. All contracts awarded for any part thereof may award the 5 subdivisions of work separately to responsible and reliable persons, firms, or corporations engaged in these classes of work. The contracts, at the discretion of the construction agency, may be assigned to the successful bidder on the general contract work or to the successful bidder on the subdivision of work designated by the construction agency before the bidding as the prime subdivision of work, provided that all payments will be made directly to the contractors for the 5 subdivisions of work upon compliance with the conditions of the contract.

Beginning on the effective date of this amendatory Act of the 99th General Assembly and through December 31, 2019, for single prime projects: (i) the bid of the successful low bidder shall identify the name of the subcontractor, if any, and the bid proposal costs for each of the 5 subdivisions of work set forth in this Section; (ii) the contract entered into with the successful bidder shall provide that no identified subcontractor may be terminated without the written consent of the Capital Development Board; (iii) the contract shall comply with the disadvantaged business practices of the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act and the equal employment practices of Section 2-105 of the Illinois Human Rights Act; (iv) the Capital Development Board shall submit a quarterly report to the Procurement Policy Board with information on the general scope, project budget, and established Business Enterprise Program goals for any single prime procurement bid in the previous 3 months with a total construction cost valued at $10,000,000 or less; and (v) the Capital Development Board shall submit an annual report to the General Assembly and Governor on the bidding, award, and performance of all single prime projects.

For building construction projects with a total construction cost valued at $5,000,000 or less, the Capital Development Board shall not use the single prime procurement delivery method for more than 50% of the total number of projects bid for each fiscal year. Any project with a total construction cost valued greater than $5,000,000 may be bid using single prime at the discretion of the Executive Director of the Capital Development Board.

Beginning on the effective date of this amendatory Act of the 99th General Assembly and through December 31, 2017, the Capital Development Board shall, on a weekly basis: review the projects that have been designed, and approved to bid; and, for every fifth determination to use the single prime procurement delivery method for a project under $10,000,000, submit to the Procurement Policy Board a written notice of its intent to use the single prime method on the project. The notice shall include the reasons for using the single prime method and an explanation of why the use of that method is in the best interest of the State. The Capital Development Board shall post the notice on its online procurement webpage and on the online Procurement Bulletin at least 3 business days following submission. The Procurement Policy Board shall review and provide its decision on the use of the single prime method for every fifth use of the single prime procurement delivery method for a project under $10,000,000 within 7 business days of receipt of the notice from the Capital Development Board. Approval by the Procurement Policy Board shall not be

unreasonably withheld and shall be provided unless the Procurement Policy Board finds that the use of the single prime method is not in the best interest of the State. Any decision by the Procurement Policy Board to disapprove the use of the single prime method shall be made in writing to the Capital Development Board, posted on the online Procurement Bulletin, and shall state the reasons why the single prime method was disapproved and why it is not in the best interest of the State.

(b) The provisions of this subsection are operative on and after January 1, 2020. For building construction contracts in excess of $250,000, separate specifications shall be prepared for all equipment, labor, and materials in connection with the following 5 subdivisions of the work to be performed:

(1) plumbing;

(2) heating, piping, refrigeration, and automatic temperature control systems, including the testing and balancing of those systems;

(3) ventilating and distribution systems for conditioned air, including the testing and balancing of those systems;

(4) electric wiring; and

(5) general contract work.

The specifications must be so drawn as to permit separate and independent bidding upon each of the 5 subdivisions of work. All contracts awarded for any part thereof shall award the 5 subdivisions of work separately to responsible and reliable persons, firms, or corporations engaged in these classes of work. The contracts, at the discretion of the construction agency, may be assigned to the successful bidder on the general contract work or to the successful bidder on the subdivision of work designated by the construction agency before the bidding as the prime subdivision of work, provided that all payments will be made directly to the contractors for the 5 subdivisions of work upon compliance with the conditions of the contract.

(Source: P.A. 98-431, eff. 8-16-13; 98-1076, eff. 1-1-15; 99-257, eff. 8-4-15.)

(30 ILCS 500/45-45)

Sec. 45-45. Small businesses.

(a) Set-asides. Each chief procurement officer has authority to designate as small business set-asides a fair proportion of construction, supply, and service contracts for award to small businesses in Illinois. Advertisements for bids or offers for those contracts shall specify designation as small business set-asides. In awarding the contracts, only bids or offers from qualified small businesses shall be considered.

(b) Small business. "Small business" means a business that is independently owned and operated and that is not dominant in its field of operation. The chief procurement officer shall establish a detailed definition by rule, using in addition to the foregoing criteria other criteria, including the number of employees and the dollar volume of business. When computing the size status of a potential contractor, annual sales and receipts of the potential contractor and all of its affiliates shall be included. The maximum number of employees and the maximum dollar volume that a small business may have under the rules promulgated by the chief procurement officer may vary from industry to industry to the extent necessary to reflect differing characteristics of those industries, subject to the following limitations:

(1) No wholesale business is a small business if its annual sales for its most recently completed fiscal year exceed $13,000,000.

(2) No retail business or business selling services is a small business if its annual sales and receipts exceed $8,000,000.

(3) No manufacturing business is a small business if it employs more than 250 persons.

(4) No construction business is a small business if its annual sales and receipts exceed $14,000,000.

(c) Fair proportion. For the purpose of subsection (a), for State agencies of the executive branch, a fair proportion of construction contracts shall be no less than 25% nor more than 40% of the annual total contracts for construction.

(d) Withdrawal of designation. A small business set-aside designation may be withdrawn by the purchasing agency when deemed in the best interests of the State. Upon withdrawal, all bids or offers shall be rejected, and the bidders or offerors shall be notified of the reason for rejection. The contract shall then be awarded in accordance with this Code without the designation of small business set-aside.

(e) Small business specialist. The chief procurement officer shall designate a State purchasing officer who will be responsible for engaging an experienced contract negotiator to serve as its small business specialist, whose duties shall include:

(1) Compiling and maintaining a comprehensive list of potential small contractors. In this duty, he or she shall cooperate with the Federal Small Business Administration in locating potential sources for various products and services.

(2) Assisting small businesses in complying with the procedures for bidding on State

contracts.

(3) Examining requests from State agencies for the purchase of property or services to help determine which invitations to bid are to be designated small business set-asides.

(4) Making recommendations to the chief procurement officer for the simplification of specifications and terms in order to increase the opportunities for small business participation.

(5) Assisting in investigations by purchasing agencies to determine the responsibility of bidders or offerors on small business set-asides.

(f) Small business annual report. The State purchasing officer designated under subsection (e) shall annually before December 1 report in writing to the General Assembly concerning the awarding of contracts to small businesses. The report shall include the total value of awards made in the preceding fiscal year under the designation of small business set-aside. The report shall also include the total value of awards made to businesses owned by minorities, women ~~females~~, and persons with disabilities, as defined in the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act, in the preceding fiscal year under the designation of small business set-aside.

The requirement for reporting to the General Assembly shall be satisfied by filing copies of the report as required by Section 3.1 of the General Assembly Organization Act.

(Source: P.A. 98-1076, eff. 1-1-15.)

(30 ILCS 500/45-57)

Sec. 45-57. Veterans.

(a) Set-aside goal. It is the goal of the State to promote and encourage the continued economic development of small businesses owned and controlled by qualified veterans and that qualified service-disabled veteran-owned small businesses (referred to as SDVOSB) and veteran-owned small businesses (referred to as VOSB) participate in the State's procurement process as both prime contractors and subcontractors. Not less than 3% of the total dollar amount of State contracts, as defined by the Director of Central Management Services, shall be established as a goal to be awarded to SDVOSB and VOSB. That portion of a contract under which the contractor subcontracts with a SDVOSB or VOSB may be counted toward the goal of this subsection. The Department of Central Management Services shall adopt rules to implement compliance with this subsection by all State agencies.

(b) Fiscal year reports. By each September 1, each chief procurement officer shall report to the Department of Central Management Services on all of the following for the immediately preceding fiscal year, and by each March 1 the Department of Central Management Services shall compile and report that information to the General Assembly:

(1) The total number of VOSB, and the number of SDVOSB, who submitted bids for contracts under this Code.

(2) The total number of VOSB, and the number of SDVOSB, who entered into contracts with the State under this Code and the total value of those contracts.

(c) Yearly review and recommendations. Each year, each chief procurement officer shall review the progress of all State agencies under its jurisdiction in meeting the goal described in subsection (a), with input from statewide veterans' service organizations and from the business community, including businesses owned by qualified veterans, and shall make recommendations to be included in the Department of Central Management Services' report to the General Assembly regarding continuation, increases, or decreases of the percentage goal. The recommendations shall be based upon the number of businesses that are owned by qualified veterans and on the continued need to encourage and promote businesses owned by qualified veterans.

(d) Governor's recommendations. To assist the State in reaching the goal described in subsection (a), the Governor shall recommend to the General Assembly changes in programs to assist businesses owned by qualified veterans.

(e) Definitions. As used in this Section:

"Armed forces of the United States" means the United States Army, Navy, Air Force, Marine Corps, Coast Guard, or service in active duty as defined under 38 U.S.C. Section 101. Service in the Merchant Marine that constitutes active duty under Section 401 of federal Public Act 95-202 shall also be considered service in the armed forces for purposes of this Section.

"Certification" means a determination made by the Illinois Department of Veterans' Affairs and the Department of Central Management Services that a business entity is a qualified service-disabled veteran-owned small business or a qualified veteran-owned small business for whatever purpose. A SDVOSB or VOSB owned and controlled by women ~~females~~, minorities, or persons with disabilities, as those terms are defined in Section 2 of the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act, may also select and designate whether that business is to be certified as a " women-owned ~~female-owned~~ business", "minority-owned business", or "business owned by a person with a disability",

as defined in Section 2 of the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act.

"Control" means the exclusive, ultimate, majority, or sole control of the business, including but not limited to capital investment and all other financial matters, property, acquisitions, contract negotiations, legal matters, officer-director-employee selection and comprehensive hiring, operation responsibilities, cost-control matters, income and dividend matters, financial transactions, and rights of other shareholders or joint partners. Control shall be real, substantial, and continuing, not pro forma. Control shall include the power to direct or cause the direction of the management and policies of the business and to make the day-to-day as well as major decisions in matters of policy, management, and operations. Control shall be exemplified by possessing the requisite knowledge and expertise to run the particular business, and control shall not include simple majority or absentee ownership.

"Qualified service-disabled veteran" means a veteran who has been found to have 10% or more service-connected disability by the United States Department of Veterans Affairs or the United States Department of Defense.

"Qualified service-disabled veteran-owned small business" or "SDVOSB" means a small business (i) that is at least 51% owned by one or more qualified service-disabled veterans living in Illinois or, in the case of a corporation, at least 51% of the stock of which is owned by one or more qualified service-disabled veterans living in Illinois; (ii) that has its home office in Illinois; and (iii) for which items (i) and (ii) are factually verified annually by the Department of Central Management Services.

"Qualified veteran-owned small business" or "VOSB" means a small business (i) that is at least 51% owned by one or more qualified veterans living in Illinois or, in the case of a corporation, at least 51% of the stock of which is owned by one or more qualified veterans living in Illinois; (ii) that has its home office in Illinois; and (iii) for which items (i) and (ii) are factually verified annually by the Department of Central Management Services.

"Service-connected disability" means a disability incurred in the line of duty in the active military, naval, or air service as described in 38 U.S.C. 101(16).

"Small business" means a business that has annual gross sales of less than $75,000,000 as evidenced by the federal income tax return of the business. A firm with gross sales in excess of this cap may apply to the Department of Central Management Services for certification for a particular contract if the firm can demonstrate that the contract would have significant impact on SDVOSB or VOSB as suppliers or subcontractors or in employment of veterans or service-disabled veterans.

"State agency" has the same meaning as in Section 2 of the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act.

"Time of hostilities with a foreign country" means any period of time in the past, present, or future during which a declaration of war by the United States Congress has been or is in effect or during which an emergency condition has been or is in effect that is recognized by the issuance of a Presidential proclamation or a Presidential executive order and in which the armed forces expeditionary medal or other campaign service medals are awarded according to Presidential executive order.

"Veteran" means a person who (i) has been a member of the armed forces of the United States or, while a citizen of the United States, was a member of the armed forces of allies of the United States in time of hostilities with a foreign country and (ii) has served under one or more of the following conditions: (a) the veteran served a total of at least 6 months; (b) the veteran served for the duration of hostilities regardless of the length of the engagement; (c) the veteran was discharged on the basis of hardship; or (d) the veteran was released from active duty because of a service connected disability and was discharged under honorable conditions.

(f) Certification program. The Illinois Department of Veterans' Affairs and the Department of Central Management Services shall work together to devise a certification procedure to assure that businesses taking advantage of this Section are legitimately classified as qualified service-disabled veteran-owned small businesses or qualified veteran-owned small businesses.

(g) Penalties.

(1) Administrative penalties. The chief procurement officers appointed pursuant to Section 10-20 shall suspend any person who commits a violation of Section 17-10.3 or subsection (d) of Section 33E-6 of the Criminal Code of 2012 relating to this Section from bidding on, or participating as a contractor, subcontractor, or supplier in, any State contract or project for a period of not less than 3 years, and, if the person is certified as a service-disabled veteran-owned small business or a veteran-owned small business, then the Department shall revoke the business's certification for a period of not less than 3 years. An additional or subsequent violation shall extend the periods of suspension and revocation for a period of not less than 5 years. The suspension and revocation shall apply to the

principals of the business and any subsequent business formed or financed by, or affiliated with, those principals.

(2) Reports of violations. Each State agency shall report any alleged violation of Section 17-10.3 or subsection (d) of Section 33E-6 of the Criminal Code of 2012 relating to this Section to the chief procurement officers appointed pursuant to Section 10-20. The chief procurement officers appointed pursuant to Section 10-20 shall subsequently report all such alleged violations to the Attorney General, who shall determine whether to bring a civil action against any person for the violation.

(3) List of suspended persons. The chief procurement officers appointed pursuant to Section 10-20 shall monitor the status of all reported violations of Section 17-10.3 or subsection (d) of Section 33E-6 of the Criminal Code of 1961 or the Criminal Code of 2012 relating to this Section and shall maintain and make available to all State agencies a central listing of all persons that committed violations resulting in suspension.

(4) Use of suspended persons. During the period of a person's suspension under paragraph (1) of this subsection, a State agency shall not enter into any contract with that person or with any contractor using the services of that person as a subcontractor.

(5) Duty to check list. Each State agency shall check the central listing provided by the chief procurement officers appointed pursuant to Section 10-20 under paragraph (3) of this subsection to verify that a person being awarded a contract by that State agency, or to be used as a subcontractor or supplier on a contract being awarded by that State agency, is not under suspension pursuant to paragraph (1) of this subsection.

(Source: P.A. 97-260, eff. 8-5-11; 97-1150, eff. 1-25-13; 98-307, eff. 8-12-13; 98-1076, eff. 1-1-15.)

(30 ILCS 500/45-65)

Sec. 45-65. Additional preferences. This Code is subject to applicable provisions of:

(1) the Public Purchases in Other States Act;

(2) the Illinois Mined Coal Act;

(3) the Steel Products Procurement Act;

(4) the Veterans Preference Act;

(5) the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act; and

(6) the Procurement of Domestic Products Act.

(Source: P.A. 93-954, eff. 1-1-05.)

Section 60. The Design-Build Procurement Act is amended by changing Sections 5, 15, 30, and 46 as follows:

(30 ILCS 537/5)

(Section scheduled to be repealed on July 1, 2019)

Sec. 5. Legislative policy. It is the intent of the General Assembly that the Capital Development Board be allowed to use the design-build delivery method for public projects if it is shown to be in the State's best interest for that particular project. It shall be the policy of the Capital Development Board in the procurement of design-build services to publicly announce all requirements for design-build services and to procure these services on the basis of demonstrated competence and qualifications and with due regard for the principles of competitive selection.

The Capital Development Board shall, prior to issuing requests for proposals, promulgate and publish procedures for the solicitation and award of contracts pursuant to this Act.

The Capital Development Board shall, for each public project or projects permitted under this Act, make a written determination, including a description as to the particular advantages of the design-build procurement method, that it is in the best interests of this State to enter into a design-build contract for the project or projects. In making that determination, the following factors shall be considered:

(1) The probability that the design-build procurement method will be in the best interests of the State by providing a material savings of time or cost over the design-bid-build or other delivery system.

(2) The type and size of the project and its suitability to the design-build procurement method.

(3) The ability of the State construction agency to define and provide comprehensive scope and performance criteria for the project.

No State construction agency may use a design-build procurement method unless the agency determines in writing that the project will comply with the disadvantaged business and equal employment practices of the State as established in the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act and Section 2-105 of the Illinois Human Rights Act.

The Capital Development Board shall within 15 days after the initial determination provide an advisory copy to the Procurement Policy Board and maintain the full record of determination for 5 years.
(Source: P.A. 94-716, eff. 12-13-05.)

(30 ILCS 537/15)

(Section scheduled to be repealed on July 1, 2019)

Sec. 15. Solicitation of proposals.

(a) When the State construction agency elects to use the design-build delivery method, it must issue a notice of intent to receive requests for proposals for the project at least 14 days before issuing the request for the proposal. The State construction agency must publish the advance notice in the official procurement bulletin of the State or the professional services bulletin of the State construction agency, if any. The agency is encouraged to use publication of the notice in related construction industry service publications. A brief description of the proposed procurement must be included in the notice. The State construction agency must provide a copy of the request for proposal to any party requesting a copy.

(b) The request for proposal shall be prepared for each project and must contain, without limitation, the following information:

(1) The name of the State construction agency.

(2) A preliminary schedule for the completion of the contract.

(3) The proposed budget for the project, the source of funds, and the currently available funds at the time the request for proposal is submitted.

(4) Prequalification criteria for design-build entities wishing to submit proposals. The State construction agency shall include, at a minimum, its normal prequalification, licensing, registration, and other requirements, but nothing contained herein precludes the use of additional prequalification criteria by the State construction agency.

(5) Material requirements of the contract, including but not limited to, the proposed terms and conditions, required performance and payment bonds, insurance, and the entity's plan to comply with the utilization goals for business enterprises established in the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act, and with Section 2-105 of the Illinois Human Rights Act.

(6) The performance criteria.

(7) The evaluation criteria for each phase of the solicitation.

(8) The number of entities that will be considered for the technical and cost evaluation phase.

(c) The State construction agency may include any other relevant information that it chooses to supply. The design-build entity shall be entitled to rely upon the accuracy of this documentation in the development of its proposal.

(d) The date that proposals are due must be at least 21 calendar days after the date of the issuance of the request for proposal. In the event the cost of the project is estimated to exceed $10 million, then the proposal due date must be at least 28 calendar days after the date of the issuance of the request for proposal. The State construction agency shall include in the request for proposal a minimum of 30 days to develop the Phase II submissions after the selection of entities from the Phase I evaluation is completed.
(Source: P.A. 94-716, eff. 12-13-05.)

(30 ILCS 537/30)

(Section scheduled to be repealed on July 1, 2019)

Sec. 30. Procedures for Selection.

(a) The State construction agency must use a two-phase procedure for the selection of the successful design-build entity. Phase I of the procedure will evaluate and shortlist the design-build entities based on qualifications, and Phase II will evaluate the technical and cost proposals.

(b) The State construction agency shall include in the request for proposal the evaluating factors to be used in Phase I. These factors are in addition to any prequalification requirements of design-build entities that the agency has set forth. Each request for proposal shall establish the relative importance assigned to each evaluation factor and subfactor, including any weighting of criteria to be employed by the State construction agency. The State construction agency must maintain a record of the evaluation scoring to be disclosed in event of a protest regarding the solicitation.

The State construction agency shall include the following criteria in every Phase I evaluation of design-build entities: (1) experience of personnel; (2) successful experience with similar project types; (3) financial capability; (4) timeliness of past performance; (5) experience with similarly sized projects; (6) successful reference checks of the firm; (7) commitment to assign personnel for the duration of the project and qualifications of the entity's consultants; and (8) ability or past performance in meeting or exhausting good faith efforts to meet the utilization goals for business enterprises established in the Business

Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act and with Section 2-105 of the Illinois Human Rights Act. The State construction agency may include any additional relevant criteria in Phase I that it deems necessary for a proper qualification review.

The State construction agency may not consider any design-build entity for evaluation or award if the entity has any pecuniary interest in the project or has other relationships or circumstances, including but not limited to, long-term leasehold, mutual performance, or development contracts with the State construction agency, that may give the design-build entity a financial or tangible advantage over other design-build entities in the preparation, evaluation, or performance of the design-build contract or that create the appearance of impropriety. No proposal shall be considered that does not include an entity's plan to comply with the requirements established in the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act, for both the design and construction areas of performance, and with Section 2-105 of the Illinois Human Rights Act.

Upon completion of the qualifications evaluation, the State construction agency shall create a shortlist of the most highly qualified design-build entities. The State construction agency, in its discretion, is not required to shortlist the maximum number of entities as identified for Phase II evaluation, provided however, no less than 2 design-build entities nor more than 6 are selected to submit Phase II proposals.

The State construction agency shall notify the entities selected for the shortlist in writing. This notification shall commence the period for the preparation of the Phase II technical and cost evaluations. The State construction agency must allow sufficient time for the shortlist entities to prepare their Phase II submittals considering the scope and detail requested by the State agency.

(c) The State construction agency shall include in the request for proposal the evaluating factors to be used in the technical and cost submission components of Phase II. Each request for proposal shall establish, for both the technical and cost submission components of Phase II, the relative importance assigned to each evaluation factor and subfactor, including any weighting of criteria to be employed by the State construction agency. The State construction agency must maintain a record of the evaluation scoring to be disclosed in event of a protest regarding the solicitation.

The State construction agency shall include the following criteria in every Phase II technical evaluation of design-build entities: (1) compliance with objectives of the project; (2) compliance of proposed services to the request for proposal requirements; (3) quality of products or materials proposed; (4) quality of design parameters; (5) design concepts; (6) innovation in meeting the scope and performance criteria; and (7) constructability of the proposed project. The State construction agency may include any additional relevant technical evaluation factors it deems necessary for proper selection.

The State construction agency shall include the following criteria in every Phase II cost evaluation: the total project cost, the construction costs, and the time of completion. The State construction agency may include any additional relevant technical evaluation factors it deems necessary for proper selection. The total project cost criteria weighing factor shall be 25%.

The State construction agency shall directly employ or retain a licensed design professional to evaluate the technical and cost submissions to determine if the technical submissions are in accordance with generally accepted industry standards.

Upon completion of the technical submissions and cost submissions evaluation, the State construction agency may award the design-build contract to the highest overall ranked entity.

(Source: P.A. 96-21, eff. 6-30-09.)

(30 ILCS 537/46)

(Section scheduled to be repealed on July 1, 2019)

Sec. 46. Reports and evaluation. At the end of every 6 month period following the contract award, and again prior to final contract payout and closure, a selected design-build entity shall detail, in a written report submitted to the State agency, its efforts and success in implementing the entity's plan to comply with the utilization goals for business enterprises established in the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act and the provisions of Section 2-105 of the Illinois Human Rights Act. If the entity's performance in implementing the plan falls short of the performance measures and outcomes set forth in the plans submitted by the entity during the proposal process, the entity shall, in a detailed written report, inform the General Assembly and the Governor whether and to what degree each design-build contract authorized under this Act promoted the utilization goals for business enterprises established in the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act and the provisions of Section 2-105 of the Illinois Human Rights Act.

(Source: P.A. 94-716, eff. 12-13-05.)

Section 65. The Project Labor Agreements Act is amended by changing Sections 25 and 37 as follows:

(30 ILCS 571/25)

Sec. 25. Contents of agreement. Pursuant to this Act, any project labor agreement shall:

(a) Set forth effective, immediate, and mutually binding procedures for resolving jurisdictional labor disputes and grievances arising before the completion of work.

(b) Contain guarantees against strikes, lockouts, or similar actions.

(c) Ensure a reliable source of skilled and experienced labor.

(d) For minorities and women ~~females~~ as defined under the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act, set forth goals for apprenticeship hours to be performed by minorities and women ~~females~~ and set forth goals for total hours to be performed by underrepresented minorities and women ~~females~~.

(e) Permit the selection of the lowest qualified responsible bidder, without regard to union or non-union status at other construction sites.

(f) Bind all contractors and subcontractors on the public works project through the inclusion of appropriate bid specifications in all relevant bid documents.

(g) Include such other terms as the parties deem appropriate.

(Source: P.A. 97-199, eff. 7-27-11.)

(30 ILCS 571/37)

Sec. 37. Quarterly report; annual report. A State department, agency, authority, board, or instrumentality that has a project labor agreement in connection with a public works project shall prepare a quarterly report that includes workforce participation under the agreement by minorities and women ~~females~~ as defined under the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act. These reports shall be submitted to the Illinois Department of Labor. The Illinois Department of Labor shall submit to the General Assembly and the Governor an annual report that details the number of minorities and women ~~females~~ employed under all public labor agreements within the State.

(Source: P.A. 97-199, eff. 7-27-11.)

Section 70. The Business Enterprise for Minorities, Females, and Persons with Disabilities Act is amended by changing Sections 0.01, 1, 2, 4, 4f, 5, 6, 6a, 7, 8, 8a, 8b, and 8f and by adding Sections 8g, 8h, and 8i as follows:

(30 ILCS 575/0.01) (from Ch. 127, par. 132.600)

(Section scheduled to be repealed on June 30, 2020)

Sec. 0.01. Short title. This Act may be cited as the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act.

(Source: P.A. 88-597, eff. 8-28-94.)

(30 ILCS 575/1) (from Ch. 127, par. 132.601)

(Section scheduled to be repealed on June 30, 2020)

Sec. 1. Purpose. The State of Illinois declares that it is the public policy of the State to promote and encourage the continuing economic development of minority-owned ~~minority~~ and women-owned ~~female owned~~ and operated businesses and that minority-owned ~~minority~~ and women-owned ~~female owned~~ and operated businesses participate in the State's procurement process as both prime and subcontractors. The State of Illinois has observed that the goals established in this Act have served to increase the participation of minority and women ~~female~~ businesses in contracts awarded by the State. The State hereby declares that the adoption of this amendatory Act of 1989 shall serve the State's continuing interest in promoting open access in the awarding of State contracts to disadvantaged small business enterprises victimized by discriminatory practices. Furthermore, after reviewing evidence of the high level of attainment of the 10% minimum goals established under this Act, and, after considering evidence that minority and women ~~female~~ businesses, as established in 1982, constituted and continue to constitute more than 10% of the businesses operating in this State, the State declares that the continuation of such 10% minimum goals under this amendatory Act of 1989 is a narrowly tailored means of promoting open access and thus the further growth and development of minority and women ~~female~~ businesses.

The State of Illinois further declares that it is the public policy of this State to promote and encourage the continuous economic development of businesses owned by persons with disabilities and a 2% contracting goal is a narrowly tailored means of promoting open access and thus the further growth and development of those businesses.

(Source: P.A. 88-597, eff. 8-28-94.)

(30 ILCS 575/2)

(Section scheduled to be repealed on June 30, 2020)

Sec. 2. Definitions.

(A) For the purpose of this Act, the following terms shall have the following definitions:

(1) "Minority person" shall mean a person who is a citizen or lawful permanent resident of the United States and who is any of the following:

(a) American Indian or Alaska Native (a person having origins in any of the original peoples of North and South America, including Central America, and who maintains tribal affiliation or community attachment).

(b) Asian (a person having origins in any of the original peoples of the Far East, Southeast Asia, or the Indian subcontinent, including, but not limited to, Cambodia, China, India, Japan, Korea, Malaysia, Pakistan, the Philippine Islands, Thailand, and Vietnam).

(c) Black or African American (a person having origins in any of the black racial groups of Africa). Terms such as "Haitian" or "Negro" can be used in addition to "Black or African American".

(d) Hispanic or Latino (a person of Cuban, Mexican, Puerto Rican, South or Central American, or other Spanish culture or origin, regardless of race).

(e) Native Hawaiian or Other Pacific Islander (a person having origins in any of the original peoples of Hawaii, Guam, Samoa, or other Pacific Islands).

(2) "Woman ~~Female~~" shall mean a person who is a citizen or lawful permanent resident of the United States and who is of the female gender.

(2.05) "Person with a disability" means a person who is a citizen or lawful resident of the United States and is a person qualifying as a person with a disability under subdivision (2.1) of this subsection (A).

(2.1) "Person with a disability" means a person with a severe physical or mental disability that:

(a) results from:

amputation,
arthritis,
autism,
blindness,
burn injury,
cancer,
cerebral palsy,
Crohn's disease,
cystic fibrosis,
deafness,
head injury,
heart disease,
hemiplegia,
hemophilia,
respiratory or pulmonary dysfunction,
an intellectual disability,
mental illness,
multiple sclerosis,
muscular dystrophy,
musculoskeletal disorders,
neurological disorders, including stroke and epilepsy,
paraplegia,
quadriplegia and other spinal cord conditions,
sickle cell anemia,
ulcerative colitis,
specific learning disabilities, or
end stage renal failure disease; and

(b) substantially limits one or more of the person's major life activities.

Another disability or combination of disabilities may also be considered as a severe disability for the purposes of item (a) of this subdivision (2.1) if it is determined by an evaluation of rehabilitation potential to cause a comparable degree of substantial functional limitation similar to the specific list of disabilities listed in item (a) of this subdivision (2.1).

(3) "Minority-owned ~~Minority-owned~~ business" means a business which is at least 51% owned by one or more minority

persons, or in the case of a corporation, at least 51% of the stock in which is owned by one or more minority persons; and the management and daily business operations of which are controlled by one or more of the minority individuals who own it.

(4) "Women-owned ~~Female owned~~ business" means a business which is at least 51% owned by one or more women ~~females~~, or, in the case of a corporation, at least 51% of the stock in which is owned by one or more women ~~females~~; and the management and daily business operations of which are controlled by one or more of the women ~~females~~ who own it.

(4.1) "Business owned by a person with a disability" means a business that is at least 51% owned by one or more persons with a disability and the management and daily business operations of which are controlled by one or more of the persons with disabilities who own it. A not-for-profit agency for persons with disabilities that is exempt from taxation under Section 501 of the Internal Revenue Code of 1986 is also considered a "business owned by a person with a disability".

(4.2) "Council" means the Business Enterprise Council for Minorities, Women ~~Females~~, and Persons with Disabilities created under Section 5 of this Act.

(5) "State contracts" means all contracts entered into by the State, any agency or department thereof, or any public institution of higher education, including community college districts, regardless of the source of the funds with which the contracts are paid, which are not subject to federal reimbursement. "State contracts" does not include contracts awarded by a retirement system, pension fund, or investment board subject to Section 1-109.1 of the Illinois Pension Code. This definition shall control over any existing definition under this Act or applicable administrative rule.

"State construction contracts" means all State contracts entered into by a State agency or public institution of higher education for the repair, remodeling, renovation or construction of a building or structure, or for the construction or maintenance of a highway defined in Article 2 of the Illinois Highway Code.

(6) "State agencies" shall mean all departments, officers, boards, commissions, institutions and bodies politic and corporate of the State, but does not include the Board of Trustees of the University of Illinois, the Board of Trustees of Southern Illinois University, the Board of Trustees of Chicago State University, the Board of Trustees of Eastern Illinois University, the Board of Trustees of Governors State University, the Board of Trustees of Illinois State University, the Board of Trustees of Northeastern Illinois University, the Board of Trustees of Northern Illinois University, the Board of Trustees of Western Illinois University, municipalities or other local governmental units, or other State constitutional officers.

(7) "Public institutions of higher education" means 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 public community colleges of the State, and any other public universities, colleges, and community colleges now or hereafter established or authorized by the General Assembly.

(8) "Certification" means a determination made by the Council or by one delegated authority from the Council to make certifications, or by a State agency with statutory authority to make such a certification, that a business entity is a business owned by a minority, woman ~~female~~, or person with a disability for whatever purpose. A business owned and controlled by women ~~females~~ shall be certified as a " woman-owned ~~female owned~~ business". A business owned and controlled by women ~~females~~ who are also minorities shall be certified as both a " women-owned ~~female owned~~ business" and a " minority-owned ~~minority owned~~ business".

(9) "Control" means the exclusive or ultimate and sole control of the business including, but not limited to, capital investment and all other financial matters, property, acquisitions, contract negotiations, legal matters, officer-director-employee selection and comprehensive hiring, operating responsibilities, cost-control matters, income and dividend matters, financial transactions and rights of other shareholders or joint partners. Control shall be real, substantial and continuing, not pro forma. Control shall include the power to direct or cause the direction of the management and policies of the business and to make the day-to-day as well as major decisions in matters of policy, management and operations. Control shall be exemplified by possessing the requisite knowledge and expertise to run the particular business and control shall not include simple majority or absentee ownership.

(10) "Business" means a business that has annual gross sales of less than $75,000,000 as evidenced by the federal income tax return of the business. A firm with gross sales in excess of this cap may apply to the Council for certification for a particular contract if the firm can demonstrate that the contract would have significant impact on businesses owned by minorities, women ~~females~~, or persons

with disabilities as suppliers or subcontractors or in employment of minorities, women ~~females~~, or persons with disabilities.

(11) "Utilization plan" means a form and additional documentations included in all bids or proposals that demonstrates a vendor's proposed utilization of vendors certified by the Business Enterprise Program to meet the targeted goal. The utilization plan shall demonstrate that the Vendor has either: (1) met the entire contract goal or (2) requested a full or partial waiver and made good faith efforts towards meeting the goal.

(12) "Business Enterprise Program" means the Business Enterprise Program of the Department of Central Management Services.

(B) When a business is owned at least 51% by any combination of minority persons, women ~~females~~, or persons with disabilities, even though none of the 3 classes alone holds at least a 51% interest, the ownership requirement for purposes of this Act is considered to be met. The certification category for the business is that of the class holding the largest ownership interest in the business. If 2 or more classes have equal ownership interests, the certification category shall be determined by the business.

(Source: P.A. 98-95, eff. 7-17-13; 99-143, eff. 7-27-15; 99-462, eff. 8-25-15; 99-642, eff. 7-28-16.)

(30 ILCS 575/4) (from Ch. 127, par. 132.604)

(Section scheduled to be repealed on June 30, 2020)

Sec. 4. Award of State contracts.

(a) Except as provided in subsections (b) and (c), not less than 20% of the total dollar amount of State contracts, as defined by the Secretary of the Council and approved by the Council, shall be established as an aspirational goal to be awarded to businesses owned by minorities, women ~~females~~, and persons with disabilities; provided, however, that of the total amount of all State contracts awarded to businesses owned by minorities, women ~~females~~, and persons with disabilities pursuant to this Section, contracts representing at least 11% shall be awarded to businesses owned by minorities, contracts representing at least 7% shall be awarded to women-owned ~~female-owned~~ businesses, and contracts representing at least 2% shall be awarded to businesses owned by persons with disabilities.

The above percentage relates to the total dollar amount of State contracts during each State fiscal year, calculated by examining independently each type of contract for each agency or public institutions of higher education which lets such contracts. Only that percentage of arrangements which represents the participation of businesses owned by minorities, women ~~females~~, and persons with disabilities on such contracts shall be included.

(b) In the case of State construction contracts, the provisions of subsection (a) requiring a portion of State contracts to be awarded to businesses owned and controlled by persons with disabilities do not apply. The following aspirational goals are established for State construction contracts: not less than 20% of the total dollar amount of State construction contracts is established as a goal to be awarded to minority-owned ~~minority~~ and women-owned ~~female owned~~ businesses~~, and contracts representing 50% of the amount of all State construction contracts awarded to minority and female owned businesses shall be awarded to female owned businesses~~.

(c) In the case of all work undertaken by the University of Illinois related to the planning, organization, and staging of the games, the University of Illinois shall establish a goal of awarding not less than 25% of the annual dollar value of all contracts, purchase orders, and other agreements (collectively referred to as "the contracts") to minority-owned businesses or businesses owned by a person with a disability and 5% of the annual dollar value the contracts to women-owned ~~female-owned~~ businesses. For purposes of this subsection, the term "games" has the meaning set forth in the Olympic Games and Paralympic Games (2016) Law.

(d) Within one year after April 28, 2009 (the effective date of Public Act 96-8), the Department of Central Management Services shall conduct a social scientific study that measures the impact of discrimination on minority and women ~~female~~ business development in Illinois. Within 18 months after April 28, 2009 (the effective date of Public Act 96-8), the Department shall issue a report of its findings and any recommendations on whether to adjust the goals for minority and women ~~female~~ participation established in this Act. Copies of this report and the social scientific study shall be filed with the Governor and the General Assembly.

(e) Except as permitted under this Act or as otherwise mandated by federal law or regulation, those who submit bids or proposals for State construction contracts subject to the provisions of this Act, whose bids or proposals are successful and include a completed utilization plan but that fail to meet the goals set forth in subsection (b) of this Section, shall be notified of that deficiency and shall be afforded a period not to exceed 5 ~~10~~ days from the date of notification to cure that deficiency in the bid or proposal. The deficiency in the bid or proposal may only be cured by contracting with additional subcontractors who are owned by minorities or women ~~females~~, but in no case shall an identified subcontractor with a certification made

pursuant to this Act be terminated from the contract without the written consent of the State agency or public institution of higher education entering into the contract.

(f) Non-construction solicitations that include Business Enterprise Program participation goals shall include the utilization plan in the solicitation. Utilization plans are due at the time of bid or offer submission. Failure to complete and include a utilization plan, including documentation demonstrating good faith effort when requesting a waiver, shall render the bid or offer non-responsive.

(Source: P.A. 99-462, eff. 8-25-15; 99-514, eff. 6-30-16.)

(30 ILCS 575/4f)

(Section scheduled to be repealed on June 30, 2020)

Sec. 4f. Award of State contracts.

(1) It is hereby declared to be the public policy of the State of Illinois to promote and encourage each State agency and public institution of higher education to use businesses owned by minorities, women ~~females~~, and persons with disabilities in the area of goods and services, including, but not limited to, insurance services, investment management services, information technology services, accounting services, architectural and engineering services, and legal services. Furthermore, each State agency and public institution of higher education shall utilize such firms to the greatest extent feasible within the bounds of financial and fiduciary prudence, and take affirmative steps to remove any barriers to the full participation of such firms in the procurement and contracting opportunities afforded.

(a) When a State agency or public institution of higher education, other than a community college, awards a contract for insurance services, for each State agency or public institution of higher education, it shall be the aspirational goal to use insurance brokers owned by minorities, women ~~females~~, and persons with disabilities as defined by this Act, for not less than 20% of the total annual premiums or fees.

(b) When a State agency or public institution of higher education, other than a community college, awards a contract for investment services, for each State agency or public institution of higher education, it shall be the aspirational goal to use emerging investment managers owned by minorities, women ~~females~~, and persons with disabilities as defined by this Act, for not less than 20% of the total funds under management. Furthermore, it is the aspirational goal that not less than 20% of the direct asset managers of the State funds be minorities, women ~~females~~, and persons with disabilities.

(c) When a State agency or public institution of higher education, other than a community college, awards contracts for information technology services, accounting services, architectural and engineering services, and legal services, for each State agency and public institution of higher education, it shall be the aspirational goal to use such firms owned by minorities, women ~~females~~, and persons with disabilities as defined by this Act and lawyers who are minorities, women ~~females~~, and persons with disabilities as defined by this Act, for not less than 20% of the total dollar amount of State contracts.

(d) When a community college awards a contract for insurance services, investment services, information technology services, accounting services, architectural and engineering services, and legal services, it shall be the aspirational goal of each community college to use businesses owned by minorities, women ~~females~~, and persons with disabilities as defined in this Act for not less than 20% of the total amount spent on contracts for these services collectively. When a community college awards contracts for investment services, contracts awarded to investment managers who are not emerging investment managers as defined in this Act shall not be considered businesses owned by minorities, women ~~females~~, or persons with disabilities for the purposes of this Section.

(2) As used in this Section:

"Accounting services" means the measurement, processing and communication of financial information about economic entities including, but is not limited to, financial accounting, management accounting, auditing, cost containment and auditing services, taxation and accounting information systems.

"Architectural and engineering services" means professional services of an architectural or engineering nature, or incidental services, that members of the architectural and engineering professions, and individuals in their employ, may logically or justifiably perform, including studies, investigations, surveying and mapping, tests, evaluations, consultations, comprehensive planning, program management, conceptual designs, plans and specifications, value engineering, construction phase services, soils engineering, drawing reviews, preparation of operating and maintenance manuals, and other related services.

"Emerging investment manager" means an investment manager or claims consultant having assets under management below $10 billion or otherwise adjudicating claims.

"Information technology services" means, but is not limited to, specialized

technology-oriented solutions by combining the processes and functions of software, hardware, networks, telecommunications, web designers, cloud developing resellers, and electronics.

"Insurance broker" means an insurance brokerage firm, claims administrator, or both, that procures, places all lines of insurance, or administers claims with annual premiums or fees of at least $5,000,000 but not more than $10,000,000.

"Legal services" means work performed by a lawyer including, but not limited to, contracts in anticipation of litigation, enforcement actions, or investigations.

(3) Each State agency and public institution of higher education shall adopt policies that identify its plan and implementation procedures for increasing the use of service firms owned by minorities, women ~~females~~, and persons with disabilities.

(4) Except as provided in subsection (5), the Council shall file no later than March 1 of each year an annual report to the Governor and the General Assembly. The report filed with the General Assembly shall be filed as required in Section 3.1 of the General Assembly Organization Act. This report shall: (i) identify the service firms used by each State agency and public institution of higher education, (ii) identify the actions it has undertaken to increase the use of service firms owned by minorities, women ~~females~~, and persons with disabilities, including encouraging non-minority-owned ~~non-minority-owned~~ firms to use other service firms owned by minorities, women ~~females~~, and persons with disabilities as subcontractors when the opportunities arise, (iii) state any recommendations made by the Council to each State agency and public institution of higher education to increase participation by the use of service firms owned by minorities, women ~~females~~, and persons with disabilities, and (iv) include the following:

(A) For insurance services: the names of the insurance brokers or claims consultants used, the total of risk managed by each State agency and public institution of higher education by insurance brokers, the total commissions, fees paid, or both, the lines or insurance policies placed, and the amount of premiums placed; and the percentage of the risk managed by insurance brokers, the percentage of total commission, fees paid, or both, the lines or insurance policies placed, and the amount of premiums placed with each by the insurance brokers owned by minorities, women ~~females~~, and persons with disabilities by each State agency and public institution of higher education.

(B) For investment management services: the names of the investment managers used, the total funds under management of investment managers; the total commissions, fees paid, or both; the total and percentage of funds under management of emerging investment managers owned by minorities, women ~~females~~, and persons with disabilities, including the total and percentage of total commissions, fees paid, or both by each State agency and public institution of higher education.

(C) The names of service firms, the percentage and total dollar amount paid for professional services by category by each State agency and public institution of higher education.

(D) The names of service firms, the percentage and total dollar amount paid for services by category to firms owned by minorities, women ~~females~~, and persons with disabilities by each State agency and public institution of higher education.

(E) The total number of contracts awarded for services by category and the total number of contracts awarded to firms owned by minorities, women ~~females~~, and persons with disabilities by each State agency and public institution of higher education.

(5) For community college districts, the Business Enterprise Council shall only report the following information for each community college district: (i) the name of the community colleges in the district, (ii) the name and contact information of a person at each community college appointed to be the single point of contact for vendors owned by minorities, women ~~females~~, or persons with disabilities, (iii) the policy of the community college district concerning certified vendors, (iv) the certifications recognized by the community college district for determining whether a business is owned or controlled by a minority, woman ~~female~~, or person with a disability, (v) outreach efforts conducted by the community college district to increase the use of certified vendors, (vi) the total expenditures by the community college district in the prior fiscal year in the divisions of work specified in paragraphs (a), (b), and (c) of subsection (1) of this Section and the amount paid to certified vendors in those divisions of work, and (vii) the total number of contracts entered into for the divisions of work specified in paragraphs (a), (b), and (c) of subsection (1) of this Section and the total number of contracts awarded to certified vendors providing these services to the community college district. The Business Enterprise Council shall not make any utilization reports under this Act for community college districts for Fiscal Year 2015 and Fiscal Year 2016, but shall make the report required by this subsection for Fiscal Year 2017 and for each fiscal year thereafter. The Business Enterprise Council shall report the information in items (i), (ii), (iii), and (iv) of this subsection beginning in September of 2016. The Business Enterprise Council may collect the data needed to make its report from the Illinois Community College Board.

(6) The status of the utilization of services shall be discussed at each of the regularly scheduled Business Enterprise Council meetings. Time shall be allotted for the Council to receive, review, and discuss the progress of the use of service firms owned by minorities, women ~~females~~, and persons with disabilities by each State agency and public institution of higher education; and any evidence regarding past or present racial, ethnic, or gender-based discrimination which directly impacts a State agency or public institution of higher education contracting with such firms. If after reviewing such evidence the Council finds that there is or has been such discrimination against a specific group, race or sex, the Council shall establish sheltered markets or adjust existing sheltered markets tailored to address the Council's specific findings for the divisions of work specified in paragraphs (a), (b), and (c) of subsection (1) of this Section.
(Source: P.A. 99-462, eff. 8-25-15; 99-642, eff. 7-28-16.)

(30 ILCS 575/5) (from Ch. 127, par. 132.605)

(Section scheduled to be repealed on June 30, 2020)

Sec. 5. Business Enterprise Council.

(1) To help implement, monitor and enforce the goals of this Act, there is created the Business Enterprise Council for Minorities, Women ~~Females~~, and Persons with Disabilities, hereinafter referred to as the Council, composed of the Secretary of Human Services and the Directors of the Department of Human Rights, the Department of Commerce and Economic Opportunity, the Department of Central Management Services, the Department of Transportation and the Capital Development Board, or their duly appointed representatives. Ten individuals representing businesses that are minority-owned ~~minority~~ or women-owned ~~female-owned~~ or owned by persons with disabilities, 2 individuals representing the business community, and a representative of public institutions of higher education shall be appointed by the Governor. These members shall serve 2 year terms and shall be eligible for reappointment. Any vacancy occurring on the Council shall also be filled by the Governor. 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. Members of the Council shall serve without compensation but shall be reimbursed for any ordinary and necessary expenses incurred in the performance of their duties.

The Director of the Department of Central Management Services shall serve as the Council chairperson and shall select, subject to approval of the council, a Secretary responsible for the operation of the program who shall serve as the Division Manager of the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Division of the Department of Central Management Services.

The Director of each State agency and the chief executive officer of each public institutions of higher education shall appoint a liaison to the Council. The liaison shall be responsible for submitting to the Council any reports and documents necessary under this Act.

(2) The Council's authority and responsibility shall be to:

(a) Devise a certification procedure to assure that businesses taking advantage of this Act are legitimately classified as businesses owned by minorities, women ~~females~~, or persons with disabilities.

(b) Maintain a list of all businesses legitimately classified as businesses owned by minorities, women ~~females~~, or persons with disabilities to provide to State agencies and public institutions of higher education.

(c) Review rules and regulations for the implementation of the program for businesses owned by minorities, women ~~females~~, and persons with disabilities.

(d) Review compliance plans submitted by each State agency and public institutions of higher education pursuant to this Act.

(e) Make annual reports as provided in Section 8f to the Governor and the General Assembly on the status of the program.

(f) Serve as a central clearinghouse for information on State contracts, including the maintenance of a list of all pending State contracts upon which businesses owned by minorities, women ~~females~~, and persons with disabilities may bid. At the Council's discretion, maintenance of the list may include 24-hour electronic access to the list along with the bid and application information.

(g) Establish a toll free telephone number to facilitate information requests concerning the certification process and pending contracts.

(3) No premium bond rate of a surety company for a bond required of a business owned by a minority, woman ~~female~~, or person with a disability bidding for a State contract shall be higher than the lowest rate charged by that surety company for a similar bond in the same classification of work that would be written for a business not owned by a minority, woman ~~female~~, or person with a disability.

(4) Any Council member who has direct financial or personal interest in any measure pending before the Council shall disclose this fact to the Council and refrain from participating in the determination upon such measure.

(5) The Secretary shall have the following duties and responsibilities:

(a) To be responsible for the day-to-day operation of the Council.

(b) To serve as a coordinator for all of the State's programs for businesses owned by minorities, women ~~females~~, and persons with disabilities and as the information and referral center for all State initiatives for businesses owned by minorities, women ~~females~~, and persons with disabilities.

(c) To establish an enforcement procedure whereby the Council may recommend to the appropriate State legal officer that the State exercise its legal remedies which shall include (1) termination of the contract involved, (2) prohibition of participation by the respondent in public contracts for a period not to exceed 3 years ~~one year~~, (3) imposition of a penalty not to exceed any profit acquired as a result of violation, or (4) any combination thereof. Such procedures shall require prior approval by Council.

(d) To devise appropriate policies, regulations and procedures for including participation by businesses owned by minorities, women ~~females~~, and persons with disabilities as prime contractors including, but not limited to, (i) encouraging the inclusions of qualified businesses owned by minorities, women ~~females~~, and persons with disabilities on solicitation lists, (ii) investigating the potential of blanket bonding programs for small construction jobs, (iii) investigating and making recommendations concerning the use of the sheltered market process.

(e) To devise procedures for the waiver of the participation goals in appropriate circumstances.

(f) To accept donations and, with the approval of the Council or the Director of Central Management Services, grants related to the purposes of this Act; to conduct seminars related to the purpose of this Act and to charge reasonable registration fees; and to sell directories, vendor lists and other such information to interested parties, except that forms necessary to become eligible for the program shall be provided free of charge to a business or individual applying for the program.

(Source: P.A. 99-462, eff. 8-25-15.)

(30 ILCS 575/6) (from Ch. 127, par. 132.606)

(Section scheduled to be repealed on June 30, 2020)

Sec. 6. Agency compliance plans. Each State agency and public institutions of higher education under the jurisdiction of this Act shall file with the Council an annual compliance plan which shall outline the goals of the State agency or public institutions of higher education for contracting with businesses owned by minorities, women ~~females~~, and persons with disabilities for the then current fiscal year, the manner in which the agency intends to reach these goals and a timetable for reaching these goals. The Council shall review and approve the plan of each State agency and public institutions of higher education and may reject any plan that does not comply with this Act or any rules or regulations promulgated pursuant to this Act.

(a) The compliance plan shall also include, but not be limited to, (1) a policy statement, signed by the State agency or public institution of higher education head, expressing a commitment to encourage the use of businesses owned by minorities, women ~~females~~, and persons with disabilities, (2) the designation of the liaison officer provided for in Section 5 of this Act, (3) procedures to distribute to potential contractors and vendors the list of all businesses legitimately classified as businesses owned by minorities, women ~~females~~, and persons with disabilities and so certified under this Act, (4) procedures to set separate contract goals on specific prime contracts and purchase orders with subcontracting possibilities based upon the type of work or services and subcontractor availability, (5) procedures to assure that contractors and vendors make good faith efforts to meet contract goals, (6) procedures for contract goal exemption, modification and waiver, and (7) the delineation of separate contract goals for businesses owned by minorities, women ~~females~~, and persons with disabilities.

(b) Approval of the compliance plans shall include such delegation of responsibilities to the requesting State agency or public institution of higher education as the Council deems necessary and appropriate to fulfill the purpose of this Act. Such responsibilities may include, but need not be limited to those outlined in subsections (1), (2) and (3) of Section 7, ~~and~~ paragraph (a) of Section 8 , and Section 8a of this Act.

(c) Each State agency and public institution of higher education under the jurisdiction of this Act shall file with the Council an annual report of its utilization of businesses owned by minorities, women ~~females~~, and persons with disabilities during the preceding fiscal year including lapse period spending and a mid-fiscal year report of its utilization to date for the then current fiscal year. The reports shall include a self-evaluation of the efforts of the State agency or public institution of higher education to meet its goals under the Act.

(d) Notwithstanding any provisions to the contrary in this Act, any State agency or public institution of higher education which administers a construction program, for which federal law or regulations establish standards and procedures for the utilization of minority-owned and women-owned businesses and

disadvantaged businesses ~~minority, disadvantaged, and female-owned business~~, shall implement a disadvantaged business enterprise program to include minority-owned and women-owned businesses and disadvantaged businesses ~~minority, disadvantaged and female-owned businesses~~, using the federal standards and procedures for the establishment of goals and utilization procedures for the State-funded, as well as the federally assisted, portions of the program. In such cases, these goals shall not exceed those established pursuant to the relevant federal statutes or regulations. Notwithstanding the provisions of Section 8b, the Illinois Department of Transportation is authorized to establish sheltered markets for the State-funded portions of the program consistent with federal law and regulations. Additionally, a compliance plan which is filed by such State agency or public institution of higher education pursuant to this Act, which incorporates equivalent terms and conditions of its federally-approved compliance plan, shall be deemed approved under this Act.

(Source: P.A. 99-462, eff. 8-25-15.)

(30 ILCS 575/6a) (from Ch. 127, par. 132.606a)

(Section scheduled to be repealed on June 30, 2020)

Sec. 6a. Notice of contracts to Council. Except in case of emergency as defined in the Illinois Procurement Code, or as authorized by rule promulgated by the Department of Central Management Services, each agency and public institution of higher education under the jurisdiction of this Act shall notify the Secretary of the Council of proposed contracts for professional and artistic services and provide the information in the form and detail as required by rule promulgated by the Department of Central Management Services. Notification may be made through direct written communication to the Secretary to be received at least 14 days before execution of the contract (or the solicitation response date, if applicable) ~~or by advertising in the official State newspaper for at least 3 days, the last of which must be at least 10 days after the first publication~~. The agency or public institution of higher education must consider any vendor referred by the Secretary before execution of the contract. The provisions of this Section shall not apply to any State agency or public institution of higher education that has awarded contracts for professional and artistic services to businesses owned by minorities, women ~~females~~, and persons with disabilities totaling ~~totalling~~ in the aggregate $40,000,000 or more during the preceding fiscal year.

(Source: P.A. 99-462, eff. 8-25-15.)

(30 ILCS 575/7) (from Ch. 127, par. 132.607)

(Section scheduled to be repealed on June 30, 2020)

Sec. 7. Exemptions; ~~and~~ waivers; publication of data.

(1) Individual contract exemptions. The Council, on its own initiative or at the request of the affected agency, public institution of higher education, or recipient of a grant or loan of State funds of $250,000 or more complying with Section 45 of the State Finance Act, may permit an individual contract or contract package, (related contracts being bid or awarded simultaneously for the same project or improvements) be made wholly or partially exempt from State contracting goals for businesses owned by minorities, women ~~females~~, and persons with disabilities prior to the advertisement for bids or solicitation of proposals whenever there has been a determination, reduced to writing and based on the best information available at the time of the determination, that there is an insufficient number of businesses owned by minorities, women ~~females~~, and persons with disabilities to ensure adequate competition and an expectation of reasonable prices on bids or proposals solicited for the individual contract or contract package in question.

(2) Class exemptions.

(a) Creation. The Council, on its own initiative or at the request of the affected agency or public institution of higher education, may permit an entire class of contracts be made exempt from State contracting goals for businesses owned by minorities, women ~~females~~, and persons with disabilities whenever there has been a determination, reduced to writing and based on the best information available at the time of the determination, that there is an insufficient number of qualified businesses owned by minorities, women ~~females~~, and persons with disabilities to ensure adequate competition and an expectation of reasonable prices on bids or proposals within that class.

(b) Limitation. Any such class exemption shall not be permitted for a period of more than one year at a time.

(3) Waivers. Where a particular contract requires a contractor to meet a goal established pursuant to this Act, the contractor shall have the right to request a waiver from such requirements. The Council shall grant the waiver where the contractor demonstrates that there has been made a good faith effort to comply with the goals for participation by businesses owned by minorities, women ~~females~~, and persons with disabilities.

(4) Conflict with other laws. In the event that any State contract, which otherwise would be subject to the provisions of this Act, is or becomes subject to federal laws or regulations which conflict with the

provisions of this Act or actions of the State taken pursuant hereto, the provisions of the federal laws or regulations shall apply and the contract shall be interpreted and enforced accordingly.

(5) Each chief procurement officer, as defined in the Illinois Procurement Code, shall maintain on his or her official Internet website a database of waivers granted under this Section with respect to contracts under his or her jurisdiction. The database, which shall be updated periodically as necessary, shall be searchable by contractor name and by contracting State agency.

(6) Each chief procurement officer, as defined by the Illinois Procurement Code, shall maintain on its website a list of all firms that have been prohibited from bidding, offering, or entering into a contract with the State of Illinois as a result of violations of this Act.

Each public notice required by law of the award of a State contract shall include for each bid or offer submitted for that contract the following: (i) the bidder's or offeror's name, (ii) the bid amount, (iii) the name or names of the certified firms identified in the bidder's or offeror's submitted utilization plan, and (iv) ~~(iii)~~ the bid's amount and percentage of the contract awarded to businesses owned by minorities, women, and persons with disabilities identified in the ~~of disadvantaged business~~ utilization plan ~~, and (iv) the bid's percentage of business enterprise program utilization plan~~.

(Source: P.A. 99-462, eff. 8-25-15.)

(30 ILCS 575/8) (from Ch. 127, par. 132.608)

(Section scheduled to be repealed on June 30, 2020)

Sec. 8. Enforcement.

(1) The Council shall make such findings, recommendations and proposals to the Governor as are necessary and appropriate to enforce this Act. If, as a result of its monitoring activities, the Council determines that its goals and policies are not being met by any State agency or public institution of higher education, the Council may recommend any or all of the following actions:

(a) Establish enforcement procedures whereby the Council may recommend to the appropriate State agency, public institutions of higher education, or law enforcement officer that legal or administrative remedies be initiated for violations of contract provisions or rules issued hereunder or by a contracting State agency or public institutions of higher education. State agencies and public institutions of higher education shall be authorized to adopt remedies for such violations which shall include (1) termination of the contract involved, (2) prohibition of participation of the respondents in public contracts for a period not to exceed one year, (3) imposition of a penalty not to exceed any profit acquired as a result of violation, or (4) any combination thereof.

(b) If the Council concludes that a compliance plan submitted under Section 6 is unlikely to produce the participation goals for businesses owned by minorities, women ~~females~~, and persons with disabilities within the then current fiscal year, the Council may recommend that the State agency or public institution of higher education revise its plan to provide additional opportunities for participation by businesses owned by minorities, women ~~females~~, and persons with disabilities. Such recommended revisions may include, but shall not be limited to, the following:

(i) assurances of stronger and better focused solicitation efforts to obtain more businesses owned by minorities, women ~~females~~, and persons with disabilities as potential sources of supply;

(ii) division of job or project requirements, when economically feasible, into tasks or quantities to permit participation of businesses owned by minorities, women ~~females~~, and persons with disabilities;

(iii) elimination of extended experience or capitalization requirements, when programmatically feasible, to permit participation of businesses owned by minorities, women ~~females~~, and persons with disabilities;

(iv) identification of specific proposed contracts as particularly attractive or appropriate for participation by businesses owned by minorities, women ~~females~~, and persons with disabilities, such identification to result from and be coupled with the efforts of subparagraphs (i) through (iii);

(v) implementation of those regulations established for the use of the sheltered market process.

(2) State agencies and public institutions of higher education shall review a vendor's compliance with its utilization plan and the terms of its contract. Without limitation, a vendor's failure to comply with its contractual commitments as contained in the utilization plan; failure to cooperate in providing information regarding its compliance with its utilization plan; or the provision of false or misleading information or statements concerning compliance, certification status, or eligibility of the Business Enterprise Program-certified vendor, good faith efforts, or any other material fact or representation shall constitute a material

breach of the contract and entitle the State agency or public institution of higher education to declare a default, terminate the contract, or exercise those remedies provided for in the contract, at law, or in equity.

(3) A vendor shall be in breach of the contract and may be subject to penalties for failure to meet contract goals established under this Act, unless the vendor can show that it made good faith efforts to meet the contract goals.

(Source: P.A. 99-462, eff. 8-25-15.)

(30 ILCS 575/8a) (from Ch. 127, par. 132.608a)

(Section scheduled to be repealed on June 30, 2020)

Sec. 8a. Advance and progress payments. Any contract awarded to a business owned by a minority, woman ~~female~~, or person with a disability pursuant to this Act may contain a provision for advance or progress payments, or both, except that a State construction contract awarded to a minority-owned ~~minority~~ or women-owned ~~female-owned~~ business pursuant to this Act may contain a provision for progress payments but may not contain a provision for advance payments.

(Source: P.A. 88-597, eff. 8-28-94.)

(30 ILCS 575/8b) (from Ch. 127, par. 132.608b)

(Section scheduled to be repealed on June 30, 2020)

Sec. 8b. Scheduled council meetings; sheltered market. The Council shall conduct regular meetings to carry out its responsibilities under this Act. At each of the regularly scheduled meetings, time shall be allocated for the Council to receive, review and discuss any evidence regarding past or present racial, ethnic or gender based discrimination which directly impacts State contracting with businesses owned by minorities, women ~~females~~, and persons with disabilities. If after reviewing such evidence the Council finds that there is or has been such discrimination against a specific group, race or sex, the Council shall establish sheltered markets or adjust existing sheltered markets tailored to address the Council's specific findings.

"Sheltered market" shall mean a procurement procedure whereby certain contracts are selected and specifically set aside for businesses owned by minorities, women ~~females~~, and persons with disabilities on a competitive bid or negotiated basis.

As part of the annual report which the Council must file pursuant to paragraph (e) of subsection (2) of Section 5, the Council shall report on any findings made pursuant to this Section.

(Source: P.A. 88-597, eff. 8-28-94.)

(30 ILCS 575/8f)

(Section scheduled to be repealed on June 30, 2020)

Sec. 8f. Annual report. The Council shall file no later than March 1 of each year, an annual report that shall detail the level of achievement toward the goals specified in this Act over the 3 most recent fiscal years. The annual report shall include, but need not be limited to the following:

(1) a summary detailing expenditures subject to the goals, the actual goals specified, and the goals attained by each State agency and public institution of higher education;

(2) a summary of the number of contracts awarded and the average contract amount by each State agency and public institution of higher education;

(3) an analysis of the level of overall goal achievement concerning purchases from minority-owned ~~minority~~ businesses, women-owned ~~female-owned~~ businesses, and businesses owned by persons with disabilities;

(4) an analysis of the number of businesses owned by minorities, women ~~females~~, and persons with disabilities that are certified under the program as well as the number of those businesses that received State procurement contracts; and

(5) a summary of the number of contracts awarded to businesses with annual gross sales of less than $1,000,000; of $1,000,000 or more, but less than $5,000,000; of $5,000,000 or more, but less than $10,000,000; and of $10,000,000 or more.

(Source: P.A. 99-462, eff. 8-25-15.)

(30 ILCS 575/8g new)

Sec. 8g. Business Enterprise Program Council reports.

(a) The Department of Central Management Services shall provide a report to the Council identifying all State agency non-construction solicitations that exceed $20,000,000 and that have less than a 20% established goal prior to publication.

(b) The Department of Central Management Services shall provide a report to the Council all State agency non-construction contracts that exceed $20,000,000 prior to award. The report shall contain the following: (i) the name of the proposed awardee, (ii) the total bid amount, (iii) the established Business Enterprise Program goal, (iv) the dollar amount and percentage of participation by businesses owned by

minorities, women, and persons with disabilities, and (v) the names of the certified firms identified in the utilization plan.

(30 ILCS 575/8h new)

Sec. 8h. Encouragement for telecom and communications entities to submit supplier diversity reports.

(1) The following entities that do business in Illinois or serve Illinois customers shall be subject to this Section:

(i) all local exchange telecommunications carriers with at least 35,000 subscriber access lines;

(ii) cable and video providers, as defined in Section 21-20l of the Public Utilities Act;

(iii) interconnected VoIP providers, as defined in Section 13-235 of the Public Utilities Act;

(iv) wireless service providers;

(v) broadband internet access services providers; and

(vi) any other entity that provides messaging, voice, or video services via the Internet or a social media platform.

(2) Each entity listed in subsection (1) of this Section may submit to the Illinois Commerce Commission and the Business Enterprise Council an annual report by April 15, 20l8, and every April 15 thereafter, which provides, for the previous calendar year, information and data on diversity goals, and progress toward achieving those goals, by businesses owned by minorities, women, persons with disabilities, and veterans. The report shall include a narrative description of the entity's supplier diversity goals and plans for meeting those goals. The report shall include the entity's best estimate of its annual spending in professional services and spending with certified businesses owned by minorities, women, persons with disabilities, and veterans, including, but not limited to, the following professional services categories: accounting, architecture and engineering, information technology, insurance, financial, legal, and marketing services. The report shall include the entity's overall annual spending in the listed professional service categories. The report shall also include the total number and percentage of women and minorities that provided services for each construction and professional services project in the State.

An entity subject to this Section which is part of an affiliated group of entities may provide information for the affiliated group as a whole.

(3) Any entity that is subject to this Section that fails to comply with the reporting requirements shall be reported by the Business Enterprise Council Secretary to each chief procurement officer. Upon receiving a report from the Business Enterprise Council Secretary, the chief procurement officer shall prohibit any non-compliant entities from bidding on State contracts for a period of one year beginning the first day of the following fiscal year and post on its respective bulletin the names of all entities that fail to comply with the provisions of this Section.

(4) A vendor may appeal any of the actions taken pursuant to this Section in the same manner as a vendor denied certification, by following the appeal procedures in the administrative rules created pursuant to this Act.

(30 ILCS 575/8i new)

Sec. 8i. Renewals. State agencies and public institutions of higher education shall:

(a) review all existing contracts prior to the time of renewal to determine if the diversity goal is being met by the prime vendor;

(b) review all existing contracts prior to the time of renewal to determine if the contract goal should be increased based upon market conditions and availability of firms certified pursuant to this Act;

(c) review existing contracts with no contract goal to determine if a goal can be established; if it is determined that a diversity goal can be established, the State agency or public institution of higher education shall encourage the prime vendor to amend the contract to include the contract goal; prime contractors shall be required to complete a utilization plan to demonstrate how it intends to meet the diversity goal; and

(e) review renewals at least 6 months prior to renewal to allow adequate time to rebid if it is determined that the prime contractor has not demonstrated good faith efforts towards meeting the diversity goal.

All renewals shall be subject to any amendments made to this Act, or amendments made to any administrative rules adopted under this Act, that become effective prior to the date of renewal.

The requirements of this Section shall not apply to construction and construction-related services procurements.

The Section is operative on and after January 1, 2018.

Section 75. The Film Production Services Tax Credit Act of 2008 is amended by changing Sections 30 and 45 as follows:

(35 ILCS 16/30)

Sec. 30. Review of application for accredited production certificate.

(a) In determining whether to issue an accredited production certificate, the Department must determine that a preponderance of the following conditions exist:

(1) The applicant's production intends to make the expenditure in the State required for certification.

(2) The applicant's production is economically sound and will benefit the people of the State of Illinois by increasing opportunities for employment and strengthen the economy of Illinois.

(3) The applicant has filed a diversity plan with the Department outlining specific goals (i) for hiring minority persons and women ~~females~~, as defined in the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act, and (ii) for using vendors receiving certification under the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act; the Department has approved the plan as meeting the requirements established by the Department; and the Department has verified that the applicant has met or made good-faith efforts in achieving those goals. The Department must adopt any rules that are necessary to ensure compliance with the provisions of this item (3) and that are necessary to require that the applicant's plan reflects the diversity of this State.

(4) The applicant's production application indicates whether the applicant intends to participate in training, education, and recruitment programs that are organized in cooperation with Illinois colleges and universities, labor organizations, and the motion picture industry and are designed to promote and encourage the training and hiring of Illinois residents who represent the diversity of the Illinois population.

(5) That, if not for the credit, the applicant's production would not occur in Illinois, which may be demonstrated by any means including, but not limited to, evidence that the applicant has multi-state or international location options and could reasonably and efficiently locate outside of the State, or demonstration that at least one other state or nation is being considered for the production, or evidence that the receipt of the credit is a major factor in the applicant's decision and that without the credit the applicant likely would not create or retain jobs in Illinois, or demonstration that receiving the credit is essential to the applicant's decision to create or retain new jobs in the State.

(6) Awarding the credit will result in an overall positive impact to the State, as determined by the Department using the best available data.

(b) If any of the provisions in this Section conflict with any existing collective bargaining agreements, the terms and conditions of those collective bargaining agreements shall control.

(Source: P.A. 95-720, eff. 5-27-08.)

(35 ILCS 16/45)

Sec. 45. Evaluation of tax credit program; reports to the General Assembly.

(a) The Department shall evaluate the tax credit program. The evaluation must include an assessment of the effectiveness of the program in creating and retaining new jobs in Illinois and of the revenue impact of the program, and may include a review of the practices and experiences of other states or nations with similar programs. Upon completion of this evaluation, the Department shall determine the overall success of the program, and may make a recommendation to extend, modify, or not extend the program based on this evaluation.

(b) At the end of each fiscal quarter, the Department must submit to the General Assembly a report that includes, without limitation, the following information:

(1) the economic impact of the tax credit program, including the number of jobs created and retained, including whether the job positions are entry level, management, talent-related, vendor-related, or production-related;

(2) the amount of film production spending brought to Illinois, including the amount of spending and type of Illinois vendors hired in connection with an accredited production; and

(3) an overall picture of whether the human infrastructure of the motion picture industry in Illinois reflects the geographical, racial and ethnic, gender, and income-level diversity of the State of Illinois.

(c) At the end of each fiscal year, the Department must submit to the General Assembly a report that includes, without limitation, the following information:

(1) an identification of each vendor that provided goods or services that were included in an accredited production's Illinois production spending;

(2) the amount paid to each identified vendor by the accredited production;

(3) for each identified vendor, a statement as to whether the vendor is a minority-owned ~~minority owned~~ business

or a women-owned ~~female owned~~ business, as defined under Section 2 of the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act; and

(4) a description of any steps taken by the Department to encourage accredited productions to use vendors who are a minority-owned ~~minority owned~~ business or a women-owned ~~female owned~~ business.

(Source: P.A. 95-720, eff. 5-27-08.)

Section 80. The Live Theater Production Tax Credit Act is amended by changing Sections 10-30 and 10-50 as follows:

(35 ILCS 17/10-30)

Sec. 10-30. Review of application for accredited theater production certificate.

(a) The Department shall issue an accredited theater production certificate to an applicant if it finds that by a preponderance the following conditions exist:

(1) the applicant intends to make the expenditure in the State required for certification of the accredited theater production;

(2) the applicant's accredited theater production is economically sound and will benefit the people of the State of Illinois by increasing opportunities for employment and will strengthen the economy of Illinois;

(3) the following requirements related to the implementation of a diversity plan have been met: (i) the applicant has filed with the Department a diversity plan outlining specific goals for hiring Illinois labor expenditure eligible minority persons and women ~~females~~, as defined in the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act, and for using vendors receiving certification under the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act; (ii) the Department has approved the plan as meeting the requirements established by the Department and verified that the applicant has met or made good faith efforts in achieving those goals; and (iii) the Department has adopted any rules that are necessary to ensure compliance with the provisions set forth in this paragraph and necessary to require that the applicant's plan reflects the diversity of the population of this State;

(4) the applicant's accredited theater production application indicates whether the applicant intends to participate in training, education, and recruitment programs that are organized in cooperation with Illinois colleges and universities, labor organizations, and the holders of accredited theater production certificates and are designed to promote and encourage the training and hiring of Illinois residents who represent the diversity of Illinois;

(5) if not for the tax credit award, the applicant's accredited theater production would not occur in Illinois, which may be demonstrated by any means, including, but not limited to, evidence that: (i) the applicant, presenter, owner, or licensee of the production rights has other state or international location options at which to present the production and could reasonably and efficiently locate outside of the State, (ii) at least one other state or nation could be considered for the production, (iii) the receipt of the tax award credit is a major factor in the decision of the applicant, presenter, production owner or licensee as to where the production will be presented and that without the tax credit award the applicant likely would not create or retain jobs in Illinois, or (iv) receipt of the tax credit award is essential to the applicant's decision to create or retain new jobs in the State; and

(6) the tax credit award will result in an overall positive impact to the State, as determined by the Department using the best available data.

(b) If any of the provisions in this Section conflict with any existing collective bargaining agreements, the terms and conditions of those collective bargaining agreements shall control.

(c) The Department shall act expeditiously regarding approval of applications for accredited theater production certificates so as to accommodate the pre-production work, booking, commencement of ticket sales, determination of performance dates, load in, and other matters relating to the live theater productions for which approval is sought.

(Source: P.A. 97-636, eff. 6-1-12.)

(35 ILCS 17/10-50)

Sec. 10-50. Live theater tax credit award program evaluation and reports.

(a) The Department's live theater tax credit award evaluation must include:

(i) an assessment of the effectiveness of the program in creating and retaining new jobs in Illinois;

(ii) an assessment of the revenue impact of the program;

(iii) in the discretion of the Department, a review of the practices and experiences of other states or nations with similar programs; and

(iv) an assessment of the overall success of the program. The Department may make a recommendation to extend, modify, or not extend the program based on the evaluation.

(b) At the end of each fiscal quarter, the Department shall submit to the General Assembly a report that includes, without limitation:

(i) an assessment of the economic impact of the program, including the number of jobs created and retained, and whether the job positions are entry level, management, vendor, or production related;

(ii) the amount of accredited theater production spending brought to Illinois, including the amount of spending and type of Illinois vendors hired in connection with an accredited theater production; and

(iii) a determination of whether those receiving qualifying Illinois labor expenditure salaries or wages reflect the geographical, racial and ethnic, gender, and income level diversity of the State of Illinois.

(c) At the end of each fiscal year, the Department shall submit to the General Assembly a report that includes, without limitation:

(i) the identification of each vendor that provided goods or services that were included in an accredited theater production's Illinois production spending;

(ii) a statement of the amount paid to each identified vendor by the accredited theater production and whether the vendor is a minority-owned ~~minority~~ or women-owned ~~female owned~~ business as defined in Section 2 of the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act; and

(iii) a description of the steps taken by the Department to encourage accredited theater productions to use vendors who are minority-owned ~~minority~~ or women-owned ~~female owned~~ businesses.

(Source: P.A. 97-636, eff. 6-1-12.)

Section 85. The Illinois Pension Code is amended by changing Sections 1-109.1 and 1-113.21 as follows:

(40 ILCS 5/1-109.1) (from Ch. 108 1/2, par. 1-109.1)

Sec. 1-109.1. Allocation and delegation of fiduciary duties.

(1) Subject to the provisions of Section 22A-113 of this Code and subsections (2) and (3) of this Section, the board of trustees of a retirement system or pension fund established under this Code may:

(a) Appoint one or more investment managers as fiduciaries to manage (including the power to acquire and dispose of) any assets of the retirement system or pension fund; and

(b) Allocate duties among themselves and designate others as fiduciaries to carry out specific fiduciary activities other than the management of the assets of the retirement system or pension fund.

(2) The board of trustees of a pension fund established under Article 5, 6, 8, 9, 10, 11, 12 or 17 of this Code may not transfer its investment authority, nor transfer the assets of the fund to any other person or entity for the purpose of consolidating or merging its assets and management with any other pension fund or public investment authority, unless the board resolution authorizing such transfer is submitted for approval to the contributors and pensioners of the fund at elections held not less than 30 days after the adoption of such resolution by the board, and such resolution is approved by a majority of the votes cast on the question in both the contributors election and the pensioners election. The election procedures and qualifications governing the election of trustees shall govern the submission of resolutions for approval under this paragraph, insofar as they may be made applicable.

(3) Pursuant to subsections (h) and (i) of Section 6 of Article VII of the Illinois Constitution, the investment authority of boards of trustees of retirement systems and pension funds established under this Code is declared to be a subject of exclusive State jurisdiction, and the concurrent exercise by a home rule unit of any power affecting such investment authority is hereby specifically denied and preempted.

(4) For the purposes of this Code, "emerging investment manager" means a qualified investment adviser that manages an investment portfolio of at least $10,000,000 but less than $10,000,000,000 and is a "minority-owned ~~minority owned~~ business", " women-owned ~~female owned~~ business" or "business owned by a person with a disability" as those terms are defined in the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act.

It is hereby declared to be the public policy of the State of Illinois to encourage the trustees of public employee retirement systems, pension funds, and investment boards to use emerging investment managers in managing their system's assets, encompassing all asset classes, and increase the racial, ethnic, and gender diversity of its fiduciaries, to the greatest extent feasible within the bounds of financial and

fiduciary prudence, and to take affirmative steps to remove any barriers to the full participation in investment opportunities afforded by those retirement systems, pension funds, and investment boards.

On or before January 1, 2010, a retirement system, pension fund, or investment board subject to this Code, except those whose investments are restricted by Section 1-113.2 of this Code, shall adopt a policy that sets forth goals for utilization of emerging investment managers. This policy shall include quantifiable goals for the management of assets in specific asset classes by emerging investment managers. The retirement system, pension fund, or investment board shall establish 3 separate goals for: (i) emerging investment managers that are minority-owned ~~minority owned~~ businesses; (ii) emerging investment managers that are women-owned ~~female owned~~ businesses; and (iii) emerging investment managers that are businesses owned by a person with a disability. The goals established shall be based on the percentage of total dollar amount of investment service contracts let to minority-owned ~~minority owned~~ businesses, women-owned ~~female owned~~ businesses, and businesses owned by a person with a disability, as those terms are defined in the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act. The retirement system, pension fund, or investment board shall annually review the goals established under this subsection.

If in any case an emerging investment manager meets the criteria established by a board for a specific search and meets the criteria established by a consultant for that search, then that emerging investment manager shall receive an invitation by the board of trustees, or an investment committee of the board of trustees, to present his or her firm for final consideration of a contract. In the case where multiple emerging investment managers meet the criteria of this Section, the staff may choose the most qualified firm or firms to present to the board.

The use of an emerging investment manager does not constitute a transfer of investment authority for the purposes of subsection (2) of this Section.

(5) Each retirement system, pension fund, or investment board subject to this Code, except those whose investments are restricted by Section 1-113.2 of this Code, shall establish a policy that sets forth goals for increasing the racial, ethnic, and gender diversity of its fiduciaries, including its consultants and senior staff. Each system, fund, and investment board shall annually review the goals established under this subsection.

(6) On or before January 1, 2010, a retirement system, pension fund, or investment board subject to this Code, except those whose investments are restricted by Section 1-113.2 of this Code, shall adopt a policy that sets forth goals for utilization of businesses owned by minorities, women ~~females~~, and persons with disabilities for all contracts and services. The goals established shall be based on the percentage of total dollar amount of all contracts let to minority-owned ~~minority owned~~ businesses, women-owned ~~female owned~~ businesses, and businesses owned by a person with a disability, as those terms are defined in the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act. The retirement system, pension fund, or investment board shall annually review the goals established under this subsection.

(7) On or before January 1, 2010, a retirement system, pension fund, or investment board subject to this Code, except those whose investments are restricted by Section 1-113.2 of this Code, shall adopt a policy that sets forth goals for increasing the utilization of minority broker-dealers. For the purposes of this Code, "minority broker-dealer" means a qualified broker-dealer who meets the definition of "minority-owned ~~minority owned~~ business", " women-owned ~~female owned~~ business", or "business owned by a person with a disability", as those terms are defined in the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act. The retirement system, pension fund, or investment board shall annually review the goals established under this Section.

(8) Each retirement system, pension fund, and investment board subject to this Code, except those whose investments are restricted by Section 1-113.2 of this Code, shall submit a report to the Governor and the General Assembly by January 1 of each year that includes the following: (i) the policy adopted under subsection (4) of this Section, including the names and addresses of the emerging investment managers used, percentage of the assets under the investment control of emerging investment managers for the 3 separate goals, and the actions it has undertaken to increase the use of emerging investment managers, including encouraging other investment managers to use emerging investment managers as subcontractors when the opportunity arises; (ii) the policy adopted under subsection (5) of this Section; (iii) the policy adopted under subsection (6) of this Section; (iv) the policy adopted under subsection (7) of this Section, including specific actions undertaken to increase the use of minority broker-dealers; and (v) the policy adopted under subsection (9) of this Section.

(9) On or before February 1, 2015, a retirement system, pension fund, or investment board subject to this Code, except those whose investments are restricted by Section 1-113.2 of this Code, shall adopt a policy that sets forth goals for increasing the utilization of minority investment managers. For the purposes

of this Code, "minority investment manager" means a qualified investment manager that manages an investment portfolio and meets the definition of "minority-owned ~~minority owned~~ business", " women-owned ~~female owned~~ business", or "business owned by a person with a disability", as those terms are defined in the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act.

It is hereby declared to be the public policy of the State of Illinois to encourage the trustees of public employee retirement systems, pension funds, and investment boards to use minority investment managers in managing their systems' assets, encompassing all asset classes, and to increase the racial, ethnic, and gender diversity of their fiduciaries, to the greatest extent feasible within the bounds of financial and fiduciary prudence, and to take affirmative steps to remove any barriers to the full participation in investment opportunities afforded by those retirement systems, pension funds, and investment boards.

The retirement system, pension fund, or investment board shall establish 3 separate goals for: (i) minority investment managers that are minority-owned ~~minority owned~~ businesses; (ii) minority investment managers that are women-owned ~~female owned~~ businesses; and (iii) minority investment managers that are businesses owned by a person with a disability. The retirement system, pension fund, or investment board shall annually review the goals established under this Section.

If in any case a minority investment manager meets the criteria established by a board for a specific search and meets the criteria established by a consultant for that search, then that minority investment manager shall receive an invitation by the board of trustees, or an investment committee of the board of trustees, to present his or her firm for final consideration of a contract. In the case where multiple minority investment managers meet the criteria of this Section, the staff may choose the most qualified firm or firms to present to the board.

The use of a minority investment manager does not constitute a transfer of investment authority for the purposes of subsection (2) of this Section.

(10) Beginning January 1, 2016, it shall be the aspirational goal for a retirement system, pension fund, or investment board subject to this Code to use emerging investment managers for not less than 20% of the total funds under management. Furthermore, it shall be the aspirational goal that not less than 20% of investment advisors be minorities, women ~~females~~, and persons with disabilities as those terms are defined in the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act. It shall be the aspirational goal to utilize businesses owned by minorities, women ~~females~~, and persons with disabilities for not less than 20% of contracts awarded for "information technology services", "accounting services", "insurance brokers", "architectural and engineering services", and "legal services" as those terms are defined in the Act.

(Source: P.A. 98-1022, eff. 1-1-15; 99-462, eff. 8-25-15.)

(40 ILCS 5/1-113.21)

Sec. 1-113.21. Contracts for services.

(a) Beginning January 1, 2015, no contract, oral or written, for investment services, consulting services, or commitment to a private market fund shall be awarded by a retirement system, pension fund, or investment board established under this Code unless the investment advisor, consultant, or private market fund first discloses:

(1) the number of its investment and senior staff and the percentage of its investment and senior staff who are (i) a minority person, (ii) a woman ~~female~~, and (iii) a person with a disability; and

(2) the number of contracts, oral or written, for investment services, consulting services, and professional and artistic services that the investment advisor, consultant, or private market fund has with (i) a minority-owned ~~minority owned~~ business, (ii) a women-owned ~~female owned~~ business, or (iii) a business owned by a person with a disability; and

(3) the number of contracts, oral or written, for investment services, consulting services, and professional and artistic services the investment advisor, consultant, or private market fund has with a business other than (i) a minority-owned ~~minority owned~~ business, (ii) a women-owned ~~female owned~~ business or (iii) a business owned by a person with a disability, if more than 50% of services performed pursuant to the contract are performed by (i) a minority person, (ii) a woman ~~female~~, and (iii) a person with a disability.

(b) The disclosures required by this Section shall be considered, within the bounds of financial and fiduciary prudence, prior to the awarding of a contract, oral or written, for investment services, consulting services, or commitment to a private market fund.

(c) For the purposes of this Section, the terms "minority person", "woman ~~female~~", "person with a disability", " minority-owned ~~minority owned~~ business", " women-owned ~~female owned~~ business", and "business owned by a person with a disability" have the same meaning as those terms have in the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act.

(d) For purposes of this Section, the term "private market fund" means any private equity fund, private equity fund of funds, venture capital fund, hedge fund, hedge fund of funds, real estate fund, or other investment vehicle that is not publicly traded.
(Source: P.A. 98-1022, eff. 1-1-15.)

Section 90. The Counties Code is amended by changing Section 5-1134 as follows:
(55 ILCS 5/5-1134)
Sec. 5-1134. Project labor agreements.
(a) Any sports, arts, or entertainment facilities that receive revenue from a tax imposed under subsection (b) of Section 5-1030 of this Code shall be considered to be public works within the meaning of the Prevailing Wage Act. The county authorities responsible for the construction, renovation, modification, or alteration of the sports, arts, or entertainment facilities shall enter into project labor agreements with labor organizations as defined in the National Labor Relations Act to assure that no labor dispute interrupts or interferes with the construction, renovation, modification, or alteration of the projects.
(b) The project labor agreements must include the following:
(1) provisions establishing the minimum hourly wage for each class of labor organization employees;
(2) provisions establishing the benefits and other compensation for such class of labor organization; and
(3) provisions establishing that no strike or disputes will be engaged in by the labor organization employees.
The county, taxing bodies, municipalities, and the labor organizations shall have the authority to include other terms and conditions as they deem necessary.
(c) The project labor agreement shall be filed with the Director of the Illinois Department of Labor in accordance with procedures established by the Department. At a minimum, the project labor agreement must provide the names, addresses, and occupations of the owner of the facilities and the individuals representing the labor organization employees participating in the project labor agreement. The agreement must also specify the terms and conditions required in subsection (b) of this Section.
(d) In any agreement for the construction or rehabilitation of a facility using revenue generated under subsection (b) of Section 5-1030 of this Code, in connection with the prequalification of general contractors for construction or rehabilitation of the facility, it shall be required that a commitment will be submitted detailing how the general contractor will expend 15% or more of the aggregate dollar value of the project as a whole with one or more minority-owned businesses, women-owned ~~female-owned~~ businesses, or businesses owned by a person with a disability, as these terms are defined in Section 2 of the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act.
(Source: P.A. 98-313, eff. 8-12-13; 98-756, eff. 7-16-14.)

Section 95. The River Edge Redevelopment Zone Act is amended by changing Section 10-5.3 as follows:
(65 ILCS 115/10-5.3)
Sec. 10-5.3. Certification of River Edge Redevelopment Zones.
(a) Approval of designated River Edge Redevelopment Zones shall be made by the Department by certification of the designating ordinance. The Department shall promptly issue a certificate for each zone upon its approval. The certificate shall be signed by the Director of the Department, shall make specific reference to the designating ordinance, which shall be attached thereto, and shall be filed in the office of the Secretary of State. A certified copy of the River Edge Redevelopment Zone Certificate, or a duplicate original thereof, shall be recorded in the office of the recorder of deeds of the county in which the River Edge Redevelopment Zone lies.
(b) A River Edge Redevelopment Zone shall be effective upon its certification. The Department shall transmit a copy of the certification to the Department of Revenue, and to the designating municipality. Upon certification of a River Edge Redevelopment Zone, the terms and provisions of the designating ordinance shall be in effect, and may not be amended or repealed except in accordance with Section 10-5.4.
(c) A River Edge Redevelopment Zone shall be in effect for the period stated in the certificate, which shall in no event exceed 30 calendar years. Zones shall terminate at midnight of December 31 of the final calendar year of the certified term, except as provided in Section 10-5.4.
(d) In calendar years 2006 and 2007, the Department may certify one pilot River Edge Redevelopment Zone in the City of East St. Louis, one pilot River Edge Redevelopment Zone in the City of Rockford, and one pilot River Edge Redevelopment Zone in the City of Aurora.

In calendar year 2009, the Department may certify one pilot River Edge Redevelopment Zone in the City of Elgin.

On or after the effective date of this amendatory Act of the 97th General Assembly, the Department may certify one additional pilot River Edge Redevelopment Zone in the City of Peoria.

Thereafter the Department may not certify any additional River Edge Redevelopment Zones, but may amend and rescind certifications of existing River Edge Redevelopment Zones in accordance with Section 10-5.4, except that no River Edge Redevelopment Zone may be extended on or after the effective date of this amendatory Act of the 97th General Assembly. Each River Edge Redevelopment Zone in existence on the effective date of this amendatory Act of the 97th General Assembly shall continue until its scheduled termination under this Act, unless the Zone is decertified sooner. At the time of its term expiration each River Edge Redevelopment Zone will become an open enterprise zone, available for the previously designated area or a different area to compete for designation as an enterprise zone. No preference for designation as a Zone will be given to the previously designated area.

(e) A municipality in which a River Edge Redevelopment Zone has been certified must submit to the Department, within 60 days after the certification, a plan for encouraging the participation by minority persons, women ~~females~~, persons with disabilities, and veterans in the zone. The Department may assist the municipality in developing and implementing the plan. The terms "minority person", " woman ~~female~~", and "person with a disability" have the meanings set forth under Section 2 of the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act. "Veteran" means an Illinois resident who is a veteran as defined in subsection (h) of Section 1491 of Title 10 of the United States Code.
(Source: P.A. 96-37, eff. 7-13-09; 97-203, eff. 7-28-11; 97-905, eff. 8-7-12.)

Section 100. The Metropolitan Pier and Exposition Authority Act is amended by changing Sections 10.2 and 23.1 as follows:

(70 ILCS 210/10.2)

Sec. 10.2. Bonding disclosure.

(a) Truth in borrowing disclosure. Within 60 business days after the issuance of any bonds under this Act, the Authority shall disclose the total principal and interest payments to be paid on the bonds over the full stated term of the bonds. The disclosure also shall include principal and interest payments to be made by each fiscal year over the full stated term of the bonds and total principal and interest payments to be made by each fiscal year on all other outstanding bonds issued under this Act over the full stated terms of those bonds. These disclosures shall be calculated assuming bonds are not redeemed or refunded prior to their stated maturities. Amounts included in these disclosures as payment of interest on variable rate bonds shall be computed at an interest rate equal to the rate at which the variable rate bonds are first set upon issuance, plus 2.5%, after taking into account any credits permitted in the related indenture or other instrument against the amount of such interest for each fiscal year.

(b) Bond sale expenses disclosure. Within 60 business days after the issuance of any bonds under this Act, the Authority shall disclose all costs of issuance on each sale of bonds under this Act. The disclosure shall include, as applicable, the respective percentages of participation and compensation of each underwriter that is a member of the underwriting syndicate, legal counsel, financial advisors, and other professionals for the bond issue and an identification of all costs of issuance paid to minority-owned ~~minority owned~~ businesses, women-owned ~~female owned~~ businesses, and businesses owned by persons with disabilities. The terms " minority-owned ~~minority owned~~ businesses", " women-owned ~~female owned~~ businesses", and "business owned by a person with a disability" have the meanings given to those terms in the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act. In addition, the Authority shall provide copies of all contracts under which any costs of issuance are paid or to be paid to the Commission on Government Forecasting and Accountability within 60 business days after the issuance of bonds for which those costs are paid or to be paid. Instead of filing a second or subsequent copy of the same contract, the Authority may file a statement that specified costs are paid under specified contracts filed earlier with the Commission.

(c) The disclosures required in this Section shall be published by posting the disclosures for no less than 30 days on the website of the Authority and shall be available to the public upon request. The Authority shall also provide the disclosures to the Governor's Office of Management and Budget, the Commission on Government Forecasting and Accountability, and the General Assembly.
(Source: P.A. 96-898, eff. 5-27-10.)

(70 ILCS 210/23.1) (from Ch. 85, par. 1243.1)

Sec. 23.1. Affirmative action.

(a) The Authority shall, within 90 days after the effective date of this amendatory Act of 1984, establish and maintain an affirmative action program designed to promote equal employment opportunity and

eliminate the effects of past discrimination. Such program shall include a plan, including timetables where appropriate, which shall specify goals and methods for increasing participation by women and minorities in employment, including employment related to the planning, organization, and staging of the games, by the Authority and by parties which contract with the Authority. The Authority shall submit a detailed plan with the General Assembly prior to September 1 of each year. Such program shall also establish procedures and sanctions ~~(including debarment)~~, which the Authority shall enforce to ensure compliance with the plan established pursuant to this Section and with State and federal laws and regulations relating to the employment of women and minorities. A determination by the Authority as to whether a party to a contract with the Authority has achieved the goals or employed the methods for increasing participation by women and minorities shall be determined in accordance with the terms of such contracts or the applicable provisions of rules and regulations of the Authority existing at the time such contract was executed, including any provisions for consideration of good faith efforts at compliance which the Authority may reasonably adopt.

(b) The Authority shall adopt and maintain minority-owned ~~minority~~ and women-owned ~~female owned~~ business enterprise procurement programs under the affirmative action program described in subsection (a) for any and all work, including all contracting related to the planning, organization, and staging of the games, undertaken by the Authority. That work shall include, but is not limited to, the purchase of professional services, construction services, supplies, materials, and equipment. The programs shall establish goals of awarding not less than 25% of the annual dollar value of all contracts, purchase orders, or other agreements (collectively referred to as "contracts") to minority-owned ~~minority owned~~ businesses and 5% of the annual dollar value of all contracts to women-owned ~~female owned~~ businesses. Without limiting the generality of the foregoing, the programs shall require in connection with the prequalification or consideration of vendors for professional service contracts, construction contracts, and contracts for supplies, materials, equipment, and services that each proposer or bidder submit as part of his or her proposal or bid a commitment detailing how he or she will expend 25% or more of the dollar value of his or her contracts with one or more minority-owned ~~minority owned~~ businesses and 5% or more of the dollar value with one or more women-owned ~~female owned~~ businesses. Bids or proposals that do not include such detailed commitments are not responsive and shall be rejected unless the Authority deems it appropriate to grant a waiver of these requirements. In addition the Authority may, in connection with the selection of providers of professional services, reserve the right to select a minority-owned ~~minority~~ or women-owned ~~female owned~~ business or businesses to fulfill the commitment to minority and woman ~~female~~ business participation. The commitment to minority and woman ~~female~~ business participation may be met by the contractor or professional service provider's status as a minority-owned ~~minority~~ or women-owned ~~female owned~~ business, by joint venture or by subcontracting a portion of the work with or purchasing materials for the work from one or more such businesses, or by any combination thereof. Each contract shall require the contractor or provider to submit a certified monthly report detailing the status of that contractor or provider's compliance with the Authority's minority-owned ~~minority~~ and women-owned ~~female owned~~ business enterprise procurement program. The Authority, after reviewing the monthly reports of the contractors and providers, shall compile a comprehensive report regarding compliance with this procurement program and file it quarterly with the General Assembly. If, in connection with a particular contract, the Authority determines that it is impracticable or excessively costly to obtain minority-owned ~~minority~~ or women-owned ~~female owned~~ businesses to perform sufficient work to fulfill the commitment required by this subsection, the Authority shall reduce or waive the commitment in the contract, as may be appropriate. The Authority shall establish rules and regulations setting forth the standards to be used in determining whether or not a reduction or waiver is appropriate. The terms " minority-owned ~~minority owned~~ business" and " women-owned ~~female owned~~ business" have the meanings given to those terms in the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act.

(c) The Authority shall adopt and maintain an affirmative action program in connection with the hiring of minorities and women on the Expansion Project and on any and all construction projects, including all contracting related to the planning, organization, and staging of the games, undertaken by the Authority. The program shall be designed to promote equal employment opportunity and shall specify the goals and methods for increasing the participation of minorities and women in a representative mix of job classifications required to perform the respective contracts awarded by the Authority.

(d) In connection with the Expansion Project, the Authority shall incorporate the following elements into its minority-owned ~~minority~~ and women-owned ~~female owned~~ business procurement programs to the extent feasible: (1) a major contractors program that permits minority-owned ~~minority owned~~ businesses and women-owned ~~female owned~~ businesses to bear significant responsibility and risk for a portion of the project; (2) a mentor/protege program that provides financial, technical, managerial, equipment, and

personnel support to minority-owned ~~minority owned~~ businesses and women-owned ~~female owned~~ businesses; (3) an emerging firms program that includes minority-owned ~~minority owned~~ businesses and women-owned ~~female owned~~ businesses that would not otherwise qualify for the project due to inexperience or limited resources; (4) a small projects program that includes participation by smaller minority-owned ~~minority owned~~ businesses and women-owned ~~female owned~~ businesses on jobs where the total dollar value is $5,000,000 or less; and (5) a set-aside program that will identify contracts requiring the expenditure of funds less than $50,000 for bids to be submitted solely by minority-owned ~~minority owned~~ businesses and women-owned ~~female owned~~ businesses.

(e) The Authority is authorized to enter into agreements with contractors' associations, labor unions, and the contractors working on the Expansion Project to establish an Apprenticeship Preparedness Training Program to provide for an increase in the number of minority and women ~~female~~ journeymen and apprentices in the building trades and to enter into agreements with Community College District 508 to provide readiness training. The Authority is further authorized to enter into contracts with public and private educational institutions and persons in the hospitality industry to provide training for employment in the hospitality industry.

(f) McCormick Place Advisory Board. There is created a McCormick Place Advisory Board composed as follows: 2 members shall be appointed by the Mayor of Chicago; 2 members shall be appointed by the Governor; 2 members shall be State Senators appointed by the President of the Senate; 2 members shall be State Senators appointed by the Minority Leader of the Senate; 2 members shall be State Representatives appointed by the Speaker of the House of Representatives; and 2 members shall be State Representatives appointed by the Minority Leader of the House of Representatives. The terms of all previously appointed members of the Advisory Board expire on the effective date of this amendatory Act of the 92nd General Assembly. A State Senator or State Representative member may appoint a designee to serve on the McCormick Place Advisory Board in his or her absence.

A "member of a minority group" shall mean a person who is a citizen or lawful permanent resident of the United States and who is any of the following:

(1) American Indian or Alaska Native (a person having origins in any of the original peoples of North and South America, including Central America, and who maintains tribal affiliation or community attachment).

(2) Asian (a person having origins in any of the original peoples of the Far East, Southeast Asia, or the Indian subcontinent, including, but not limited to, Cambodia, China, India, Japan, Korea, Malaysia, Pakistan, the Philippine Islands, Thailand, and Vietnam).

(3) Black or African American (a person having origins in any of the black racial groups of Africa). Terms such as "Haitian" or "Negro" can be used in addition to "Black or African American".

(4) Hispanic or Latino (a person of Cuban, Mexican, Puerto Rican, South or Central American, or other Spanish culture or origin, regardless of race).

(5) Native Hawaiian or Other Pacific Islander (a person having origins in any of the original peoples of Hawaii, Guam, Samoa, or other Pacific Islands).

Members of the McCormick Place Advisory Board shall serve 2-year terms and until their successors are appointed, except members who serve as a result of their elected position whose terms shall continue as long as they hold their designated elected positions. Vacancies shall be filled by appointment for the unexpired term in the same manner as original appointments are made. The McCormick Place Advisory Board shall elect its own chairperson.

Members of the McCormick Place Advisory Board shall serve without compensation but, at the Authority's discretion, shall be reimbursed for necessary expenses in connection with the performance of their duties.

The McCormick Place Advisory Board shall meet quarterly, or as needed, shall produce any reports it deems necessary, and shall:

(1) Work with the Authority on ways to improve the area physically and economically;

(2) Work with the Authority regarding potential means for providing increased economic opportunities to minorities and women produced indirectly or directly from the construction and operation of the Expansion Project;

(3) Work with the Authority to minimize any potential impact on the area surrounding the McCormick Place Expansion Project, including any impact on minority-owned ~~minority~~ or women-owned ~~female owned~~ businesses, resulting from the construction and operation of the Expansion Project;

(4) Work with the Authority to find candidates for building trades apprenticeships, for employment in the hospitality industry, and to identify job training programs;

(5) Work with the Authority to implement the provisions of subsections (a) through (e)

of this Section in the construction of the Expansion Project, including the Authority's goal of awarding not less than 25% and 5% of the annual dollar value of contracts to minority-owned ~~minority~~ and women-owned ~~female-owned~~ businesses, the outreach program for minorities and women, and the mentor/protege program for providing assistance to minority-owned ~~minority~~ and women-owned ~~female-owned~~ businesses.

(g) The Authority shall comply with subsection (e) of Section 5-42 of the Olympic Games and Paralympic Games (2016) Law. For purposes of this Section, the term "games" has the meaning set forth in the Olympic Games and Paralympic Games (2016) Law.

(Source: P.A. 96-7, eff. 4-3-09; 97-396, eff. 1-1-12.)

Section 105. The Illinois Sports Facilities Authority Act is amended by changing Section 9 as follows: (70 ILCS 3205/9) (from Ch. 85, par. 6009)

Sec. 9. Duties. In addition to the powers set forth elsewhere in this Act, subject to the terms of any agreements with the holders of the Authority's bonds or notes, the Authority shall:

(1) Comply with all zoning, building, and land use controls of the municipality within which is located any stadium facility owned by the Authority or for which the Authority provides financial assistance.

(2) With respect to a facility owned or to be owned by the Authority, enter or have entered into a management agreement with a tenant of the Authority to operate the facility that requires the tenant to operate the facility for a period at least as long as the term of any bonds issued to finance the development, establishment, construction, erection, acquisition, repair, reconstruction, remodeling, adding to, extension, improvement, equipping, operation, and maintenance of the facility. Such agreement shall contain appropriate and reasonable provisions with respect to termination, default and legal remedies.

(3) With respect to a facility owned or to be owned by a governmental owner other than the Authority, enter into an assistance agreement with either a governmental owner of a facility or its tenant, or both, that requires the tenant, or if the tenant is not a party to the assistance agreement requires the governmental owner to enter into an agreement with the tenant that requires the tenant to use the facility for a period at least as long as the term of any bonds issued to finance the reconstruction, renovation, remodeling, extension or improvement of all or substantially all of the facility.

(4) Create and maintain a separate financial reserve for repair and replacement of capital assets of any facility owned by the Authority or for which the Authority provides financial assistance and deposit into this reserve not less than $1,000,000 per year for each such facility beginning at such time as the Authority and the tenant, or the Authority and a governmental owner of a facility, as applicable, shall agree.

(5) In connection with prequalification of general contractors for the construction of a new stadium facility or the reconstruction, renovation, remodeling, extension, or improvement of all or substantially all of an existing facility, the Authority shall require submission of a commitment detailing how the general contractor will expend 25% or more of the dollar value of the general contract with one or more minority-owned businesses ~~minority business enterprises~~ and 5% or more of the dollar value with one or more women-owned businesses ~~female business enterprises~~. This commitment may be met by contractor's status as a minority-owned businesses ~~minority business enterprise~~ or women-owned businesses ~~female business enterprise~~, by a joint venture or by subcontracting a portion of the work with or by purchasing materials for the work from one or more such businesses ~~enterprises~~, or by any combination thereof. Any contract with the general contractor for construction of the new stadium facility and any contract for the reconstruction, renovation, remodeling, adding to, extension or improvement of all or substantially all of an existing facility shall require the general contractor to meet the foregoing obligations and shall require monthly reporting to the Authority with respect to the status of the implementation of the contractor's affirmative action plan and compliance with that plan. This report shall be filed with the General Assembly. The Authority shall establish and maintain an affirmative action program designed to promote equal employment opportunity which specifies the goals and methods for increasing participation by minorities and women in a representative mix of job classifications required to perform the respective contracts. The Authority shall file a report before March 1 of each year with the General Assembly detailing its implementation of this paragraph. The terms "minority-owned businesses", "women-owned businesses", and "business owned by a person with a disability" have the meanings given to those terms ~~The terms "minority business enterprise" and "female business enterprise" shall have the same meanings as "minority owned business" and "female owned business", respectively, as defined~~ in the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act.

(6) Provide for the construction of any new facility pursuant to one or more contracts which require delivery of a completed facility at a fixed maximum price to be insured or guaranteed by a third party determined by the Authority to be financially capable of causing completion of such construction of the new facility.

In connection with any assistance agreement with a governmental owner that provides financial assistance for a facility to be used by a National Football League team, the assistance agreement shall provide that the Authority or its agent shall enter into the contract or contracts for the design and construction services or design/build services for such facility and thereafter transfer its rights and obligations under the contract or contracts to the governmental owner of the facility. In seeking parties to provide design and construction services or design/build services with respect to such facility, the Authority may use such procurement procedures as it may determine, including, without limitation, the selection of design professionals and construction managers or design/builders as may be required by a team that is at risk, in whole or in part, for the cost of design and construction of the facility.

An assistance agreement may not provide, directly or indirectly, for the payment to the Chicago Park District of more than a total of $10,000,000 on account of the District's loss of property or revenue in connection with the renovation of a facility pursuant to the assistance agreement.
(Source: P.A. 91-935, eff. 6-1-01; 92-16, eff. 6-28-01.)

Section 110. The Downstate Illinois Sports Facilities Authority Act is amended by changing Section 40 as follows:

(70 ILCS 3210/40)

Sec. 40. Duties.

(a) In addition to the powers set forth elsewhere in this Act, subject to the terms of any agreements with the holders of the Authority's evidences of indebtedness, the Authority shall do the following:

(1) Comply with all zoning, building, and land use controls of the municipality within which is located any stadium facility owned by the Authority or for which the Authority provides financial assistance.

(2) Enter into a loan agreement with an owner of a facility to finance the acquisition, construction, maintenance, or rehabilitation of the facility. The agreement shall contain appropriate and reasonable provisions with respect to termination, default, and legal remedies. The loan may be at below-market interest rates.

(3) Create and maintain a financial reserve for repair and replacement of capital assets.

(b) In a loan agreement for the construction of a new facility, in connection with prequalification of general contractors for construction of the facility, the Authority shall require that the owner of the facility require submission of a commitment detailing how the general contractor will expend 25% or more of the dollar value of the general contract with one or more minority-owned businesses ~~minority business enterprises~~ and 5% or more of the dollar value with one or more women-owned businesses ~~female business enterprises~~. This commitment may be met by contractor's status as a minority-owned businesses ~~minority business enterprise~~ or women-owned businesses ~~female business enterprise~~, by a joint venture, or by subcontracting a portion of the work with or by purchasing materials for the work from one or more such businesses ~~enterprises~~, or by any combination thereof. Any contract with the general contractor for construction of the new facility shall require the general contractor to meet the foregoing obligations and shall require monthly reporting to the Authority with respect to the status of the implementation of the contractor's affirmative action plan and compliance with that plan. This report shall be filed with the General Assembly. The Authority shall require that the facility owner establish and maintain an affirmative action program designed to promote equal employment opportunity and that specifies the goals and methods for increasing participation by minorities and women in a representative mix of job classifications required to perform the respective contracts. The Authority shall file a report before March 1 of each year with the General Assembly detailing its implementation of this subsection. The terms " minority-owned businesses ~~minority business enterprise~~" and " women-owned businesses ~~female business enterprise~~" have the meanings provided in the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act.

(c) With respect to a facility owned or to be owned by the Authority, enter or have entered into a management agreement with a tenant of the Authority to operate the facility that requires the tenant to operate the facility for a period at least as long as the term of any bonds issued to finance the development, establishment, construction, erection, acquisition, repair, reconstruction, remodeling, adding to, extension, improvement, equipping, operation, and maintenance of the facility. Such agreement shall contain appropriate and reasonable provisions with respect to termination, default, and legal remedies.

(Source: P.A. 93-227, eff. 1-1-04.)

Section 115. The Metropolitan Transit Authority Act is amended by changing Section 12c as follows:
(70 ILCS 3605/12c)

Sec. 12c. Retiree Benefits Bonds and Notes.

(a) In addition to all other bonds or notes that it is authorized to issue, the Authority is authorized to issue its bonds or notes for the purposes of providing funds for the Authority to make the deposits described in Section 12c(b)(1) and (2), for refunding any bonds authorized to be issued under this Section, as well as for the purposes of paying costs of issuance, obtaining bond insurance or other credit enhancement or liquidity facilities, paying costs of obtaining related swaps as authorized in the Bond Authorization Act ("Swaps"), providing a debt service reserve fund, paying Debt Service (as defined in paragraph (i) of this Section 12c), and paying all other costs related to any such bonds or notes.

(b)(1) After its receipt of a certified copy of a report of the Auditor General of the State of Illinois meeting the requirements of Section 3-2.3 of the Illinois State Auditing Act, the Authority may issue $1,348,550,000 aggregate original principal amount of bonds and notes. After payment of the costs of issuance and necessary deposits to funds and accounts established with respect to debt service, the net proceeds of such bonds or notes shall be deposited only in the Retirement Plan for Chicago Transit Authority Employees and used only for the purposes required by Section 22-101 of the Illinois Pension Code. Provided that no less than $1,110,500,000 has been deposited in the Retirement Plan, remaining proceeds of bonds issued under this subparagraph (b)(1) may be used to pay costs of issuance and make necessary deposits to funds and accounts with respect to debt service for bonds and notes issued under this subparagraph or subparagraph (b)(2).

(2) After its receipt of a certified copy of a report of the Auditor General of the State of Illinois meeting the requirements of Section 3-2.3 of the Illinois State Auditing Act, the Authority may issue $639,680,000 aggregate original principal amount of bonds and notes. After payment of the costs of issuance and necessary deposits to funds and accounts established with respect to debt service, the net proceeds of such bonds or notes shall be deposited only in the Retiree Health Care Trust and used only for the purposes required by Section 22-101B of the Illinois Pension Code. Provided that no less than $528,800,000 has been deposited in the Retiree Health Care Trust, remaining proceeds of bonds issued under this subparagraph (b)(2) may be used to pay costs of issuance and make necessary deposits to funds and accounts with respect to debt service for bonds and notes issued under this subparagraph or subparagraph (b)(1).

(3) In addition, refunding bonds are authorized to be issued for the purpose of refunding outstanding bonds or notes issued under this Section 12c.

(4) The bonds or notes issued under 12c(b)(1) shall be issued as soon as practicable after the Auditor General issues the report provided in Section 3-2.3(b) of the Illinois State Auditing Act. The bonds or notes issued under 12c(b)(2) shall be issued as soon as practicable after the Auditor General issues the report provided in Section 3-2.3(c) of the Illinois State Auditing Act.

(5) With respect to bonds and notes issued under subparagraph (b), scheduled aggregate annual payments of interest or deposits into funds and accounts established for the purpose of such payment shall commence within one year after the bonds and notes are issued. With respect to principal and interest, scheduled aggregate annual payments of principal and interest or deposits into funds and accounts established for the purpose of such payment shall be not less than 70% in 2009, 80% in 2010, and 90% in 2011, respectively, of scheduled payments or deposits of principal and interest in 2012 and shall be substantially equal beginning in 2012 and each year thereafter. For purposes of this subparagraph (b), "substantially equal" means that debt service in any full year after calendar year 2011 is not more than 115% of debt service in any other full year after calendar year 2011 during the term of the bonds or notes. For the purposes of this subsection (b), with respect to bonds and notes that bear interest at a variable rate, interest shall be assumed at a rate equal to the rate for United States Treasury Securities - State and Local Government Series for the same maturity, plus 75 basis points. If the Authority enters into a Swap with a counterparty requiring the Authority to pay a fixed interest rate on a notional amount, and the Authority has made a determination that such Swap was entered into for the purpose of providing substitute interest payments for variable interest rate bonds or notes of a particular maturity or maturities in a principal amount equal to the notional amount of the Swap, then during the term of the Swap for purposes of any calculation of interest payable on such bonds or notes, the interest rate on the bonds or notes of such maturity or maturities shall be determined as if such bonds or notes bore interest at the fixed interest rate payable by the Authority under such Swap.

(6) No bond or note issued under this Section 12c shall mature later than December 31, 2040.

(c) The Chicago Transit Board shall provide for the issuance of bonds or notes as authorized in this Section 12c by the adoption of an ordinance. The ordinance, together with the bonds or notes, shall constitute a contract among the Authority, the owners from time to time of the bonds or notes, any bond trustee with respect to the bonds or notes, any related credit enhancer and any provider of any related Swaps.

(d) The Authority is authorized to cause the proceeds of the bonds or notes, and any interest or investment earnings on the bonds or notes, and of any Swaps, to be invested until the proceeds and any interest or investment earnings have been deposited with the Retirement Plan or the Retiree Health Care Trust.

(e) Bonds or notes issued pursuant to this Section 12c may be general obligations of the Authority, to which shall be pledged the full faith and credit of the Authority, or may be obligations payable solely from particular sources of funds all as may be provided in the authorizing ordinance. The authorizing ordinance for the bonds and notes, whether or not general obligations of the Authority, may provide for the Debt Service (as defined in paragraph (i) of this Section 12c) to have a claim for payment from particular sources of funds, including, without limitation, amounts to be paid to the Authority or a bond trustee. The authorizing ordinance may provide for the means by which the bonds or notes (and any related Swaps) may be secured, which may include, a pledge of any revenues or funds of the Authority from whatever source which may by law be utilized for paying Debt Service. In addition to any other security, upon the written approval of the Regional Transportation Authority by the affirmative vote of 12 of its then Directors, the ordinance may provide a specific pledge or assignment of and lien on or security interest in amounts to be paid to the Authority by the Regional Transportation Authority and direct payment thereof to the bond trustee for payment of Debt Service with respect to the bonds or notes, subject to the provisions of existing lease agreements of the Authority with any public building commission. The authorizing ordinance may also provide a specific pledge or assignment of and lien on or security interest in and direct payment to the trustee of all or a portion of the moneys otherwise payable to the Authority from the City of Chicago pursuant to an intergovernmental agreement with the Authority to provide financial assistance to the Authority. Any such pledge, assignment, lien or security interest for the benefit of owners of bonds or notes shall be valid and binding from the time the bonds or notes are issued, without any physical delivery or further act, and shall be valid and binding as against and prior to the claims of all other parties having claims of any kind against the Authority or any other person, irrespective of whether such other parties have notice of such pledge, assignment, lien or security interest, all as provided in the Local Government Debt Reform Act, as it may be amended from time to time. The bonds or notes of the Authority issued pursuant to this Section 12c shall have such priority of payment and as to their claim for payment from particular sources of funds, including their priority with respect to obligations of the Authority issued under other Sections of this Act, all as shall be provided in the ordinances authorizing the issuance of the bonds or notes. The ordinance authorizing the issuance of any bonds or notes under this Section may provide for the creation of, deposits in, and regulation and disposition of sinking fund or reserve accounts relating to those bonds or notes and related agreements. The ordinance authorizing the issuance of any such bonds or notes authorized under this Section 12c may contain provisions for the creation of a separate fund to provide for the payment of principal of and interest on those bonds or notes and related agreements. The ordinance may also provide limitations on the issuance of additional bonds or notes of the Authority.

(f) Bonds or notes issued under this Section 12c shall not constitute an indebtedness of the Regional Transportation Authority, the State of Illinois, or of any other political subdivision of or municipality within the State, except the Authority.

(g) The ordinance of the Chicago Transit Board authorizing the issuance of bonds or notes pursuant to this Section 12c may provide for the appointment of a corporate trustee (which may be any trust company or bank having the powers of a trust company within Illinois) with respect to bonds or notes issued pursuant to this Section 12c. The ordinance shall prescribe the rights, duties, and powers of the trustee to be exercised for the benefit of the Authority and the protection of the owners of bonds or notes issued pursuant to this Section 12c. The ordinance may provide for the trustee to hold in trust, invest and use amounts in funds and accounts created as provided by the ordinance with respect to the bonds or notes in accordance with this Section 12c. The Authority may apply, as it shall determine, any amounts received upon the sale of the bonds or notes to pay any Debt Service on the bonds or notes. The ordinance may provide for a trust indenture to set forth terms of, sources of payment for and security for the bonds and notes.

(h) The State of Illinois pledges to and agrees with the owners of the bonds or notes issued pursuant to Section 12c that the State of Illinois will not limit the powers vested in the Authority by this Act to pledge and assign its revenues and funds as security for the payment of the bonds or notes, or vested in the Regional Transportation Authority by the Regional Transportation Authority Act or this Act, so as to

materially impair the payment obligations of the Authority under the terms of any contract made by the Authority with those owners or to materially impair the rights and remedies of those owners until those bonds or notes, together with interest and any redemption premium, and all costs and expenses in connection with any action or proceedings by or on behalf of such owners are fully met and discharged. The Authority is authorized to include these pledges and agreements of the State of Illinois in any contract with owners of bonds or notes issued pursuant to this Section 12c.

(i) For purposes of this Section, "Debt Service" with respect to bonds or notes includes, without limitation, principal (at maturity or upon mandatory redemption), redemption premium, interest, periodic, upfront, and termination payments on Swaps, fees for bond insurance or other credit enhancement, liquidity facilities, the funding of bond or note reserves, bond trustee fees, and all other costs of providing for the security or payment of the bonds or notes.

(j) The Authority shall adopt a procurement program with respect to contracts relating to the following service providers in connection with the issuance of debt for the benefit of the Retirement Plan for Chicago Transit Authority Employees: underwriters, bond counsel, financial advisors, and accountants. The program shall include goals for the payment of not less than 30% of the total dollar value of the fees from these contracts to minority-owned ~~minority owned~~ businesses and women-owned ~~female owned~~ businesses as defined in the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act. The Authority shall conduct outreach to minority-owned ~~minority owned~~ businesses and women-owned ~~female owned~~ businesses. Outreach shall include, but is not limited to, advertisements in periodicals and newspapers, mailings, and other appropriate media. The Authority shall submit to the General Assembly a comprehensive report that shall include, at a minimum, the details of the procurement plan, outreach efforts, and the results of the efforts to achieve goals for the payment of fees. The service providers selected by the Authority pursuant to such program shall not be subject to approval by the Regional Transportation Authority, and the Regional Transportation Authority's approval pursuant to subsection (e) of this Section 12c related to the issuance of debt shall not be based in any way on the service providers selected by the Authority pursuant to this Section.

(k) No person holding an elective office in this State, holding a seat in the General Assembly, serving as a director, trustee, officer, or employee of the Regional Transportation Authority or the Chicago Transit Authority, including the spouse or minor child of that person, may receive a legal, banking, consulting, or other fee related to the issuance of any bond issued by the Chicago Transit Authority pursuant to this Section.

(Source: P.A. 95-708, eff. 1-18-08.)

Section 120. The School Code is amended by changing Section 10-20.44 as follows:

(105 ILCS 5/10-20.44)

Sec. 10-20.44. Report on contracts.

(a) This Section applies to all school districts, including a school district organized under Article 34 of this Code.

(b) A school board must list on the district's Internet website, if any, all contracts over $25,000 and any contract that the school board enters into with an exclusive bargaining representative.

(c) Each year, in conjunction with the submission of the Statement of Affairs to the State Board of Education prior to December 1, provided for in Section 10-17, each school district shall submit to the State Board of Education an annual report on all contracts over $25,000 awarded by the school district during the previous fiscal year. The report shall include at least the following:

(1) the total number of all contracts awarded by the school district;

(2) the total value of all contracts awarded;

(3) the number of contracts awarded to minority-owned ~~minority owned~~ businesses, women-owned ~~female owned~~ businesses, and businesses owned by persons with disabilities, as defined in the Business Enterprise for Minorities, Women, ~~Females~~ and Persons with Disabilities Act, and locally owned businesses; and

(4) the total value of contracts awarded to minority-owned ~~minority owned~~ businesses, women-owned ~~female owned~~ businesses, and businesses owned by persons with disabilities, as defined in the Business Enterprise for Minorities, Women, ~~Females~~ and Persons with Disabilities Act, and locally owned businesses.

The report shall be made available to the public, including publication on the school district's Internet website, if any.

(Source: P.A. 95-707, eff. 1-11-08; 96-328, eff. 8-11-09.)

Section 125. The Public University Energy Conservation Act is amended by changing Sections 3 and 5-10 as follows:

(110 ILCS 62/3)

Sec. 3. Applicable laws. Other State laws and related administrative requirements apply to this Act, including, but not limited to, the following laws and related administrative requirements: the Illinois Human Rights Act, the Prevailing Wage Act, the Public Construction Bond Act, the Public Works Preference Act (repealed on June 16, 2010 by Public Act 96-929), the Employment of Illinois Workers on Public Works Act, the Freedom of Information Act, the Open Meetings Act, the Illinois Architecture Practice Act of 1989, the Professional Engineering Practice Act of 1989, the Structural Engineering Practice Act of 1989, the Architectural, Engineering, and Land Surveying Qualifications Based Selection Act, the Public Contract Fraud Act, the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act, and the Public Works Employment Discrimination Act.

(Source: P.A. 97-333, eff. 8-12-11.)

(110 ILCS 62/5-10)

Sec. 5-10. Energy conservation measure.

(a) "Energy conservation measure" means any improvement, repair, alteration, or betterment of any building or facility, subject to all applicable building codes, owned or operated by a public university or any equipment, fixture, or furnishing to be added to or used in any such building or facility that is designed to reduce energy consumption or operating costs, and may include, without limitation, one or more of the following:

(1) Insulation of the building structure or systems within the building.

(2) Storm windows or doors, caulking or weatherstripping, multiglazed windows or doors, heat absorbing or heat reflective glazed and coated window or door systems, additional glazing, reductions in glass area, or other window and door system modifications that reduce energy consumption.

(3) Automated or computerized energy control systems.

(4) Heating, ventilating, or air conditioning system modifications or replacements.

(5) Replacement or modification of lighting fixtures to increase the energy efficiency of the lighting system without increasing the overall illumination of a facility, unless an increase in illumination is necessary to conform to the applicable State or local building code for the lighting system after the proposed modifications are made.

(6) Energy recovery systems.

(7) Energy conservation measures that provide long-term operating cost reductions.

(b) From the effective date of this amendatory Act of the 96th General Assembly until January 1, 2015, "energy conservation measure" includes a renewable energy center pilot project at Eastern Illinois University, provided that:

(1) the University signs a partnership contract with a qualified energy conservation measure provider as provided in this Act;

(2) the University has responsibility for the qualified provider's actions with regard to applicable laws;

(3) the University obtains a performance bond in accordance with this Act;

(4) the University and the qualified provider follow all aspects of the Prevailing Wage Act as provided by this Act;

(5) the University and the qualified provider use an approved list of firms from the Capital Development Board (CDB), unless the University requires services that are not typically performed by the firms on CDB's list;

(6) the University provides monthly progress reports to the Procurement Policy Board, and the University allows a representative from CDB to monitor the project, provided that such involvement is at no cost to the University;

(7) the University requires the qualified provider to follow the provisions of the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act and the Public Works Employment Discrimination Act as provided in this Act;

(8) the University agrees to award new building construction work to a responsible bidder, as defined in Section 30-22 of the Illinois Procurement Code;

(9) the University includes in its contract with the qualified provider a requirement that the qualified provider name the sub-contractors that it will use, and the qualified provider may not change these without the University's written approval;

(10) the University follows, to the extent possible, the Design-Build Procurement Act

for construction of the project, taking into consideration the current status of the project; for purposes of this Act, the definition of "State construction agency" in the Design-Build Procurement Act means Eastern Illinois University for the purpose of this project;

(11) the University follows, to the extent possible, the Architectural, Engineering, and Land Surveying Qualifications Based Selection Act;

(12) the University requires all engineering, architecture, and design work related to the installation or modification of facilities be performed by design professionals licensed by the State of Illinois and professional design firms registered in the State of Illinois; and

(13) the University produces annual reports and a final report describing the project upon completion and files the reports with the Procurement Policy Board, CDB, and the General Assembly.

The provisions of this subsection (b), other than this sentence, are inoperative after January 1, 2015.
(Source: P.A. 96-16, eff. 6-22-09.)

(110 ILCS 320/1.1 rep.)

Section 130. The University of Illinois at Chicago Act is amended by repealing Section 1.1.

Section 135. The Illinois State University Law is amended by changing Section 20-115 as follows:

(110 ILCS 675/20-115)

Sec. 20-115. Illinois Institute for Entrepreneurship Education.

(a) There is created, effective July 1, 1997, within the State at Illinois State University, the Illinois Institute for Entrepreneurship Education, hereinafter referred to as the Institute.

(b) The Institute created under this Section shall commence its operations on July 1, 1997 and shall have a board composed of 15 members representative of education, commerce and industry, government, or labor, appointed as follows: 2 members shall be appointees of the Governor, one of whom shall be a minority or woman ~~female~~ person as defined in Section 2 of the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act; one member shall be an appointee of the President of the Senate; one member shall be an appointee of the Minority Leader of the Senate; one member shall be an appointee of the Speaker of the House of Representatives; one member shall be an appointee of the Minority Leader of the House of Representatives; 2 members shall be appointees of Illinois State University; one member shall be an appointee of the Board of Higher Education; one member shall be an appointee of the State Board of Education; one member shall be an appointee of the Department of Commerce and Economic Opportunity; one member shall be an appointee of the Illinois chapter of Economics America; and 3 members shall be appointed by majority vote of the other 12 appointed members to represent business owner-entrepreneurs. Each member shall have expertise and experience in the area of entrepreneurship education, including small business and entrepreneurship. The majority of voting members must be from the private sector. The members initially appointed to the board of the Institute created under this Section shall be appointed to take office on July 1, 1997 and shall by lot determine the length of their respective terms as follows: 5 members shall be selected by lot to serve terms of one year, 5 members shall be selected by lot to serve terms of 2 years, and 5 members shall be selected by lot to serve terms of 3 years. Subsequent appointees shall each serve terms of 3 years. The board shall annually select a chairperson from among its members. Each board member shall serve without compensation but shall be reimbursed for expenses incurred in the performance of his or her duties.

(c) The purpose of the Institute shall be to foster the growth and development of entrepreneurship education in the State of Illinois. The Institute shall help remedy the deficiencies in the preparation of entrepreneurship education teachers, increase the quality and quantity of entrepreneurship education programs, improve instructional materials, and prepare personnel to serve as leaders and consultants in the field of entrepreneurship education and economic development. The Institute shall promote entrepreneurship as a career option, promote and support the development of innovative entrepreneurship education materials and delivery systems, promote business, industry, and education partnerships, promote collaboration and involvement in entrepreneurship education programs, encourage and support in-service and preservice teacher education programs within various educational systems, and develop and distribute relevant materials. The Institute shall provide a framework under which the public and private sectors may work together toward entrepreneurship education goals. These goals shall be achieved by bringing together programs that have an impact on entrepreneurship education to achieve coordination among agencies and greater efficiency in the expenditure of funds.

(d) Beginning July 1, 1997, the Institute shall have the following powers subject to State and Illinois State University Board of Trustees regulations and guidelines:

(1) To employ and determine the compensation of an executive director and such staff as it deems necessary;

(2) To own property and expend and receive funds and generate funds;

(3) To enter into agreements with public and private entities in the furtherance of its purpose; and

(4) To request and receive the cooperation and assistance of all State departments and agencies in the furtherance of its purpose.

(e) The board of the Institute shall be a policy making body with the responsibility for planning and developing Institute programs. The Institute, through the Board of Trustees of Illinois State University, shall annually report to the Governor and General Assembly by January 31 as to its activities and operations, including its findings and recommendations.

(f) Beginning on July 1, 1997, the Institute created under this Section shall be deemed designated by law as the successor to the Illinois Institute for Entrepreneurship Education, previously created and existing under Section 2-11.5 of the Public Community College Act until its abolition on July 1, 1997 as provided in that Section. On July 1, 1997, all financial and other records of the Institute so abolished and all of its property, whether real or personal, including but not limited to all inventory and equipment, shall be deemed transferred by operation of law to the Illinois Institute for Entrepreneurship Education created under this Section 20-115. The Illinois Institute for Entrepreneurship Education created under this Section 20-115 shall have, with respect to the predecessor Institute so abolished, all authority, powers, and duties of a successor agency under Section 10-15 of the Successor Agency Act.

(Source: P.A. 94-793, eff. 5-19-06.)

Section 140. The Public Utilities Act is amended by changing Section 9-220 as follows:

(220 ILCS 5/9-220) (from Ch. 111 2/3, par. 9-220)

Sec. 9-220. Rate changes based on changes in fuel costs.

(a) Notwithstanding the provisions of Section 9-201, the Commission may authorize the increase or decrease of rates and charges based upon changes in the cost of fuel used in the generation or production of electric power, changes in the cost of purchased power, or changes in the cost of purchased gas through the application of fuel adjustment clauses or purchased gas adjustment clauses. The Commission may also authorize the increase or decrease of rates and charges based upon expenditures or revenues resulting from the purchase or sale of emission allowances created under the federal Clean Air Act Amendments of 1990, through such fuel adjustment clauses, as a cost of fuel. For the purposes of this paragraph, cost of fuel used in the generation or production of electric power shall include the amount of any fees paid by the utility for the implementation and operation of a process for the desulfurization of the flue gas when burning high sulfur coal at any location within the State of Illinois irrespective of the attainment status designation of such location; but shall not include transportation costs of coal (i) except to the extent that for contracts entered into on and after the effective date of this amendatory Act of 1997, the cost of the coal, including transportation costs, constitutes the lowest cost for adequate and reliable fuel supply reasonably available to the public utility in comparison to the cost, including transportation costs, of other adequate and reliable sources of fuel supply reasonably available to the public utility, or (ii) except as otherwise provided in the next 3 sentences of this paragraph. Such costs of fuel shall, when requested by a utility or at the conclusion of the utility's next general electric rate proceeding, whichever shall first occur, include transportation costs of coal purchased under existing coal purchase contracts. For purposes of this paragraph "existing coal purchase contracts" means contracts for the purchase of coal in effect on the effective date of this amendatory Act of 1991, as such contracts may thereafter be amended, but only to the extent that any such amendment does not increase the aggregate quantity of coal to be purchased under such contract. Nothing herein shall authorize an electric utility to recover through its fuel adjustment clause any amounts of transportation costs of coal that were included in the revenue requirement used to set base rates in its most recent general rate proceeding. Cost shall be based upon uniformly applied accounting principles. Annually, the Commission shall initiate public hearings to determine whether the clauses reflect actual costs of fuel, gas, power, or coal transportation purchased to determine whether such purchases were prudent, and to reconcile any amounts collected with the actual costs of fuel, power, gas, or coal transportation prudently purchased. In each such proceeding, the burden of proof shall be upon the utility to establish the prudence of its cost of fuel, power, gas, or coal transportation purchases and costs. The Commission shall issue its final order in each such annual proceeding for an electric utility by December 31 of the year immediately following the year to which the proceeding pertains, provided, that the Commission shall issue its final order with respect to such annual proceeding for the years 1996 and earlier by December 31, 1998.

(b) A public utility providing electric service, other than a public utility described in subsections (e) or (f) of this Section, may at any time during the mandatory transition period file with the Commission proposed tariff sheets that eliminate the public utility's fuel adjustment clause and adjust the public utility's

base rate tariffs by the amount necessary for the base fuel component of the base rates to recover the public utility's average fuel and power supply costs per kilowatt-hour for the 2 most recent years for which the Commission has issued final orders in annual proceedings pursuant to subsection (a), where the average fuel and power supply costs per kilowatt-hour shall be calculated as the sum of the public utility's prudent and allowable fuel and power supply costs as found by the Commission in the 2 proceedings divided by the public utility's actual jurisdictional kilowatt-hour sales for those 2 years. Notwithstanding any contrary or inconsistent provisions in Section 9-201 of this Act, in subsection (a) of this Section or in any rules or regulations promulgated by the Commission pursuant to subsection (g) of this Section, the Commission shall review and shall by order approve, or approve as modified, the proposed tariff sheets within 60 days after the date of the public utility's filing. The Commission may modify the public utility's proposed tariff sheets only to the extent the Commission finds necessary to achieve conformance to the requirements of this subsection (b). During the 5 years following the date of the Commission's order, but in any event no earlier than January 1, 2007, a public utility whose fuel adjustment clause has been eliminated pursuant to this subsection shall not file proposed tariff sheets seeking, or otherwise petition the Commission for, reinstatement of a fuel adjustment clause.

(c) Notwithstanding any contrary or inconsistent provisions in Section 9-201 of this Act, in subsection (a) of this Section or in any rules or regulations promulgated by the Commission pursuant to subsection (g) of this Section, a public utility providing electric service, other than a public utility described in subsection (e) or (f) of this Section, may at any time during the mandatory transition period file with the Commission proposed tariff sheets that establish the rate per kilowatt-hour to be applied pursuant to the public utility's fuel adjustment clause at the average value for such rate during the preceding 24 months, provided that such average rate results in a credit to customers' bills, without making any revisions to the public utility's base rate tariffs. The proposed tariff sheets shall establish the fuel adjustment rate for a specific time period of at least 3 years but not more than 5 years, provided that the terms and conditions for any reinstatement earlier than 5 years shall be set forth in the proposed tariff sheets and subject to modification or approval by the Commission. The Commission shall review and shall by order approve the proposed tariff sheets if it finds that the requirements of this subsection are met. The Commission shall not conduct the annual hearings specified in the last 3 sentences of subsection (a) of this Section for the utility for the period that the factor established pursuant to this subsection is in effect.

(d) A public utility providing electric service, or a public utility providing gas service may file with the Commission proposed tariff sheets that eliminate the public utility's fuel or purchased gas adjustment clause and adjust the public utility's base rate tariffs to provide for recovery of power supply costs or gas supply costs that would have been recovered through such clause; provided, that the provisions of this subsection (d) shall not be available to a public utility described in subsections (e) or (f) of this Section to eliminate its fuel adjustment clause. Notwithstanding any contrary or inconsistent provisions in Section 9-201 of this Act, in subsection (a) of this Section, or in any rules or regulations promulgated by the Commission pursuant to subsection (g) of this Section, the Commission shall review and shall by order approve, or approve as modified in the Commission's order, the proposed tariff sheets within 240 days after the date of the public utility's filing. The Commission's order shall approve rates and charges that the Commission, based on information in the public utility's filing or on the record if a hearing is held by the Commission, finds will recover the reasonable, prudent and necessary jurisdictional power supply costs or gas supply costs incurred or to be incurred by the public utility during a 12 month period found by the Commission to be appropriate for these purposes, provided, that such period shall be either (i) a 12 month historical period occurring during the 15 months ending on the date of the public utility's filing, or (ii) a 12 month future period ending no later than 15 months following the date of the public utility's filing. The public utility shall include with its tariff filing information showing both (1) its actual jurisdictional power supply costs or gas supply costs for a 12 month historical period conforming to (i) above and (2) its projected jurisdictional power supply costs or gas supply costs for a future 12 month period conforming to (ii) above. If the Commission's order requires modifications in the tariff sheets filed by the public utility, the public utility shall have 7 days following the date of the order to notify the Commission whether the public utility will implement the modified tariffs or elect to continue its fuel or purchased gas adjustment clause in force as though no order had been entered. The Commission's order shall provide for any reconciliation of power supply costs or gas supply costs, as the case may be, and associated revenues through the date that the public utility's fuel or purchased gas adjustment clause is eliminated. During the 5 years following the date of the Commission's order, a public utility whose fuel or purchased gas adjustment clause has been eliminated pursuant to this subsection shall not file proposed tariff sheets seeking, or otherwise petition the Commission for, reinstatement or adoption of a fuel or purchased gas adjustment clause. Nothing in this subsection (d) shall be construed as limiting the Commission's authority

to eliminate a public utility's fuel adjustment clause or purchased gas adjustment clause in accordance with any other applicable provisions of this Act.

(e) Notwithstanding any contrary or inconsistent provisions in Section 9-201 of this Act, in subsection (a) of this Section, or in any rules promulgated by the Commission pursuant to subsection (g) of this Section, a public utility providing electric service to more than 1,000,000 customers in this State may, within the first 6 months after the effective date of this amendatory Act of 1997, file with the Commission proposed tariff sheets that eliminate, effective January 1, 1997, the public utility's fuel adjustment clause without adjusting its base rates, and such tariff sheets shall be effective upon filing. To the extent the application of the fuel adjustment clause had resulted in net charges to customers after January 1, 1997, the utility shall also file a tariff sheet that provides for a refund stated on a per kilowatt-hour basis of such charges over a period not to exceed 6 months; provided however, that such refund shall not include the proportional amounts of taxes paid under the Use Tax Act, Service Use Tax Act, Service Occupation Tax Act, and Retailers' Occupation Tax Act on fuel used in generation. The Commission shall issue an order within 45 days after the date of the public utility's filing approving or approving as modified such tariff sheet. If the fuel adjustment clause is eliminated pursuant to this subsection, the Commission shall not conduct the annual hearings specified in the last 3 sentences of subsection (a) of this Section for the utility for any period after December 31, 1996 and prior to any reinstatement of such clause. A public utility whose fuel adjustment clause has been eliminated pursuant to this subsection shall not file a proposed tariff sheet seeking, or otherwise petition the Commission for, reinstatement of the fuel adjustment clause prior to January 1, 2007.

(f) Notwithstanding any contrary or inconsistent provisions in Section 9-201 of this Act, in subsection (a) of this Section, or in any rules or regulations promulgated by the Commission pursuant to subsection (g) of this Section, a public utility providing electric service to more than 500,000 customers but fewer than 1,000,000 customers in this State may, within the first 6 months after the effective date of this amendatory Act of 1997, file with the Commission proposed tariff sheets that eliminate, effective January 1, 1997, the public utility's fuel adjustment clause and adjust its base rates by the amount necessary for the base fuel component of the base rates to recover 91% of the public utility's average fuel and power supply costs for the 2 most recent years for which the Commission, as of January 1, 1997, has issued final orders in annual proceedings pursuant to subsection (a), where the average fuel and power supply costs per kilowatt-hour shall be calculated as the sum of the public utility's prudent and allowable fuel and power supply costs as found by the Commission in the 2 proceedings divided by the public utility's actual jurisdictional kilowatt-hour sales for those 2 years, provided, that such tariff sheets shall be effective upon filing. To the extent the application of the fuel adjustment clause had resulted in net charges to customers after January 1, 1997, the utility shall also file a tariff sheet that provides for a refund stated on a per kilowatt-hour basis of such charges over a period not to exceed 6 months. Provided however, that such refund shall not include the proportional amounts of taxes paid under the Use Tax Act, Service Use Tax Act, Service Occupation Tax Act, and Retailers' Occupation Tax Act on fuel used in generation. The Commission shall issue an order within 45 days after the date of the public utility's filing approving or approving as modified such tariff sheet. If the fuel adjustment clause is eliminated pursuant to this subsection, the Commission shall not conduct the annual hearings specified in the last 3 sentences of subsection (a) of this Section for the utility for any period after December 31, 1996 and prior to any reinstatement of such clause. A public utility whose fuel adjustment clause has been eliminated pursuant to this subsection shall not file a proposed tariff sheet seeking, or otherwise petition the Commission for, reinstatement of the fuel adjustment clause prior to January 1, 2007.

(g) The Commission shall have authority to promulgate rules and regulations to carry out the provisions of this Section.

(h) Any Illinois gas utility may enter into a contract on or before September 30, 2011 for up to 10 years of supply with any company for the purchase of substitute natural gas (SNG) produced from coal through the gasification process if the company has commenced construction of a clean coal SNG facility by July 1, 2012 and commencement of construction shall mean that material physical site work has occurred, such as site clearing and excavation, water runoff prevention, water retention reservoir preparation, or foundation development. The contract shall contain the following provisions: (i) at least 90% of feedstock to be used in the gasification process shall be coal with a high volatile bituminous rank and greater than 1.7 pounds of sulfur per million Btu content; (ii) at the time the contract term commences, the price per million Btu may not exceed $7.95 in 2008 dollars, adjusted annually based on the change in the Annual Consumer Price Index for All Urban Consumers for the Midwest Region as published in April by the United States Department of Labor, Bureau of Labor Statistics (or a suitable Consumer Price Index calculation if this Consumer Price Index is not available) for the previous calendar year; provided that the price per million Btu shall not exceed $9.95 at any time during the contract; (iii) the utility's supply contract

for the purchase of SNG does not exceed 15% of the annual system supply requirements of the utility as of 2008; and (iv) the contract costs pursuant to subsection (h-10) of this Section shall not include any lobbying expenses, charitable contributions, advertising, organizational memberships, carbon dioxide pipeline or sequestration expenses, or marketing expenses.

Any gas utility that is providing service to more than 150,000 customers on August 2, 2011 (the effective date of Public Act 97-239) shall either elect to enter into a contract on or before September 30, 2011 for 10 years of SNG supply with the owner of a clean coal SNG facility or to file biennial rate proceedings before the Commission in the years 2012, 2014, and 2016, with such filings made after August 2, 2011 and no later than September 30 of the years 2012, 2014, and 2016 consistent with all requirements of 83 Ill. Adm. Code 255 and 285 as though the gas utility were filing for an increase in its rates, without regard to whether such filing would produce an increase, a decrease, or no change in the gas utility's rates, and the Commission shall review the gas utility's filing and shall issue its order in accordance with the provisions of Section 9-201 of this Act.

Within 7 days after August 2, 2011, the owner of the clean coal SNG facility shall submit to the Illinois Power Agency and each gas utility that is providing service to more than 150,000 customers on August 2, 2011 a copy of a draft contract. Within 30 days after the receipt of the draft contract, each such gas utility shall provide the Illinois Power Agency and the owner of the clean coal SNG facility with its comments and recommended revisions to the draft contract. Within 7 days after the receipt of the gas utility's comments and recommended revisions, the owner of the facility shall submit its responsive comments and a further revised draft of the contract to the Illinois Power Agency. The Illinois Power Agency shall review the draft contract and comments.

During its review of the draft contract, the Illinois Power Agency shall:

(1) review and confirm in writing that the terms stated in this subsection (h) are incorporated in the SNG contract;

(2) review the SNG pricing formula included in the contract and approve that formula if the Illinois Power Agency determines that the formula, at the time the contract term commences: (A) starts with a price of $6.50 per MMBtu adjusted by the adjusted final capitalized plant cost; (B) takes into account budgeted miscellaneous net revenue after cost allowance, including sale of SNG produced by the clean coal SNG facility above the nameplate capacity of the facility and other by-products produced by the facility, as approved by the Illinois Power Agency; (C) does not include carbon dioxide transportation or sequestration expenses; and (D) includes all provisions required under this subsection (h); if the Illinois Power Agency does not approve of the SNG pricing formula, then the Illinois Power Agency shall modify the formula to ensure that it meets the requirements of this subsection (h);

(3) review and approve the amount of budgeted miscellaneous net revenue after cost allowance, including sale of SNG produced by the clean coal SNG facility above the nameplate capacity of the facility and other by-products produced by the facility, to be included in the pricing formula; the Illinois Power Agency shall approve the amount of budgeted miscellaneous net revenue to be included in the pricing formula if it determines the budgeted amount to be reasonable and accurate;

(4) review and confirm in writing that using the EIA Annual Energy Outlook-2011 Henry Hub Spot Price, the contract terms set out in subsection (h), the reconciliation account terms as set out in subsection (h-15), and an estimated inflation rate of 2.5% for each corresponding year, that there will be no cumulative estimated increase for residential customers; and

(5) allocate the nameplate capacity of the clean coal SNG by total therms sold to ultimate customers by each gas utility in 2008; provided, however, no utility shall be required to purchase more than 42% of the projected annual output of the facility; additionally, the Illinois Power Agency shall further adjust the allocation only as required to take into account (A) adverse consolidation, derivative, or lease impacts to the balance sheet or income statement of any gas utility or (B) the physical capacity of the gas utility to accept SNG.

If the parties to the contract do not agree on the terms therein, then the Illinois Power Agency shall retain an independent mediator to mediate the dispute between the parties. If the parties are in agreement on the terms of the contract, then the Illinois Power Agency shall approve the contract. If after mediation the parties have failed to come to agreement, then the Illinois Power Agency shall revise the draft contract as necessary to confirm that the contract contains only terms that are reasonable and equitable. The Illinois Power Agency may, in its discretion, retain an independent, qualified, and experienced expert to assist in its obligations under this subsection (h). The Illinois Power Agency shall adopt and make public policies detailing the processes for retaining a mediator and an expert under this subsection (h). Any mediator or expert retained under this subsection (h) shall be retained no later than 60 days after August 2, 2011.

The Illinois Power Agency shall complete all of its responsibilities under this subsection (h) within 60 days after August 2, 2011. The clean coal SNG facility shall pay a reasonable fee as required by the Illinois

Power Agency for its services under this subsection (h) and shall pay the mediator's and expert's reasonable fees, if any. A gas utility and its customers shall have no obligation to reimburse the clean coal SNG facility or the Illinois Power Agency of any such costs.

Within 30 days after commercial production of SNG has begun, the Commission shall initiate a review to determine whether the final capitalized plant cost of the clean coal SNG facility reflects actual incurred costs and whether the incurred costs were reasonable. In determining the actual incurred costs included in the final capitalized plant cost and the reasonableness of those costs, the Commission may in its discretion retain independent, qualified, and experienced experts to assist in its determination. The expert shall not own or control any direct or indirect interest in the clean coal SNG facility and shall have no contractual relationship with the clean coal SNG facility. If an expert is retained by the Commission, then the clean coal SNG facility shall pay the expert's reasonable fees. The fees shall not be passed on to a utility or its customers. The Commission shall adopt and make public a policy detailing the process for retaining experts under this subsection (h).

Within 30 days after completion of its review, the Commission shall initiate a formal proceeding on the final capitalized plant cost of the clean coal SNG facility at which comments and testimony may be submitted by any interested parties and the public. If the Commission finds that the final capitalized plant cost includes costs that were not actually incurred or costs that were unreasonably incurred, then the Commission shall disallow the amount of non-incurred or unreasonable costs from the SNG price under contracts entered into under this subsection (h). If the Commission disallows any costs, then the Commission shall adjust the SNG price using the price formula in the contract approved by the Illinois Power Agency under this subsection (h) to reflect the disallowed costs and shall enter an order specifying the revised price. In addition, the Commission's order shall direct the clean coal SNG facility to issue refunds of such sums as shall represent the difference between actual gross revenues and the gross revenue that would have been obtained based upon the same volume, from the price revised by the Commission. Any refund shall include interest calculated at a rate determined by the Commission and shall be returned according to procedures prescribed by the Commission.

Nothing in this subsection (h) shall preclude any party affected by a decision of the Commission under this subsection (h) from seeking judicial review of the Commission's decision.

(h-1) Any Illinois gas utility may enter into a sourcing agreement for up to 30 years of supply with the clean coal SNG brownfield facility if the clean coal SNG brownfield facility has commenced construction. Any gas utility that is providing service to more than 150,000 customers on July 13, 2011 (the effective date of Public Act 97-096) shall either elect to file biennial rate proceedings before the Commission in the years 2012, 2014, and 2016 or enter into a sourcing agreement or sourcing agreements with a clean coal SNG brownfield facility with an initial term of 30 years for either (i) a percentage of 43,500,000,000 cubic feet per year, such that the utilities entering into sourcing agreements with the clean coal SNG brownfield facility purchase 100%, allocated by total therms sold to ultimate customers by each gas utility in 2008 or (ii) such lesser amount as may be available from the clean coal SNG brownfield facility; provided that no utility shall be required to purchase more than 42% of the projected annual output of the clean coal SNG brownfield facility, with the remainder of such utility's obligation to be divided proportionately between the other utilities, and provided that the Illinois Power Agency shall further adjust the allocation only as required to take into account adverse consolidation, derivative, or lease impacts to the balance sheet or income statement of any gas utility.

A gas utility electing to file biennial rate proceedings before the Commission must file a notice of its election with the Commission within 60 days after July 13, 2011 or its right to make the election is irrevocably waived. A gas utility electing to file biennial rate proceedings shall make such filings no later than August 1 of the years 2012, 2014, and 2016, consistent with all requirements of 83 Ill. Adm. Code 255 and 285 as though the gas utility were filing for an increase in its rates, without regard to whether such filing would produce an increase, a decrease, or no change in the gas utility's rates, and notwithstanding any other provisions of this Act, the Commission shall fully review the gas utility's filing and shall issue its order in accordance with the provisions of Section 9-201 of this Act, regardless of whether the Commission has approved a formula rate for the gas utility.

Within 15 days after July 13, 2011, the owner of the clean coal SNG brownfield facility shall submit to the Illinois Power Agency and each gas utility that is providing service to more than 150,000 customers on July 13, 2011 a copy of a draft sourcing agreement. Within 45 days after receipt of the draft sourcing agreement, each such gas utility shall provide the Illinois Power Agency and the owner of a clean coal SNG brownfield facility with its comments and recommended revisions to the draft sourcing agreement. Within 15 days after the receipt of the gas utility's comments and recommended revisions, the owner of the clean coal SNG brownfield facility shall submit its responsive comments and a further revised draft of

the sourcing agreement to the Illinois Power Agency. The Illinois Power Agency shall review the draft sourcing agreement and comments.

If the parties to the sourcing agreement do not agree on the terms therein, then the Illinois Power Agency shall retain an independent mediator to mediate the dispute between the parties. If the parties are in agreement on the terms of the sourcing agreement, the Illinois Power Agency shall approve the final draft sourcing agreement. If after mediation the parties have failed to come to agreement, then the Illinois Power Agency shall revise the draft sourcing agreement as necessary to confirm that the final draft sourcing agreement contains only terms that are reasonable and equitable. The Illinois Power Agency shall adopt and make public a policy detailing the process for retaining a mediator under this subsection (h-1). Any mediator retained to assist with mediating disputes between the parties regarding the sourcing agreement shall be retained no later than 60 days after July 13, 2011.

Upon approval of a final draft agreement, the Illinois Power Agency shall submit the final draft agreement to the Capital Development Board and the Commission no later than 90 days after July 13, 2011. The gas utility and the clean coal SNG brownfield facility shall pay a reasonable fee as required by the Illinois Power Agency for its services under this subsection (h-1) and shall pay the mediator's reasonable fees, if any. The Illinois Power Agency shall adopt and make public a policy detailing the process for retaining a mediator under this Section.

The sourcing agreement between a gas utility and the clean coal SNG brownfield facility shall contain the following provisions:

(1) Any and all coal used in the gasification process must be coal that has high volatile bituminous rank and greater than 1.7 pounds of sulfur per million Btu content.

(2) Coal and petroleum coke are feedstocks for the gasification process, with coal comprising at least 50% of the total feedstock over the term of the sourcing agreement unless the facility reasonably determines that it is necessary to use additional petroleum coke to deliver net consumer savings, in which case the facility shall use coal for at least 35% of the total feedstock over the term of any sourcing agreement and with the feedstocks to be procured in accordance with requirements of Section 1-78 of the Illinois Power Agency Act.

(3) The sourcing agreement has an initial term that once entered into terminates no more than 30 years after the commencement of the commercial production of SNG at the clean coal SNG brownfield facility.

(4) The clean coal SNG brownfield facility guarantees a minimum of $100,000,000 in consumer savings to customers of the utilities that have entered into sourcing agreements with the clean coal SNG brownfield facility, calculated in real 2010 dollars at the conclusion of the term of the sourcing agreement by comparing the delivered SNG price to the Chicago City-gate price on a weighted daily basis for each day over the entire term of the sourcing agreement, to be provided in accordance with subsection (h-2) of this Section.

(5) Prior to the clean coal SNG brownfield facility issuing a notice to proceed to construction, the clean coal SNG brownfield facility shall establish a consumer protection reserve account for the benefit of the customers of the utilities that have entered into sourcing agreements with the clean coal SNG brownfield facility pursuant to this subsection (h-1), with cash principal in the amount of $150,000,000. This cash principal shall only be recoverable through the consumer protection reserve account and not as a cost to be recovered in the delivered SNG price pursuant to subsection (h-3) of this Section. The consumer protection reserve account shall be maintained and administered by an independent trustee that is mutually agreed upon by the clean coal SNG brownfield facility, the utilities, and the Commission in an interest-bearing account in accordance with subsection (h-2) of this Section.

"Consumer protection reserve account principal maximum amount" shall mean the maximum amount of principal to be maintained in the consumer protection reserve account. During the first 2 years of operation of the facility, there shall be no consumer protection reserve account maximum amount. After the first 2 years of operation of the facility, the consumer protection reserve account maximum amount shall be $150,000,000. After 5 years of operation, and every 5 years thereafter, the trustee shall calculate the 5-year average balance of the consumer protection reserve account. If the trustee determines that during the prior 5 years the consumer protection reserve account has had an average account balance of less than $75,000,000, then the consumer protection reserve account principal maximum amount shall be increased by $5,000,000. If the trustee determines that during the prior 5 years the consumer protection reserve account has had an average account balance of more than $75,000,000, then the consumer protection reserve account principal maximum amount shall be decreased by $5,000,000.

(6) The clean coal SNG brownfield facility shall identify and sell economically viable by-products produced by the facility.

(7) Fifty percent of all additional net revenue, defined as miscellaneous net revenue from products produced by the facility and delivered during the month after cost allowance for costs associated with additional net revenue that are not otherwise recoverable pursuant to subsection (h-3) of this Section, including net revenue from sales of substitute natural gas derived from the facility above the nameplate capacity of the facility and other by-products produced by the facility, shall be credited to the consumer protection reserve account pursuant to subsection (h-2) of this Section.

(8) The delivered SNG price per million btu to be paid monthly by the utility to the clean coal SNG brownfield facility, which shall be based only upon the following: (A) a capital recovery charge, operations and maintenance costs, and sequestration costs, only to the extent approved by the Commission pursuant to paragraphs (1), (2), and (3) of subsection (h-3) of this Section; (B) the actual delivered and processed fuel costs pursuant to paragraph (4) of subsection (h-3) of this Section; (C) actual costs of SNG transportation pursuant to paragraph (6) of subsection (h-3) of this Section; (D) certain taxes and fees imposed by the federal government, the State, or any unit of local government as provided in paragraph (6) of subsection (h-3) of this Section; and (E) the credit, if any, from the consumer protection reserve account pursuant to subsection (h-2) of this Section. The delivered SNG price per million Btu shall proportionately reflect these elements over the term of the sourcing agreement.

(9) A formula to translate the recoverable costs and charges under subsection (h-3) of this Section into the delivered SNG price per million btu.

(10) Title to the SNG shall pass at a mutually agreeable point in Illinois, and may provide that, rather than the utility taking title to the SNG, a mutually agreed upon third-party gas marketer pursuant to a contract approved by the Illinois Power Agency or its designee may take title to the SNG pursuant to an agreement between the utility, the owner of the clean coal SNG brownfield facility, and the third-party gas marketer.

(11) A utility may exit the sourcing agreement without penalty if the clean coal SNG brownfield facility does not commence construction by July 1, 2015.

(12) A utility is responsible to pay only the Commission determined unit price cost of SNG that is purchased by the utility. Nothing in the sourcing agreement will obligate a utility to invest capital in a clean coal SNG brownfield facility.

(13) The quality of SNG must, at a minimum, be equivalent to the quality required for interstate pipeline gas before a utility is required to accept and pay for SNG gas.

(14) Nothing in the sourcing agreement will require a utility to construct any facilities to accept delivery of SNG. Provided, however, if a utility is required by law or otherwise elects to connect the clean coal SNG brownfield facility to an interstate pipeline, then the utility shall be entitled to recover pursuant to its tariffs all just and reasonable costs that are prudently incurred. Any costs incurred by the utility to receive, deliver, manage, or otherwise accommodate purchases under the SNG sourcing agreement will be fully recoverable through a utility's purchased gas adjustment clause rider mechanism in conjunction with a SNG brownfield facility rider mechanism. The SNG brownfield facility rider mechanism (A) shall be applicable to all customers who receive transportation service from the utility, (B) shall be designed to have an equal percent impact on the transportation services rates of each class of the utility's customers, and (C) shall accurately reflect the net consumer savings, if any, and above-market costs, if any, associated with the utility receiving, delivering, managing, or otherwise accommodating purchases under the SNG sourcing agreement.

(15) Remedies for the clean coal SNG brownfield facility's failure to deliver a designated amount for a designated period.

(16) The clean coal SNG brownfield facility shall make a good faith effort to ensure that an amount equal to not less than 15% of the value of its prime construction contract for the facility shall be established as a goal to be awarded to minority-owned ~~minority owned~~ businesses, women-owned ~~female owned~~ businesses, and businesses owned by a person with a disability; provided that at least 75% of the amount of such total goal shall be for minority-owned ~~minority owned~~ businesses. " Minority-owned ~~Minority owned~~ business", " women-owned ~~female owned~~ business", and "business owned by a person with a disability" shall have the meanings ascribed to them in Section 2 of the Business Enterprise for Minorities, Women, ~~Females~~ and Persons with Disabilities Act.

(17) Prior to the clean coal SNG brownfield facility issuing a notice to proceed to construction, the clean coal SNG brownfield facility shall file with the Commission a certificate from an independent engineer that the clean coal SNG brownfield facility has (A) obtained all applicable State and federal environmental permits required for construction; (B) obtained approval from the Commission of a carbon capture and sequestration plan; and (C) obtained all necessary permits required

for construction for the transportation and sequestration of carbon dioxide as set forth in the Commission-approved carbon capture and sequestration plan.

(h-2) Consumer protection reserve account. The clean coal SNG brownfield facility shall guarantee a minimum of $100,000,000 in consumer savings to customers of the utilities that have entered into sourcing agreements with the clean coal SNG brownfield facility, calculated in real 2010 dollars at the conclusion of the term of the sourcing agreement by comparing the delivered SNG price to the Chicago City-gate price on a weighted daily basis for each day over the entire term of the sourcing agreement. Prior to the clean coal SNG brownfield facility issuing a notice to proceed to construction, the clean coal SNG brownfield facility shall establish a consumer protection reserve account for the benefit of the retail customers of the utilities that have entered into sourcing agreements with the clean coal SNG brownfield facility pursuant to subsection (h-1), with cash principal in the amount of $150,000,000. Such cash principal shall only be recovered through the consumer protection reserve account and not as a cost to be recovered in the delivered SNG price pursuant to subsection (h-3) of this Section. The consumer protection reserve account shall be maintained and administered by an independent trustee that is mutually agreed upon by the clean coal SNG brownfield facility, the utilities, and the Commission in an interest-bearing account in accordance with the following:

(1) The clean coal SNG brownfield facility monthly shall calculate (A) the difference between the monthly delivered SNG price and the Chicago City-gate price, by comparing the delivered SNG price, which shall include the cost of transportation to the delivery point, if any, to the Chicago City-gate price on a weighted daily basis for each day of the prior month based upon a mutually agreed upon published index and (B) the overage amount, if any, by calculating the annualized incremental additional cost, if any, of the delivered SNG in excess of 2.015% of the average annual inflation-adjusted amounts paid by all gas distribution customers in connection with natural gas service during the 5 years ending May 31, 2010.

(2) During the first 2 years of operation of the facility:

(A) to the extent there is an overage amount, the consumer protection reserve account shall be used to provide a credit to reduce the SNG price by an amount equal to the overage amount; and

(B) to the extent the monthly delivered SNG price is less than or equal to the Chicago City-gate price, the utility shall credit the difference between the monthly delivered SNG price and the monthly Chicago City-gate price, if any, to the consumer protection reserve account. Such credit issued pursuant to this paragraph (B) shall be deemed prudent and reasonable and not subject to a Commission prudence review;

(3) After 2 years of operation of the facility, and monthly, on an on-going basis, thereafter:

(A) to the extent that the monthly delivered SNG price is less than or equal to the Chicago City-gate price, calculated using the weighted average of the daily Chicago City-gate price on a daily basis over the entire month, the utility shall credit the difference, if any, to the consumer protection reserve account. Such credit issued pursuant to this subparagraph (A) shall be deemed prudent and reasonable and not subject to a Commission prudence review;

(B) any amounts in the consumer protection reserve account in excess of the consumer protection reserve account principal maximum amount shall be distributed as follows: (i) if retail customers have not realized net consumer savings, calculated by comparing the delivered SNG price to the weighted average of the daily Chicago City-gate price on a daily basis over the entire term of the sourcing agreement to date, then 50% of any amounts in the consumer protection reserve account in excess of the consumer protection reserve account principal maximum shall be distributed to the clean coal SNG brownfield facility, with the remaining 50% of any such additional amounts being credited to retail customers, and (ii) if retail customers have realized net consumer savings, then 100% of any amounts in the consumer protection reserve account in excess of the consumer protection reserve account principal maximum shall be distributed to the clean coal SNG brownfield facility; provided, however, that under no circumstances shall the total cumulative amount distributed to the clean coal SNG brownfield facility under this subparagraph (B) exceed $150,000,000;

(C) to the extent there is an overage amount, after distributing the amounts pursuant to subparagraph (B) of this paragraph (3), if any, the consumer protection reserve account shall be used to provide a credit to reduce the SNG price by an amount equal to the overage amount;

(D) if retail customers have realized net consumer savings, calculated by comparing the delivered SNG price to the weighted average of the daily Chicago City-gate price on a daily basis over the entire term of the sourcing agreement to date, then after distributing the amounts pursuant to subparagraphs (B) and (C) of this paragraph (3), 50% of any additional amounts in the consumer

protection reserve account in excess of the consumer protection reserve account principal maximum shall be distributed to the clean coal SNG brownfield facility, with the remaining 50% of any such additional amounts being credited to retail customers; provided, however, that if retail customers have not realized such net consumer savings, no such distribution shall be made to the clean coal SNG brownfield facility, and 100% of such additional amounts shall be credited to the retail customers to the extent the consumer protection reserve account exceeds the consumer protection reserve account principal maximum amount.

(4) Fifty percent of all additional net revenue, defined as miscellaneous net revenue after cost allowance for costs associated with additional net revenue that are not otherwise recoverable pursuant to subsection (h-3) of this Section, including net revenue from sales of substitute natural gas derived from the facility above the nameplate capacity of the facility and other by-products produced by the facility, shall be credited to the consumer protection reserve account.

(5) At the conclusion of the term of the sourcing agreement, to the extent retail customers have not saved the minimum of $100,000,000 in consumer savings as guaranteed in this subsection (h-2), amounts in the consumer protection reserve account shall be credited to retail customers to the extent the retail customers have saved the minimum of $100,000,000; 50% of any additional amounts in the consumer protection reserve account shall be distributed to the company, and the remaining 50% shall be distributed to retail customers.

(6) If, at the conclusion of the term of the sourcing agreement, the customers have not saved the minimum $100,000,000 in savings as guaranteed in this subsection (h-2) and the consumer protection reserve account has been depleted, then the clean coal SNG brownfield facility shall be liable for any remaining amount owed to the retail customers to the extent that the customers are provided with the $100,000,000 in savings as guaranteed in this subsection (h-2). The retail customers shall have first priority in recovering that debt above any creditors, except the original senior secured lender to the extent that the original senior secured lender has any senior secured debt outstanding, including any clean coal SNG brownfield facility parent companies or affiliates.

(7) The clean coal SNG brownfield facility, the utilities, and the trustee shall work together to take commercially reasonable steps to minimize the tax impact of these transactions, while preserving the consumer benefits.

(8) The clean coal SNG brownfield facility shall each month, starting in the facility's first year of commercial operation, file with the Commission, in such form as the Commission shall require, a report as to the consumer protection reserve account. The monthly report must contain the following information:

(A) the extent the monthly delivered SNG price is greater than, less than, or equal to the Chicago City-gate price;

(B) the amount credited or debited to the consumer protection reserve account during the month;

(C) the amounts credited to consumers and distributed to the clean coal SNG brownfield facility during the month;

(D) the total amount of the consumer protection reserve account at the beginning and end of the month;

(E) the total amount of consumer savings to date;

(F) a confidential summary of the inputs used to calculate the additional net revenue; and

(G) any other additional information the Commission shall require.

When any report is erroneous or defective or appears to the Commission to be erroneous or defective, the Commission may notify the clean coal SNG brownfield facility to amend the report within 30 days, and, before or after the termination of the 30-day period, the Commission may examine the trustee of the consumer protection reserve account or the officers, agents, employees, books, records, or accounts of the clean coal SNG brownfield facility and correct such items in the report as upon such examination the Commission may find defective or erroneous. All reports shall be under oath.

All reports made to the Commission by the clean coal SNG brownfield facility and the contents of the reports shall be open to public inspection and shall be deemed a public record under the Freedom of Information Act. Such reports shall be preserved in the office of the Commission. The Commission shall publish an annual summary of the reports prior to February 1 of the following year. The annual summary shall be made available to the public on the Commission's website and shall be submitted to the General Assembly.

Any facility that fails to file a report required under this paragraph (8) to the

Commission within the time specified or to make specific answer to any question propounded by the Commission within 30 days from the time it is lawfully required to do so, or within such further time not to exceed 90 days as may in its discretion be allowed by the Commission, shall pay a penalty of $500 to the Commission for each day it is in default.

Any person who willfully makes any false report to the Commission or to any member, officer, or employee thereof, any person who willfully in a report withholds or fails to provide material information to which the Commission is entitled under this paragraph (8) and which information is either required to be filed by statute, rule, regulation, order, or decision of the Commission or has been requested by the Commission, and any person who willfully aids or abets such person shall be guilty of a Class A misdemeanor.

(h-3) Recoverable costs and revenue by the clean coal SNG brownfield facility.

(1) A capital recovery charge approved by the Commission shall be recoverable by the clean coal SNG brownfield facility under a sourcing agreement. The capital recovery charge shall be comprised of capital costs and a reasonable rate of return. "Capital costs" means costs to be incurred in connection with the construction and development of a facility, as defined in Section 1-10 of the Illinois Power Agency Act, and such other costs as the Capital Development Board deems appropriate to be recovered in the capital recovery charge.

(A) Capital costs. The Capital Development Board shall calculate a range of capital costs that it believes would be reasonable for the clean coal SNG brownfield facility to recover under the sourcing agreement. In making this determination, the Capital Development Board shall review the facility cost report, if any, of the clean coal SNG brownfield facility, adjusting the results based on the change in the Annual Consumer Price Index for All Urban Consumers for the Midwest Region as published in April by the United States Department of Labor, Bureau of Labor Statistics, the final draft of the sourcing agreement, and the rate of return approved by the Commission. In addition, the Capital Development Board may consult as much as it deems necessary with the clean coal SNG brownfield facility and conduct whatever research and investigation it deems necessary.

The Capital Development Board shall retain an engineering expert to assist in determining both the range of capital costs and the range of operations and maintenance costs that it believes would be reasonable for the clean coal SNG brownfield facility to recover under the sourcing agreement. Provided, however, that such expert shall: (i) not have been involved in the clean coal SNG brownfield facility's facility cost report, if any, (ii) not own or control any direct or indirect interest in the initial clean coal facility, and (iii) have no contractual relationship with the clean coal SNG brownfield facility. In order to qualify as an independent expert, a person or company must have:

(i) direct previous experience conducting front-end engineering and design studies for large-scale energy facilities and administering large-scale energy operations and maintenance contracts, which may be particularized to the specific type of financing associated with the clean coal SNG brownfield facility;

(ii) an advanced degree in economics, mathematics, engineering, or a related area of study;

(iii) ten years of experience in the energy sector, including construction and risk management experience;

(iv) expertise in assisting companies with obtaining financing for large-scale energy projects, which may be particularized to the specific type of financing associated with the clean coal SNG brownfield facility;

(v) expertise in operations and maintenance which may be particularized to the specific type of operations and maintenance associated with the clean coal SNG brownfield facility;

(vi) expertise in credit and contract protocols;

(vii) adequate resources to perform and fulfill the required functions and responsibilities; and

(viii) the absence of a conflict of interest and inappropriate bias for or against an affected gas utility or the clean coal SNG brownfield facility.

The clean coal SNG brownfield facility and the Illinois Power Agency shall cooperate with the Capital Development Board in any investigation it deems necessary. The Capital Development Board shall make its final determination of the range of capital costs confidentially and shall submit that range to the Commission in a confidential filing within 120 days after July 13, 2011 (the effective date of Public Act 97-096). The clean coal SNG brownfield facility shall submit to the Commission its estimate of the capital costs to be recovered under the sourcing agreement. Only after

the clean coal SNG brownfield facility has submitted this estimate shall the Commission publicly announce the range of capital costs submitted by the Capital Development Board.

In the event that the estimate submitted by the clean coal SNG brownfield facility is within or below the range submitted by the Capital Development Board, the clean coal SNG brownfield facility's estimate shall be approved by the Commission as the amount of capital costs to be recovered under the sourcing agreement. In the event that the estimate submitted by the clean coal SNG brownfield facility is above the range submitted by the Capital Development Board, the amount of capital costs at the lowest end of the range submitted by the Capital Development Board shall be approved by the Commission as the amount of capital costs to be recovered under the sourcing agreement. Within 15 days after the Capital Development Board has submitted its range and the clean coal SNG brownfield facility has submitted its estimate, the Commission shall approve the capital costs for the clean coal SNG brownfield facility.

The Capital Development Board shall monitor the construction of the clean coal SNG brownfield facility for the full duration of construction to assess potential cost overruns. The Capital Development Board, in its discretion, may retain an expert to facilitate such monitoring. The clean coal SNG brownfield facility shall pay a reasonable fee as required by the Capital Development Board for the Capital Development Board's services under this subsection (h-3) to be deposited into the Capital Development Board Revolving Fund, and such fee shall not be passed through to a utility or its customers. If an expert is retained by the Capital Development Board for monitoring of construction, then the clean coal SNG brownfield facility must pay for the expert's reasonable fees and such costs shall not be passed through to a utility or its customers.

(B) Rate of Return. No later than 30 days after the date on which the Illinois Power Agency submits a final draft sourcing agreement, the Commission shall hold a public hearing to determine the rate of return to be recovered under the sourcing agreement. Rate of return shall be comprised of the clean coal SNG brownfield facility's actual cost of debt, including mortgage-style amortization, and a reasonable return on equity. The Commission shall post notice of the hearing on its website no later than 10 days prior to the date of the hearing. The Commission shall provide the public and all interested parties, including the gas utilities, the Attorney General, and the Illinois Power Agency, an opportunity to be heard.

In determining the return on equity, the Commission shall select a commercially reasonable return on equity taking into account the return on equity being received by developers of similar facilities in or outside of Illinois, the need to balance an incentive for clean-coal technology with the need to protect ratepayers from high gas prices, the risks being borne by the clean coal SNG brownfield facility in the final draft sourcing agreement, and any other information that the Commission may deem relevant. The Commission may establish a return on equity that varies with the amount of savings, if any, to customers during the term of the sourcing agreement, comparing the delivered SNG price to a daily weighted average price of natural gas, based upon an index. The Illinois Power Agency shall recommend a return on equity to the Commission using the same criteria. Within 60 days after receiving the final draft sourcing agreement from the Illinois Power Agency, the Commission shall approve the rate of return for the clean coal brownfield facility. Within 30 days after obtaining debt financing for the clean coal SNG brownfield facility, the clean coal SNG brownfield facility shall file a notice with the Commission identifying the actual cost of debt.

(2) Operations and maintenance costs approved by the Commission shall be recoverable by the clean coal SNG brownfield facility under the sourcing agreement. The operations and maintenance costs mean costs that have been incurred for the administration, supervision, operation, maintenance, preservation, and protection of the clean coal SNG brownfield facility's physical plant.

The Capital Development Board shall calculate a range of operations and maintenance costs that it believes would be reasonable for the clean coal SNG brownfield facility to recover under the sourcing agreement, incorporating an inflation index or combination of inflation indices to most accurately reflect the actual costs of operating the clean coal SNG brownfield facility. In making this determination, the Capital Development Board shall review the facility cost report, if any, of the clean coal SNG brownfield facility, adjusting the results for inflation based on the change in the Annual Consumer Price Index for All Urban Consumers for the Midwest Region as published in April by the United States Department of Labor, Bureau of Labor Statistics, the final draft of the sourcing agreement, and the rate of return approved by the Commission. In addition, the Capital Development Board may consult as much as it deems necessary with the clean coal SNG brownfield facility and conduct whatever research and investigation it deems necessary. As set forth in subparagraph (A) of paragraph (1) of this subsection (h-3), the Capital Development Board shall retain an independent engineering expert to assist in determining both the range of operations and maintenance costs that it believes would be reasonable

for the clean coal SNG brownfield facility to recover under the sourcing agreement. The clean coal SNG brownfield facility and the Illinois Power Agency shall cooperate with the Capital Development Board in any investigation it deems necessary. The Capital Development Board shall make its final determination of the range of operations and maintenance costs confidentially and shall submit that range to the Commission in a confidential filing within 120 days after July 13, 2011.

The clean coal SNG brownfield facility shall submit to the Commission its estimate of the operations and maintenance costs to be recovered under the sourcing agreement. Only after the clean coal SNG brownfield facility has submitted this estimate shall the Commission publicly announce the range of operations and maintenance costs submitted by the Capital Development Board. In the event that the estimate submitted by the clean coal SNG brownfield facility is within or below the range submitted by the Capital Development Board, the clean coal SNG brownfield facility's estimate shall be approved by the Commission as the amount of operations and maintenance costs to be recovered under the sourcing agreement. In the event that the estimate submitted by the clean coal SNG brownfield facility is above the range submitted by the Capital Development Board, the amount of operations and maintenance costs at the lowest end of the range submitted by the Capital Development Board shall be approved by the Commission as the amount of operations and maintenance costs to be recovered under the sourcing agreement. Within 15 days after the Capital Development Board has submitted its range and the clean coal SNG brownfield facility has submitted its estimate, the Commission shall approve the operations and maintenance costs for the clean coal SNG brownfield facility.

The clean coal SNG brownfield facility shall pay for the independent engineering expert's reasonable fees and such costs shall not be passed through to a utility or its customers. The clean coal SNG brownfield facility shall pay a reasonable fee as required by the Capital Development Board for the Capital Development Board's services under this subsection (h-3) to be deposited into the Capital Development Board Revolving Fund, and such fee shall not be passed through to a utility or its customers.

(3) Sequestration costs approved by the Commission shall be recoverable by the clean coal SNG brownfield facility. "Sequestration costs" means costs to be incurred by the clean coal SNG brownfield facility in accordance with its Commission-approved carbon capture and sequestration plan to:

(A) capture carbon dioxide;

(B) build, operate, and maintain a sequestration site in which carbon dioxide may be injected;

(C) build, operate, and maintain a carbon dioxide pipeline; and

(D) transport the carbon dioxide to the sequestration site or a pipeline.

The Commission shall assess the prudency of the sequestration costs for the clean coal SNG brownfield facility before construction commences at the sequestration site or pipeline. Any revenues the clean coal SNG brownfield facility receives as a result of the capture, transportation, or sequestration of carbon dioxide shall be first credited against all sequestration costs, with the positive balance, if any, treated as additional net revenue.

The Commission may, in its discretion, retain an expert to assist in its review of sequestration costs. The clean coal SNG brownfield facility shall pay for the expert's reasonable fees if an expert is retained by the Commission, and such costs shall not be passed through to a utility or its customers. Once made, the Commission's determination of the amount of recoverable sequestration costs shall not be increased unless the clean coal SNG brownfield facility can show by clear and convincing evidence that (i) the costs were not reasonably foreseeable; (ii) the costs were due to circumstances beyond the clean coal SNG brownfield facility's control; and (iii) the clean coal SNG brownfield facility took all reasonable steps to mitigate the costs. If the Commission determines that sequestration costs may be increased, the Commission shall provide for notice and a public hearing for approval of the increased sequestration costs.

(4) Actual delivered and processed fuel costs shall be set by the Illinois Power Agency through a SNG feedstock procurement, pursuant to Sections 1-20, 1-77, and 1-78 of the Illinois Power Agency Act, to be performed at least every 5 years and purchased by the clean coal SNG brownfield facility pursuant to feedstock procurement contracts developed by the Illinois Power Agency, with coal comprising at least 50% of the total feedstock over the term of the sourcing agreement and petroleum coke comprising the remainder of the SNG feedstock. If the Commission fails to approve a feedstock procurement plan or fails to approve the results of a feedstock procurement event, then the fuel shall be purchased by the company month-by-month on the spot market and those actual delivered and processed fuel costs shall be recoverable under the sourcing agreement. If a supplier defaults under the terms of a procurement contract, then the Illinois Power Agency shall immediately initiate a feedstock

procurement process to obtain a replacement supply, and, prior to the conclusion of that process, fuel shall be purchased by the company month-by-month on the spot market and those actual delivered and processed fuel costs shall be recoverable under the sourcing agreement.

(5) Taxes and fees imposed by the federal government, the State, or any unit of local government applicable to the clean coal SNG brownfield facility, excluding income tax, shall be recoverable by the clean coal SNG brownfield facility under the sourcing agreement to the extent such taxes and fees were not applicable to the facility on July 13, 2011.

(6) The actual transportation costs, in accordance with the applicable utility's tariffs, and third-party marketer costs incurred by the company, if any, associated with transporting the SNG from the clean coal SNG brownfield facility to the Chicago City-gate to sell such SNG into the natural gas markets shall be recoverable under the sourcing agreement.

(7) Unless otherwise provided, within 30 days after a decision of the Commission on recoverable costs under this Section, any interested party to the Commission's decision may apply for a rehearing with respect to the decision. The Commission shall receive and consider the application for rehearing and shall grant or deny the application in whole or in part within 20 days after the date of the receipt of the application by the Commission. If no rehearing is applied for within the required 30 days or an application for rehearing is denied, then the Commission decision shall be final. If an application for rehearing is granted, then the Commission shall hold a rehearing within 30 days after granting the application. The decision of the Commission upon rehearing shall be final.

Any person affected by a decision of the Commission under this subsection (h-3) may have the decision reviewed only under and in accordance with the Administrative Review Law. Unless otherwise provided, the provisions of the Administrative Review Law, all amendments and modifications to that Law, and the rules adopted pursuant to that Law shall apply to and govern all proceedings for the judicial review of final administrative decisions of the Commission under this subsection (h-3). The term "administrative decision" is defined as in Section 3-101 of the Code of Civil Procedure.

(8) The Capital Development Board shall adopt and make public a policy detailing the process for retaining experts under this Section. Any experts retained to assist with calculating the range of capital costs or operations and maintenance costs shall be retained no later than 45 days after July 13, 2011.

(h-4) No later than 90 days after the Illinois Power Agency submits the final draft sourcing agreement pursuant to subsection (h-1), the Commission shall approve a sourcing agreement containing (i) the capital costs, rate of return, and operations and maintenance costs established pursuant to subsection (h-3) and (ii) all other terms and conditions, rights, provisions, exceptions, and limitations contained in the final draft sourcing agreement; provided, however, the Commission shall correct typographical and scrivener's errors and modify the contract only as necessary to provide that the gas utility does not have the right to terminate the sourcing agreement due to any future events that may occur other than the clean coal SNG brownfield facility's failure to timely meet milestones, uncured default, extended force majeure, or abandonment. Once the sourcing agreement is approved, then the gas utility subject to that sourcing agreement shall have 45 days after the date of the Commission's approval to enter into the sourcing agreement.

(h-5) Sequestration enforcement.

(A) All contracts entered into under subsection (h) of this Section and all sourcing agreements under subsection (h-1) of this Section, regardless of duration, shall require the owner of any facility supplying SNG under the contract or sourcing agreement to provide certified documentation to the Commission each year, starting in the facility's first year of commercial operation, accurately reporting the quantity of carbon dioxide emissions from the facility that have been captured and sequestered and reporting any quantities of carbon dioxide released from the site or sites at which carbon dioxide emissions were sequestered in prior years, based on continuous monitoring of those sites.

(B) If, in any year, the owner of the clean coal SNG facility fails to demonstrate that the SNG facility captured and sequestered at least 90% of the total carbon dioxide emissions that the facility would otherwise emit or that sequestration of emissions from prior years has failed, resulting in the release of carbon dioxide into the atmosphere, then the owner of the clean coal SNG facility must pay a penalty of $20 per ton of excess carbon dioxide emissions not to exceed $40,000,000, in any given year which shall be deposited into the Energy Efficiency Trust Fund and distributed pursuant to subsection (b) of Section 6-6 of the Renewable Energy, Energy Efficiency, and Coal Resources Development Law of 1997. On or before the 5-year anniversary of the execution of the contract and every 5 years thereafter, an expert hired by the owner of the facility with the approval of the Attorney General shall conduct an analysis to determine the cost of sequestration of at least 90% of the total carbon dioxide emissions the plant would otherwise emit. If the analysis shows that the actual annual

cost is greater than the penalty, then the penalty shall be increased to equal the actual cost. Provided, however, to the extent that the owner of the facility described in subsection (h) of this Section can demonstrate that the failure was as a result of acts of God (including fire, flood, earthquake, tornado, lightning, hurricane, or other natural disaster); any amendment, modification, or abrogation of any applicable law or regulation that would prevent performance; war; invasion; act of foreign enemies; hostilities (regardless of whether war is declared); civil war; rebellion; revolution; insurrection; military or usurped power or confiscation; terrorist activities; civil disturbance; riots; nationalization; sabotage; blockage; or embargo, the owner of the facility described in subsection (h) of this Section shall not be subject to a penalty if and only if (i) it promptly provides notice of its failure to the Commission; (ii) as soon as practicable and consistent with any order or direction from the Commission, it submits to the Commission proposed modifications to its carbon capture and sequestration plan; and (iii) it carries out its proposed modifications in the manner and time directed by the Commission.

If the Commission finds that the facility has not satisfied each of these requirements, then the facility shall be subject to the penalty. If the owner of the clean coal SNG facility captured and sequestered more than 90% of the total carbon dioxide emissions that the facility would otherwise emit, then the owner of the facility may credit such additional amounts to reduce the amount of any future penalty to be paid. The penalty resulting from the failure to capture and sequester at least the minimum amount of carbon dioxide shall not be passed on to a utility or its customers.

If the clean coal SNG facility fails to meet the requirements specified in this subsection (h-5), then the Attorney General, on behalf of the People of the State of Illinois, shall bring an action to enforce the obligations related to the facility set forth in this subsection (h-5), including any penalty payments owed, but not including the physical obligation to capture and sequester at least 90% of the total carbon dioxide emissions that the facility would otherwise emit. Such action may be filed in any circuit court in Illinois. By entering into a contract pursuant to subsection (h) of this Section, the clean coal SNG facility agrees to waive any objections to venue or to the jurisdiction of the court with regard to the Attorney General's action under this subsection (h-5).

Compliance with the sequestration requirements and any penalty requirements specified in this subsection (h-5) for the clean coal SNG facility shall be assessed annually by the Commission, which may in its discretion retain an expert to facilitate its assessment. If any expert is retained by the Commission, then the clean coal SNG facility shall pay for the expert's reasonable fees, and such costs shall not be passed through to the utility or its customers.

In addition, carbon dioxide emission credits received by the clean coal SNG facility in connection with sequestration of carbon dioxide from the facility must be sold in a timely fashion with any revenue, less applicable fees and expenses and any expenses required to be paid by facility for carbon dioxide transportation or sequestration, deposited into the reconciliation account within 30 days after receipt of such funds by the owner of the clean coal SNG facility.

The clean coal SNG facility is prohibited from transporting or sequestering carbon dioxide unless the owner of the carbon dioxide pipeline that transfers the carbon dioxide from the facility and the owner of the sequestration site where the carbon dioxide captured by the facility is stored has acquired all applicable permits under applicable State and federal laws, statutes, rules, or regulations prior to the transfer or sequestration of carbon dioxide. The responsibility for compliance with the sequestration requirements specified in this subsection (h-5) for the clean coal SNG facility shall reside solely with the clean coal SNG facility, regardless of whether the facility has contracted with another party to capture, transport, or sequester carbon dioxide.

(C) If, in any year, the owner of a clean coal SNG brownfield facility fails to demonstrate that the clean coal SNG brownfield facility captured and sequestered at least 85% of the total carbon dioxide emissions that the facility would otherwise emit, then the owner of the clean coal SNG brownfield facility must pay a penalty of $20 per ton of excess carbon emissions up to $20,000,000, which shall be deposited into the Energy Efficiency Trust Fund and distributed pursuant to subsection (b) of Section 6-6 of the Renewable Energy, Energy Efficiency, and Coal Resources Development Law of 1997. Provided, however, to the extent that the owner of the clean coal SNG brownfield facility can demonstrate that the failure was as a result of acts of God (including fire, flood, earthquake, tornado, lightning, hurricane, or other natural disaster); any amendment, modification, or abrogation of any applicable law or regulation that would prevent performance; war; invasion; act of foreign enemies; hostilities (regardless of whether war is declared); civil war; rebellion; revolution; insurrection; military or usurped power or confiscation; terrorist activities; civil disturbances; riots; nationalization; sabotage; blockage; or embargo, the owner of the clean coal SNG brownfield facility shall not be subject to a penalty if and only if (i) it promptly provides notice of its failure to the Commission; (ii) as soon as practicable and consistent with any order or direction from the Commission,

it submits to the Commission proposed modifications to its carbon capture and sequestration plan; and (iii) it carries out its proposed modifications in the manner and time directed by the Commission. If the Commission finds that the facility has not satisfied each of these requirements, then the facility shall be subject to the penalty. If the owner of a clean coal SNG brownfield facility demonstrates that the clean coal SNG brownfield facility captured and sequestered more than 85% of the total carbon emissions that the facility would otherwise emit, the owner of the clean coal SNG brownfield facility may credit such additional amounts to reduce the amount of any future penalty to be paid. The penalty resulting from the failure to capture and sequester at least the minimum amount of carbon dioxide shall not be passed on to a utility or its customers.

In addition to any penalty for the clean coal SNG brownfield facility's failure to capture and sequester at least its minimum sequestration requirement, the Attorney General, on behalf of the People of the State of Illinois, shall bring an action for specific performance of this subsection (h-5). Such action may be filed in any circuit court in Illinois. By entering into a sourcing agreement pursuant to subsection (h-1) of this Section, the clean coal SNG brownfield facility agrees to waive any objections to venue or to the jurisdiction of the court with regard to the Attorney General's action for specific performance under this subsection (h-5).

Compliance with the sequestration requirements and penalty requirements specified in this subsection (h-5) for the clean coal SNG brownfield facility shall be assessed annually by the Commission, which may in its discretion retain an expert to facilitate its assessment. If an expert is retained by the Commission, then the clean coal SNG brownfield facility shall pay for the expert's reasonable fees, and such costs shall not be passed through to a utility or its customers. A SNG facility operating pursuant to this subsection (h-5) shall not forfeit its designation as a clean coal SNG facility or a clean coal SNG brownfield facility if the facility fails to fully comply with the applicable carbon sequestration requirements in any given year, provided the requisite offsets are purchased or requisite penalties are paid.

Responsibility for compliance with the sequestration requirements specified in this subsection (h-5) for the clean coal SNG brownfield facility shall reside solely with the clean coal SNG brownfield facility regardless of whether the facility has contracted with another party to capture, transport, or sequester carbon dioxide.

(h-7) Sequestration permitting, oversight, and investigations.

(1) No clean coal facility or clean coal SNG brownfield facility may transport or sequester carbon dioxide unless the Commission approves the method of carbon dioxide transportation or sequestration. Such approval shall be required regardless of whether the facility has contracted with another to transport or sequester the carbon dioxide. Nothing in this subsection (h-7) shall release the owner or operator of a carbon dioxide sequestration site or carbon dioxide pipeline from any other permitting requirements under applicable State and federal laws, statutes, rules, or regulations.

(2) The Commission shall review carbon dioxide transportation and sequestration methods proposed by a clean coal facility or a clean coal SNG brownfield facility and shall approve those methods it deems reasonable and cost-effective. For purposes of this review, "cost-effective" means a commercially reasonable price for similar carbon dioxide transportation or sequestration techniques. In determining whether sequestration is reasonable and cost-effective, the Commission may consult with the Illinois State Geological Survey and retain third parties to assist in its determination, provided that such third parties shall not own or control any direct or indirect interest in the facility that is proposing the carbon dioxide transportation or the carbon dioxide sequestration method and shall have no contractual relationship with that facility. If a third party is retained by the Commission, then the facility proposing the carbon dioxide transportation or sequestration method shall pay for the expert's reasonable fees, and these costs shall not be passed through to a utility or its customers.

No later than 6 months prior to the date upon which the owner intends to commence construction of a clean coal facility or the clean coal SNG brownfield facility, the owner of the facility shall file with the Commission a carbon dioxide transportation or sequestration plan. The Commission shall hold a public hearing within 30 days after receipt of the facility's carbon dioxide transportation or sequestration plan. The Commission shall post notice of the review on its website upon submission of a carbon dioxide transportation or sequestration method and shall accept written public comments. The Commission shall take the comments into account when making its decision.

The Commission may not approve a carbon dioxide sequestration method if the owner or operator of the sequestration site has not received (i) an Underground Injection Control permit from the United States Environmental Protection Agency, or from the Illinois Environmental Protection Agency pursuant to the Environmental Protection Act; (ii) an Underground Injection Control permit from the Illinois Department of Natural Resources pursuant to the Illinois Oil and Gas Act; or (iii) an

Underground Injection Control permit from the United States Environmental Protection Agency or a permit similar to items (i) or (ii) from the state in which the sequestration site is located if the sequestration will take place outside of Illinois. The Commission shall approve or deny the carbon dioxide transportation or sequestration method within 90 days after the receipt of all required information.

(3) At least annually, the Illinois Environmental Protection Agency shall inspect all carbon dioxide sequestration sites in Illinois. The Illinois Environmental Protection Agency may, as often as deemed necessary, monitor and conduct investigations of those sites. The owner or operator of the sequestration site must cooperate with the Illinois Environmental Protection Agency investigations of carbon dioxide sequestration sites.

If the Illinois Environmental Protection Agency determines at any time a site creates conditions that warrant the issuance of a seal order under Section 34 of the Environmental Protection Act, then the Illinois Environmental Protection Agency shall seal the site pursuant to the Environmental Protection Act. If the Illinois Environmental Protection Agency determines at any time a carbon dioxide sequestration site creates conditions that warrant the institution of a civil action for an injunction under Section 43 of the Environmental Protection Act, then the Illinois Environmental Protection Agency shall request the State's Attorney or the Attorney General institute such action. The Illinois Environmental Protection Agency shall provide notice of any such actions as soon as possible on its website. The SNG facility shall incur all reasonable costs associated with any such inspection or monitoring of the sequestration sites, and these costs shall not be recoverable from utilities or their customers.

(4) (Blank).

(h-9) The clean coal SNG brownfield facility shall have the right to recover prudently incurred increased costs or reduced revenue resulting from any new or amendatory legislation or other action. The State of Illinois pledges that the State will not enact any law or take any action to:

(1) break, or repeal the authority for, sourcing agreements approved by the Commission and entered into between public utilities and the clean coal SNG brownfield facility;

(2) deny public utilities full cost recovery for their costs incurred under those sourcing agreements; or

(3) deny the clean coal SNG brownfield facility full cost and revenue recovery as provided under those sourcing agreements that are recoverable pursuant to subsection (h-3) of this Section.

These pledges are for the benefit of the parties to those sourcing agreements and the issuers and holders of bonds or other obligations issued or incurred to finance or refinance the clean coal SNG brownfield facility. The clean coal SNG brownfield facility is authorized to include and refer to these pledges in any financing agreement into which it may enter in regard to those sourcing agreements.

The State of Illinois retains and reserves all other rights to enact new or amendatory legislation or take any other action, without impairment of the right of the clean coal SNG brownfield facility to recover prudently incurred increased costs or reduced revenue resulting from the new or amendatory legislation or other action, including, but not limited to, such legislation or other action that would (i) directly or indirectly raise the costs the clean coal SNG brownfield facility must incur; (ii) directly or indirectly place additional restrictions, regulations, or requirements on the clean coal SNG brownfield facility; (iii) prohibit sequestration in general or prohibit a specific sequestration method or project; or (iv) increase minimum sequestration requirements for the clean coal SNG brownfield facility to the extent technically feasible. The clean coal SNG brownfield facility shall have the right to recover prudently incurred increased costs or reduced revenue resulting from the new or amendatory legislation or other action as described in this subsection (h-9).

(h-10) Contract costs for SNG incurred by an Illinois gas utility are reasonable and prudent and recoverable through the purchased gas adjustment clause and are not subject to review or disallowance by the Commission. Contract costs are costs incurred by the utility under the terms of a contract that incorporates the terms stated in subsection (h) of this Section as confirmed in writing by the Illinois Power Agency as set forth in subsection (h) of this Section, which confirmation shall be deemed conclusive, or as a consequence of or condition to its performance under the contract, including (i) amounts paid for SNG under the SNG contract and (ii) costs of transportation and storage services of SNG purchased from interstate pipelines under federally approved tariffs. The Illinois gas utility shall initiate a clean coal SNG facility rider mechanism that (A) shall be applicable to all customers who receive transportation service from the utility, (B) shall be designed to have an equal percentage impact on the transportation services rates of each class of the utility's total customers, and (C) shall accurately reflect the net customer savings, if any, and above market costs, if any, under the SNG contract. Any contract, the terms of which have

been confirmed in writing by the Illinois Power Agency as set forth in subsection (h) of this Section and the performance of the parties under such contract cannot be grounds for challenging prudence or cost recovery by the utility through the purchased gas adjustment clause, and in such cases, the Commission is directed not to consider, and has no authority to consider, any attempted challenges.

The contracts entered into by Illinois gas utilities pursuant to subsection (h) of this Section shall provide that the utility retains the right to terminate the contract without further obligation or liability to any party if the contract has been impaired as a result of any legislative, administrative, judicial, or other governmental action that is taken that eliminates all or part of the prudence protection of this subsection (h-10) or denies the recoverability of all or part of the contract costs through the purchased gas adjustment clause. Should any Illinois gas utility exercise its right under this subsection (h-10) to terminate the contract, all contract costs incurred prior to termination are and will be deemed reasonable, prudent, and recoverable as and when incurred and not subject to review or disallowance by the Commission. Any order, issued by the State requiring or authorizing the discontinuation of the merchant function, defined as the purchase and sale of natural gas by an Illinois gas utility for the ultimate consumer in its service territory shall include provisions necessary to prevent the impairment of the value of any contract hereunder over its full term.

(h-11) All costs incurred by an Illinois gas utility in procuring SNG from a clean coal SNG brownfield facility pursuant to subsection (h-1) or a third-party marketer pursuant to subsection (h-1) are reasonable and prudent and recoverable through the purchased gas adjustment clause in conjunction with a SNG brownfield facility rider mechanism and are not subject to review or disallowance by the Commission; provided that if a utility is required by law or otherwise elects to connect the clean coal SNG brownfield facility to an interstate pipeline, then the utility shall be entitled to recover pursuant to its tariffs all just and reasonable costs that are prudently incurred. Sourcing agreement costs are costs incurred by the utility under the terms of a sourcing agreement that incorporates the terms stated in subsection (h-1) of this Section as approved by the Commission as set forth in subsection (h-4) of this Section, which approval shall be deemed conclusive, or as a consequence of or condition to its performance under the contract, including (i) amounts paid for SNG under the SNG contract and (ii) costs of transportation and storage services of SNG purchased from interstate pipelines under federally approved tariffs. Any sourcing agreement, the terms of which have been approved by the Commission as set forth in subsection (h-4) of this Section, and the performance of the parties under the sourcing agreement cannot be grounds for challenging prudence or cost recovery by the utility, and in these cases, the Commission is directed not to consider, and has no authority to consider, any attempted challenges.

(h-15) Reconciliation account. The clean coal SNG facility shall establish a reconciliation account for the benefit of the retail customers of the utilities that have entered into contracts with the clean coal SNG facility pursuant to subsection (h). The reconciliation account shall be maintained and administered by an independent trustee that is mutually agreed upon by the owners of the clean coal SNG facility, the utilities, and the Commission in an interest-bearing account in accordance with the following:

(1) The clean coal SNG facility shall conduct an analysis annually within 60 days after receiving the necessary cost information, which shall be provided by the gas utility within 6 months after the end of the preceding calendar year, to determine (i) the average annual contract SNG cost, which shall be calculated as the total amount paid for SNG purchased from the clean coal SNG facility over the preceding 12 months, plus the cost to the utility of the required transportation and storage services of SNG, divided by the total number of MMBtus of SNG actually purchased from the clean coal SNG facility in the preceding 12 months under the utility contract; (ii) the average annual natural gas purchase cost, which shall be calculated as the total annual supply costs paid for baseload natural gas (excluding any SNG) purchased by such utility over the preceding 12 months plus the costs of transportation and storage services of such natural gas (excluding such costs for SNG), divided by the total number of MMbtus of baseload natural gas (excluding SNG) actually purchased by the utility during the year; (iii) the cost differential, which shall be the difference between the average annual contract SNG cost and the average annual natural gas purchase cost; and (iv) the revenue share target which shall be the cost differential multiplied by the total amount of SNG purchased over the preceding 12 months under such utility contract.

(A) To the extent the annual average contract SNG cost is less than the annual average natural gas purchase cost, the utility shall credit an amount equal to the revenue share target to the reconciliation account. Such credit payment shall be made monthly starting within 30 days after the completed analysis in this subsection (h-15) and based on collections from all customers via a line item charge in all customer bills designed to have an equal percentage impact on the transportation services of each class of customers. Credit payments made pursuant to this

subparagraph (A) shall be deemed prudent and reasonable and not subject to Commission prudence review.

(B) To the extent the annual average contract SNG cost is greater than the annual average natural gas purchase cost, the reconciliation account shall be used to provide a credit equal to the revenue share target to the utilities to be used to reduce the utility's natural gas costs through the purchased gas adjustment clause. Such payment shall be made within 30 days after the completed analysis pursuant to this subsection (h-15), but only to the extent that the reconciliation account has a positive balance.

(2) At the conclusion of the term of the SNG contracts pursuant to subsection (h) and the completion of the final annual analysis pursuant to this subsection (h-15), to the extent the facility owes any amount to retail customers, amounts in the account shall be credited to retail customers to the extent the owed amount is repaid; 50% of any additional amount in the reconciliation account shall be distributed to the utilities to be used to reduce the utilities' natural gas costs through the purchase gas adjustment clause with the remaining amount distributed to the clean coal SNG facility. Such payment shall be made within 30 days after the last completed analysis pursuant to this subsection (h-15). If the facility has repaid all owed amounts, if any, to retail customers and has distributed 50% of any additional amount in the account to the utilities, then the owners of the clean coal SNG facility shall have no further obligation to the utility or the retail customers.

If, at the conclusion of the term of the contracts pursuant to subsection (h) and the completion of the final annual analysis pursuant to this subsection (h-15), the facility owes any amount to retail customers and the account has been depleted, then the clean coal SNG facility shall be liable for any remaining amount owed to the retail customers. The clean coal SNG facility shall market the daily production of SNG and distribute on a monthly basis 5% of the amounts collected with respect to such future sales to the utilities in proportion to each utility's SNG contract to be used to reduce the utility's natural gas costs through the purchase gas adjustment clause; such payments to the utility shall continue until either 15 years after the conclusion of the contract or such time as the sum of such payments equals the remaining amount owed to the retail customers at the end of the contract, whichever is earlier. If the debt to the retail customers is not repaid within 15 years after the conclusion of the contract, then the owner of the clean coal SNG facility must sell the facility, and all proceeds from that sale must be used to repay any amount owed to the retail customers under this subsection (h-15).

The retail customers shall have first priority in recovering that debt above any creditors, except the secured lenders to the extent that the secured lenders have any secured debt outstanding, including any parent companies or affiliates of the clean coal SNG facility.

(3) 50% of all additional net revenue, defined as miscellaneous net revenue after cost allowance and above the budgeted estimate established for revenue pursuant to subsection (h), including sale of substitute natural gas derived from the clean coal SNG facility above the nameplate capacity of the facility and other by-products produced by the facility, shall be credited to the reconciliation account on an annual basis with such payment made within 30 days after the end of each calendar year during the term of the contract.

(4) The clean coal SNG facility shall each year, starting in the facility's first year of commercial operation, file with the Commission, in such form as the Commission shall require, a report as to the reconciliation account. The annual report must contain the following information:

(A) the revenue share target amount;

(B) the amount credited or debited to the reconciliation account during the year;

(C) the amount credited to the utilities to be used to reduce the utilities natural gas costs though the purchase gas adjustment clause;

(D) the total amount of reconciliation account at the beginning and end of the year;

(E) the total amount of consumer savings to date; and

(F) any additional information the Commission may require.

When any report is erroneous or defective or appears to the Commission to be erroneous or defective, the Commission may notify the clean coal SNG facility to amend the report within 30 days; before or after the termination of the 30-day period, the Commission may examine the trustee of the reconciliation account or the officers, agents, employees, books, records, or accounts of the clean coal SNG facility and correct such items in the report as upon such examination the Commission may find defective or erroneous. All reports shall be under oath.

All reports made to the Commission by the clean coal SNG facility and the contents of the reports shall be open to public inspection and shall be deemed a public record under the Freedom of Information Act. Such reports shall be preserved in the office of the Commission. The Commission shall publish an annual

summary of the reports prior to February 1 of the following year. The annual summary shall be made available to the public on the Commission's website and shall be submitted to the General Assembly.

Any facility that fails to file the report required under this paragraph (4) to the Commission within the time specified or to make specific answer to any question propounded by the Commission within 30 days after the time it is lawfully required to do so, or within such further time not to exceed 90 days as may be allowed by the Commission in its discretion, shall pay a penalty of $500 to the Commission for each day it is in default.

Any person who willfully makes any false report to the Commission or to any member, officer, or employee thereof, any person who willfully in a report withholds or fails to provide material information to which the Commission is entitled under this paragraph (4) and which information is either required to be filed by statute, rule, regulation, order, or decision of the Commission or has been requested by the Commission, and any person who willfully aids or abets such person shall be guilty of a Class A misdemeanor.

(h-20) The General Assembly authorizes the Illinois Finance Authority to issue bonds to the maximum extent permitted to finance coal gasification facilities described in this Section, which constitute both "industrial projects" under Article 801 of the Illinois Finance Authority Act and "clean coal and energy projects" under Sections 825-65 through 825-75 of the Illinois Finance Authority Act.

Administrative costs incurred by the Illinois Finance Authority in performance of this subsection (h-20) shall be subject to reimbursement by the clean coal SNG facility on terms as the Illinois Finance Authority and the clean coal SNG facility may agree. The utility and its customers shall have no obligation to reimburse the clean coal SNG facility or the Illinois Finance Authority for any such costs.

(h-25) The State of Illinois pledges that the State may not enact any law or take any action to (1) break or repeal the authority for SNG purchase contracts entered into between public gas utilities and the clean coal SNG facility pursuant to subsection (h) of this Section or (2) deny public gas utilities their full cost recovery for contract costs, as defined in subsection (h-10), that are incurred under such SNG purchase contracts. These pledges are for the benefit of the parties to such SNG purchase contracts and the issuers and holders of bonds or other obligations issued or incurred to finance or refinance the clean coal SNG facility. The beneficiaries are authorized to include and refer to these pledges in any finance agreement into which they may enter in regard to such contracts.

(h-30) The State of Illinois retains and reserves all other rights to enact new or amendatory legislation or take any other action, including, but not limited to, such legislation or other action that would (1) directly or indirectly raise the costs that the clean coal SNG facility must incur; (2) directly or indirectly place additional restrictions, regulations, or requirements on the clean coal SNG facility; (3) prohibit sequestration in general or prohibit a specific sequestration method or project; or (4) increase minimum sequestration requirements.

(i) If a gas utility or an affiliate of a gas utility has an ownership interest in any entity that produces or sells synthetic natural gas, Article VII of this Act shall apply.

(Source: P.A. 97-96, eff. 7-13-11; 97-239, eff. 8-2-11; 97-630, eff. 12-8-11; 97-906, eff. 8-7-12; 97-1081, eff. 8-24-12; 98-463, eff. 8-16-13.)

Section 145. The Illinois Horse Racing Act of 1975 is amended by changing Sections 12.1 and 12.2 as follows:

(230 ILCS 5/12.1) (from Ch. 8, par. 37-12.1)

Sec. 12.1. (a) The General Assembly finds that the Illinois Racing Industry does not include a fair proportion of minority or female workers.

Therefore, the General Assembly urges that the job training institutes, trade associations and employers involved in the Illinois Horse Racing Industry take affirmative action to encourage equal employment opportunity to all workers regardless of race, color, creed or sex.

Before an organization license, inter-track wagering license or inter-track wagering location license can be granted, the applicant for any such license shall execute and file with the Board a good faith affirmative action plan to recruit, train and upgrade minorities and females in all classifications with the applicant for license. One year after issuance of any such license, and each year thereafter, the licensee shall file a report with the Board evidencing and certifying compliance with the originally filed affirmative action plan.

(b) At least 10% of the total amount of all State contracts for the infrastructure improvement of any race track grounds in this State shall be let to minority-owned ~~minority owned~~ businesses or women-owned ~~female owned~~ businesses. "State contract", " minority-owned ~~minority owned~~ business" and " women-owned ~~female owned~~ business" shall have the meanings ascribed to them under the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act.

(Source: P.A. 92-16, eff. 6-28-01.)

(230 ILCS 5/12.2)

Sec. 12.2. Business enterprise program.

(a) For the purposes of this Section, the terms "minority", "minority-owned ~~minority owned~~ business", " woman ~~female~~", " women-owned ~~female owned~~ business", "person with a disability", and "business owned by a person with a disability" have the meanings ascribed to them in the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act.

(b) The Board shall, by rule, establish goals for the award of contracts by each organization licensee or inter-track wagering licensee to businesses owned by minorities, women ~~females~~, and persons with disabilities, expressed as percentages of an organization licensee's or inter-track wagering licensee's total dollar amount of contracts awarded during each calendar year. Each organization licensee or inter-track wagering licensee must make every effort to meet the goals established by the Board pursuant to this Section. When setting the goals for the award of contracts, the Board shall not include contracts where: (1) licensees are purchasing goods or services from vendors or suppliers or in markets where there are no or a limited number of minority-owned ~~minority owned~~ businesses, women-owned ~~women owned~~ businesses, or businesses owned by persons with disabilities that would be sufficient to satisfy the goal; (2) there are no or a limited number of suppliers licensed by the Board; (3) the licensee or its parent company owns a company that provides the goods or services; or (4) the goods or services are provided to the licensee by a publicly traded company.

(c) Each organization licensee or inter-track wagering licensee shall file with the Board an annual report of its utilization of minority-owned ~~minority owned~~ businesses, women-owned ~~female owned~~ businesses, and businesses owned by persons with disabilities during the preceding calendar year. The reports shall include a self-evaluation of the efforts of the organization licensee or inter-track wagering licensee to meet its goals under this Section.

(d) The organization licensee or inter-track wagering licensee shall have the right to request a waiver from the requirements of this Section. The Board shall grant the waiver where the organization licensee or inter-track wagering licensee demonstrates that there has been made a good faith effort to comply with the goals for participation by minority-owned ~~minority owned~~ businesses, women-owned ~~female owned~~ businesses, and businesses owned by persons with disabilities.

(e) If the Board determines that its goals and policies are not being met by any organization licensee or inter-track wagering licensee, then the Board may:

(1) adopt remedies for such violations; and

(2) recommend that the organization licensee or inter-track wagering licensee provide additional opportunities for participation by minority-owned ~~minority owned~~ businesses, women-owned ~~female owned~~ businesses, and businesses owned by persons with disabilities; such recommendations may include, but shall not be limited to:

(A) assurances of stronger and better focused solicitation efforts to obtain more minority-owned ~~minority owned~~ businesses, women-owned ~~female owned~~ businesses, and businesses owned by persons with disabilities as potential sources of supply;

(B) division of job or project requirements, when economically feasible, into tasks or quantities to permit participation of minority-owned ~~minority owned~~ businesses, women-owned ~~female owned~~ businesses, and businesses owned by persons with disabilities;

(C) elimination of extended experience or capitalization requirements, when programmatically feasible, to permit participation of minority-owned ~~minority owned~~ businesses, women-owned ~~female owned~~ businesses, and businesses owned by persons with disabilities;

(D) identification of specific proposed contracts as particularly attractive or appropriate for participation by minority-owned ~~minority owned~~ businesses, women-owned ~~female owned~~ businesses, and businesses owned by persons with disabilities, such identification to result from and be coupled with the efforts of items (A) through (C); and

(E) implementation of regulations established for the use of the sheltered market process.

(f) The Board shall file, no later than March 1 of each year, an annual report that shall detail the level of achievement toward the goals specified in this Section over the 3 most recent fiscal years. The annual report shall include, but need not be limited to:

(1) a summary detailing expenditures subject to the goals, the actual goals specified, and the goals attained by each organization licensee or inter-track wagering licensee;

(2) a summary of the number of contracts awarded and the average contract amount by each organization licensee or inter-track wagering licensee;

(3) an analysis of the level of overall goal achievement concerning purchases from minority-owned ~~minority owned~~

businesses, women-owned ~~female owned~~ businesses, and businesses owned by persons with disabilities;

(4) an analysis of the number of minority-owned ~~minority owned~~ businesses, women-owned ~~female owned~~ businesses, and businesses owned by persons with disabilities that are certified under the program as well as the number of those businesses that received State procurement contracts; and

(5) (blank).

(Source: P.A. 98-490, eff. 8-16-13; 99-78, eff. 7-20-15; 99-891, eff. 1-1-17.)

Section 150. The Riverboat Gambling Act is amended by changing Sections 4, 7, 7.1, 7.4, 7.6, and 11.2 as follows:

(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) "Managers license" means a license issued by the Board to a person or entity to manage gambling operations conducted by the State pursuant to Section 7.3.

(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.

(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) (Blank).

(k) "Gambling operation" means the conduct of authorized gambling games upon a riverboat.

(l) "License bid" means the lump sum amount of money that an applicant bids and agrees to pay the State in return for an owners license that is re-issued on or after July 1, 2003.

(m) The terms "minority person", "woman ~~female~~", and "person with a disability" shall have the same meaning as defined in Section 2 of the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act.

(Source: P.A. 95-331, eff. 8-21-07; 96-1392, eff. 1-1-11.)

(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. From the effective date of this amendatory Act of the 95th General Assembly until (i) 3 years after the effective date of this amendatory Act of the 95th General Assembly, (ii) the date any organization licensee begins to operate a slot machine or video game of chance under the Illinois Horse Racing Act of 1975 or this Act, (iii) the date that payments begin under subsection (c-5) of Section 13 of the Act, or (iv) the wagering tax imposed under Section 13 of this Act is increased by law to reflect a tax rate that is at least as stringent or more stringent than the tax rate contained in subsection (a-3) of Section 13, whichever occurs first, as a condition of licensure and as an alternative source of payment for those funds payable under subsection (c-5) of Section 13 of the Riverboat Gambling Act, any owners licensee that holds or receives its owners license on or after the effective date of this amendatory Act of the 94th General Assembly, other than an owners licensee operating a riverboat with adjusted gross receipts in calendar year 2004 of less than $200,000,000, must pay into the Horse Racing Equity Trust Fund, in addition to any other payments required under this Act, an amount equal to 3% of the adjusted gross receipts received by the owners licensee. The payments required under this Section shall be made by the owners licensee to the State Treasurer no later than 3:00 o'clock p.m. of the day after the day when the

adjusted gross receipts were received by the owners licensee. 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 the Criminal Code of 2012, 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.

The Board is expressly prohibited from making changes to the requirement that licensees make payment into the Horse Racing Equity Trust Fund without the express authority of the Illinois General Assembly and making any other rule to implement or interpret this amendatory Act of the 95th General Assembly. For the purposes of this paragraph, "rules" is given the meaning given to that term in Section 1-70 of the Illinois Administrative Procedure Act.

(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 extent to which the ownership of the applicant reflects the diversity of the State by including minority persons, women ~~females~~, and persons with a disability and the good faith affirmative action plan of each applicant to recruit, train and upgrade minority persons, women ~~females~~, and persons with a disability 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;

(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; and

(8) The amount of the applicant's license bid.

(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, with approval by the municipality in which the riverboat was docked on August 7, 2003 and with Board approval, be authorized to relocate to a new location, 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 August 7, 2003, had 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. 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 grant an owners license to an applicant that has not submitted the highest license bid, but if it does not select the highest bidder, the Board shall issue a written decision explaining why another applicant was selected and identifying the factors set forth in this Section that favored the winning bidder.

In addition to any other revocation powers granted to the Board under this Act, 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. 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 or re-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 or re-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 or re-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 or re-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. 96-1392, eff. 1-1-11; 97-1150, eff. 1-25-13.)

(230 ILCS 10/7.1)

Sec. 7.1. Re-issuance of revoked or non-renewed owners licenses.

(a) If an owners license terminates or expires without renewal or the Board revokes or determines not to renew an owners license (including, without limitation, an owners license for a licensee that was not conducting riverboat gambling operations on January 1, 1998) and that revocation or determination is final, the Board may re-issue such license to a qualified applicant pursuant to an open and competitive bidding process, as set forth in Section 7.5, and subject to the maximum number of authorized licenses set forth in Section 7(e).

(b) To be a qualified applicant, a person, firm, or corporation cannot be ineligible to receive an owners license under Section 7(a) and must submit an application for an owners license that complies with Section 6. Each such applicant must also submit evidence to the Board that minority persons and <u>women</u> ~~females~~ hold ownership interests in the applicant of at least 16% and 4% respectively.

(c) Notwithstanding anything to the contrary in Section 7(e), an applicant may apply to the Board for approval of relocation of a re-issued license to a new home dock location authorized under Section 3(c) upon receipt of the approval from the municipality or county, as the case may be, pursuant to Section 7(j).

(d) In determining whether to grant a re-issued owners license to an applicant, the Board shall consider all of the factors set forth in Sections 7(b) and (e) as well as the amount of the applicant's license bid. The Board may grant the re-issued owners license to an applicant that has not submitted the highest license

bid, but if it does not select the highest bidder, the Board shall issue a written decision explaining why another applicant was selected and identifying the factors set forth in Sections 7(b) and (e) that favored the winning bidder.

(e) Re-issued owners licenses shall be subject to annual license fees as provided for in Section 7(a) and shall be governed by the provisions of Sections 7(f), (g), (h), and (i).

(Source: P.A. 93-28, eff. 6-20-03.)

(230 ILCS 10/7.4)

Sec. 7.4. Managers licenses.

(a) A qualified person may apply to the Board for a managers license to operate and manage any gambling operation conducted by the State. 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 information required in Sections 6(a), (b), and (c) and information relating to the applicant's proposed price to manage State gambling operations and to provide the riverboat, gambling equipment, and supplies necessary to conduct State gambling operations.

(b) Each applicant must submit evidence to the Board that minority persons and women ~~females~~ hold ownership interests in the applicant of at least 16% and 4%, respectively.

(c) A person, firm, or corporation is ineligible to receive a managers 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 the Criminal Code of 2012, 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; or

(7) 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.

(d) Each applicant shall submit with his or her application, on forms prescribed by the Board, 2 sets of his or her fingerprints.

(e) The Board shall charge each applicant a fee, set by the Board, to defray the costs associated with the background investigation conducted by the Board.

(f) A person who knowingly makes a false statement on an application is guilty of a Class A misdemeanor.

(g) The managers license shall be for a term not to exceed 10 years, shall be renewable at the Board's option, and shall contain such terms and provisions as the Board deems necessary to protect or enhance the credibility and integrity of State gambling operations, achieve the highest prospective total revenue to the State, and otherwise serve the interests of the citizens of Illinois.

(h) Issuance of a managers license shall be subject to an open and competitive bidding process. The Board may select an applicant other than the lowest bidder by price. If it does not select the lowest bidder, the Board shall issue a notice of who the lowest bidder was and a written decision as to why another bidder was selected.

(Source: P.A. 97-1150, eff. 1-25-13.)

(230 ILCS 10/7.6)

Sec. 7.6. Business enterprise program.

(a) For the purposes of this Section, the terms "minority", "minority-owned ~~minority owned~~ business", " woman ~~female~~", " women-owned ~~female owned~~ business", "person with a disability", and "business owned by a person with a disability" have the meanings ascribed to them in the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act.

(b) The Board shall, by rule, establish goals for the award of contracts by each owners licensee to businesses owned by minorities, women ~~females~~, and persons with disabilities, expressed as percentages of an owners licensee's total dollar amount of contracts awarded during each calendar year. Each owners licensee must make every effort to meet the goals established by the Board pursuant to this Section. When setting the goals for the award of contracts, the Board shall not include contracts where: (1) any purchasing mandates would be dependent upon the availability of minority-owned ~~minority owned~~ businesses, women-owned ~~female owned~~ businesses, and businesses owned by persons with disabilities ready, willing, and able with capacity to provide quality goods and services to a gaming operation at reasonable prices;

(2) there are no or a limited number of licensed suppliers as defined by this Act for the goods or services provided to the licensee; (3) the licensee or its parent company owns a company that provides the goods or services; or (4) the goods or services are provided to the licensee by a publicly traded company.

(c) Each owners licensee shall file with the Board an annual report of its utilization of minority-owned ~~minority owned~~ businesses, women-owned ~~female owned~~ businesses, and businesses owned by persons with disabilities during the preceding calendar year. The reports shall include a self-evaluation of the efforts of the owners licensee to meet its goals under this Section.

(d) The owners licensee shall have the right to request a waiver from the requirements of this Section. The Board shall grant the waiver where the owners licensee demonstrates that there has been made a good faith effort to comply with the goals for participation by minority-owned ~~minority owned~~ businesses, women-owned ~~female owned~~ businesses, and businesses owned by persons with disabilities.

(e) If the Board determines that its goals and policies are not being met by any owners licensee, then the Board may:

(1) adopt remedies for such violations; and

(2) recommend that the owners licensee provide additional opportunities for participation by minority-owned ~~minority owned~~ businesses, women-owned ~~female owned~~ businesses, and businesses owned by persons with disabilities; such recommendations may include, but shall not be limited to:

(A) assurances of stronger and better focused solicitation efforts to obtain more minority-owned ~~minority owned~~ businesses, women-owned ~~female owned~~ businesses, and businesses owned by persons with disabilities as potential sources of supply;

(B) division of job or project requirements, when economically feasible, into tasks or quantities to permit participation of minority-owned ~~minority owned~~ businesses, women-owned ~~female owned~~ businesses, and businesses owned by persons with disabilities;

(C) elimination of extended experience or capitalization requirements, when programmatically feasible, to permit participation of minority-owned ~~minority owned~~ businesses, women-owned ~~female owned~~ businesses, and businesses owned by persons with disabilities;

(D) identification of specific proposed contracts as particularly attractive or appropriate for participation by minority-owned ~~minority owned~~ businesses, women-owned ~~female owned~~ businesses, and businesses owned by persons with disabilities, such identification to result from and be coupled with the efforts of items (A) through (C); and

(E) implementation of regulations established for the use of the sheltered market process.

(f) The Board shall file, no later than March 1 of each year, an annual report that shall detail the level of achievement toward the goals specified in this Section over the 3 most recent fiscal years. The annual report shall include, but need not be limited to:

(1) a summary detailing expenditures subject to the goals, the actual goals specified, and the goals attained by each owners licensee; and

(2) an analysis of the level of overall goal achievement concerning purchases from minority-owned ~~minority owned~~ businesses, women-owned ~~female owned~~ businesses, and businesses owned by persons with disabilities.

(Source: P.A. 98-490, eff. 8-16-13; 99-78, eff. 7-20-15.)

(230 ILCS 10/11.2)

Sec. 11.2. Relocation of riverboat home dock.

(a) A licensee that was not conducting riverboat gambling on January 1, 1998 may apply to the Board for renewal and approval of relocation to a new home dock location authorized under Section 3(c) and the Board shall grant the application and approval upon receipt by the licensee of approval from the new municipality or county, as the case may be, in which the licensee wishes to relocate pursuant to Section 7(j).

(b) Any licensee that relocates its home dock pursuant to this Section shall attain a level of at least 20% minority person and woman ~~female~~ ownership, at least 16% and 4% respectively, within a time period prescribed by the Board, but not to exceed 12 months from the date the licensee begins conducting gambling at the new home dock location. The 12-month period shall be extended by the amount of time necessary to conduct a background investigation pursuant to Section 6. For the purposes of this Section, the terms " woman ~~female~~" and "minority person" have the meanings provided in Section 2 of the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act.

(Source: P.A. 91-40, eff. 6-25-99.)

Section 155. The Environmental Protection Act is amended by changing Section 14.7 as follows:

(415 ILCS 5/14.7)

(This Section may contain text from a Public Act with a delayed effective date)

Sec. 14.7. Preservation of community water supplies.

(a) The Agency shall adopt rules governing certain corrosion prevention projects carried out on community water supplies. Those rules shall not apply to buried pipelines including, but not limited to, pipes, mains, and joints. The rules shall exclude routine maintenance activities of community water supplies including, but not limited to, the use of protective coatings applied by the owner's utility personnel during the course of performing routine maintenance activities. The activities may include, but not be limited to, the painting of fire hydrants; routine over-coat painting of interior and exterior building surfaces such as floors, doors, windows, and ceilings; and routine touch-up and over-coat application of protective coatings typically found on water utility pumps, pipes, tanks, and other water treatment plant appurtenances and utility owned structures. Those rules shall include:

(1) standards for ensuring that community water supplies carry out corrosion prevention and mitigation methods according to corrosion prevention industry standards adopted by the Agency;

(2) requirements that community water supplies use:

(A) protective coatings personnel to carry out corrosion prevention and mitigation methods on exposed water treatment tanks, exposed non-concrete water treatment structures, exposed water treatment pipe galleys; exposed pumps; and generators; the Agency shall not limit to protective coatings personnel any other work relating to prevention and mitigation methods on any other water treatment appurtenances where protective coatings are utilized for corrosion control and prevention to prolong the life of the water utility asset; and

(B) inspectors to ensure that best practices and standards are adhered to on each corrosion prevention project; and

(3) standards to prevent environmental degradation that might occur as a result of carrying out corrosion prevention and mitigation methods including, but not limited to, standards to prevent the improper handling and containment of hazardous materials, especially lead paint, removed from the exterior of a community water supply.

In adopting rules under this subsection (a), the Agency shall obtain input from corrosion industry experts specializing in the training of personnel to carry out corrosion prevention and mitigation methods.

(b) As used in this Section:

"Community water supply" has the meaning ascribed to that term in Section 3.145 of this Act.

"Corrosion" means a naturally occurring phenomenon commonly defined as the deterioration of a metal that results from a chemical or electrochemical reaction with its environment.

"Corrosion prevention and mitigation methods" means the preparation, application, installation, removal, or general maintenance as necessary of a protective coating system, including any or more of the following:

(A) surface preparation and coating application on the exterior or interior of a community water supply; or

(B) shop painting of structural steel fabricated for installation as part of a community water supply.

"Corrosion prevention project" means carrying out corrosion prevention and mitigation methods. "Corrosion prevention project" does not include clean-up related to surface preparation.

"Protective coatings personnel" means personnel employed or retained by a contractor providing services covered by this Section to carry out corrosion prevention or mitigation methods or inspections.

(c) This Section shall apply to only those projects receiving 100% funding from the State.

(d) Each contract procured pursuant to the Illinois Procurement Code for the provision of services covered by this Section (1) shall comply with applicable provisions of the Illinois Procurement Code and (2) shall include provisions for reporting participation by minority persons, as defined by Section 2 of the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act; women ~~females~~, as defined by Section 2 of the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act; and veterans, as defined by Section 45-57 of the Illinois Procurement Code, in apprenticeship and training programs in which the contractor or his or her subcontractors participate. The requirements of this Section do not apply to an individual licensed under the Professional Engineering Practice Act of 1989 or the Structural Engineering Act of 1989.

(Source: P.A. 99-923, eff. 7-1-17.)

Section 160. The Public Private Agreements for the Illiana Expressway Act is amended by changing Section 20 as follows:

(605 ILCS 130/20)

Sec. 20. Procurement; request for proposals process.

(a) Notwithstanding any provision of law to the contrary, the Department on behalf of the State shall select a contractor through a competitive request for proposals process governed by the Illinois Procurement Code and rules adopted under that Code and this Act.

(b) The competitive request for proposals process shall, at a minimum, solicit statements of qualification and proposals from offerors.

(c) The competitive request for proposals process shall, at a minimum, take into account the following criteria:

(1) The offeror's plans for the Illiana Expressway project;

(2) The offeror's current and past business practices;

(3) The offeror's poor or inadequate past performance in developing, financing, constructing, managing, or operating highways or other public assets;

(4) The offeror's ability to meet and past performance in meeting or exhausting good faith efforts to meet the utilization goals for business enterprises established in the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act;

(5) The offeror's ability to comply with and past performance in complying with Section 2-105 of the Illinois Human Rights Act; and

(6) The offeror's plans to comply with the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act and Section 2-105 of the Illinois Human Rights Act.

(d) The Department shall retain the services of an advisor or advisors with significant experience in the development, financing, construction, management, or operation of public assets to assist in the preparation of the request for proposals.

(e) The Department shall not include terms in the request for proposals that provide an advantage, whether directly or indirectly, to any contractor presently providing goods, services, or equipment to the Department.

(f) The Department shall select at least 2 offerors as finalists. The Department shall submit the offerors' statements of qualification and proposals to the Commission on Government Forecasting and Accountability and the Procurement Policy Board, which shall, within 30 days of the submission, complete a review of the statements of qualification and proposals and, jointly or separately, report on, at a minimum, the satisfaction of the criteria contained in the request for proposals, the qualifications of the offerors, and the value of the proposals to the State. The Department shall not select an offeror as the contractor for the Illiana Expressway project until it has received and considered the findings of the Commission on Government Forecasting and Accountability and the Procurement Policy Board as set forth in their respective reports.

(g) Before awarding a public private agreement to an offeror, the Department shall schedule and hold a public hearing or hearings on the proposed public private agreement and publish notice of the hearing or hearings at least 7 days before the hearing and in accordance with Section 4-219 of the Illinois Highway Code. The notice must include the following:

(1) the date, time, and place of the hearing and the address of the Department;

(2) the subject matter of the hearing;

(3) a description of the agreement that may be awarded; and

(4) the recommendation that has been made to select an offeror as the contractor for the Illiana Expressway project.

At the hearing, the Department shall allow the public to be heard on the subject of the hearing.

(h) After the procedures required in this Section have been completed, the Department shall make a determination as to whether the offeror should be designated as the contractor for the Illiana Expressway project and shall submit the decision to the Governor and to the Governor's Office of Management and Budget. After review of the Department's determination, the Governor may accept or reject the determination. If the Governor accepts the determination of the Department, the Governor shall designate the offeror for the Illiana Expressway project.

(Source: P.A. 96-913, eff. 6-9-10.)

Section 165. The Public-Private Agreements for the South Suburban Airport Act is amended by changing Section 2-30 as follows:

(620 ILCS 75/2-30)

Sec. 2-30. Request for proposals process to enter into public-private agreements.

(a) Notwithstanding any provisions of the Illinois Procurement Code, the Department, on behalf of the State, shall select a contractor through a competitive request for proposals process governed by Section 2-30 of this Act. The Department will consult with the chief procurement officer for construction or

construction-related activities designated pursuant to clause (2) of Section 1-15.15 of the Illinois Procurement Code on the competitive request for proposals process, and the Secretary will determine, in consultation with the chief procurement officer, which procedures to adopt and apply to the competitive request for proposals process in order to ensure an open, transparent, and efficient process that accomplishes the purposes of this Act.

(b) The competitive request for proposals process shall, at a minimum, solicit statements of qualification and proposals from offerors.

(c) The competitive request for proposals process shall, at a minimum, take into account the following criteria:

(1) the offeror's plans for the South Suburban Airport project;

(2) the offeror's current and past business practices;

(3) the offeror's poor or inadequate past performance in developing, financing, constructing, managing, or operating airports or other public assets;

(4) the offeror's ability to meet the utilization goals for business enterprises established in the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act;

(5) the offeror's ability to comply with Section 2-105 of the Illinois Human Rights Act; and

(6) the offeror's plans to comply with the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act and Section 2-105 of the Illinois Human Rights Act.

(d) The Department shall retain the services of an advisor or advisors with significant experience in the development, financing, construction, management, or operation of public assets to assist in the preparation of the request for proposals.

(e) The Department shall not include terms in the request for proposals that provide an advantage, whether directly or indirectly, to any contractor presently providing goods, services, or equipment to the Department.

(f) The Department shall select one or more offerors as finalists. The Department shall submit the offeror's statements of qualification and proposals to the Commission on Government Forecasting and Accountability and the Procurement Policy Board, which shall, within 30 days after the submission, complete a review of the statements of qualification and proposals and, jointly or separately, report on, at a minimum, the satisfaction of the criteria contained in the request for proposals, the qualifications of the offerors, and the value of the proposals to the State. The Department shall not select an offeror as the contractor for the South Suburban Airport project until it has received and considered the findings of the Commission on Government Forecasting and Accountability and the Procurement Policy Board as set forth in their respective reports.

(g) Before awarding a public-private agreement to an offeror, the Department shall schedule and hold a public hearing or hearings on the proposed public-private agreement and publish notice of the hearing or hearings at least 7 days before the hearing. The notice shall include the following:

(1) the date, time, and place of the hearing and the address of the Department;

(2) the subject matter of the hearing;

(3) a description of the agreement that may be awarded; and

(4) the recommendation that has been made to select an offeror as the contractor for the South Suburban Airport project.

At the hearing, the Department shall allow the public to be heard on the subject of the hearing.

(h) After the procedures required in this Section have been completed, the Department shall make a determination as to whether the offeror should be designated as the contractor for the South Suburban Airport project and shall submit the decision to the Governor and to the Governor's Office of Management and Budget. After review of the Department's determination, the Governor may accept or reject the determination. If the Governor accepts the determination of the Department, the Governor shall designate the offeror for the South Suburban Airport project.

(Source: P.A. 98-109, eff. 7-25-13.)

Section 170. The Public-Private Partnerships for Transportation Act is amended by changing Section 25 as follows:

(630 ILCS 5/25)

Sec. 25. Design-build procurement.

(a) This Section 25 shall apply only to transportation projects for which the Department or the Authority intends to execute a design-build agreement, in which case the Department or the Authority shall abide by

the requirements and procedures of this Section 25 in addition to other applicable requirements and procedures set forth in this Act.

(b)(1) The transportation agency must issue a notice of intent to receive proposals for the project at least 14 days before issuing the request for the qualifications. The transportation agency must publish the advance notice in a daily newspaper of general circulation in the county where the transportation agency is located. The transportation agency is encouraged to use publication of the notice in related construction industry service publications. A brief description of the proposed procurement must be included in the notice. The transportation agency must provide a copy of the request for qualifications to any party requesting a copy.

(2) The request for qualifications shall be prepared for each project and must contain, without limitation, the following information: (i) the name of the transportation agency; (ii) a preliminary schedule for the completion of the contract; (iii) the proposed budget for the project and the source of funds, to the extent not already reflected in the Department's Multi-Year Highway Improvement Program; (iv) the shortlisting process for entities or groups of entities such as unincorporated joint ventures wishing to submit proposals (the transportation agency shall include, at a minimum, its normal prequalification, licensing, registration, and other requirements, but nothing contained herein precludes the use of additional criteria by the transportation agency); (v) a summary of anticipated material requirements of the contract, including but not limited to, the proposed terms and conditions, required performance and payment bonds, insurance, and the utilization goals established by the transportation agency for minority and women business enterprises and compliance with Section 2-105 of the Illinois Human Rights Act; and (vi) the anticipated number of entities that will be shortlisted for the request for proposals phase.

(3) The transportation agency may include any other relevant information in the request for qualifications that it chooses to supply. The private entity shall be entitled to rely upon the accuracy of this documentation in the development of its statement of qualifications and its proposal only to the extent expressly warranted by the transportation agency.

(4) The date that statements of qualifications are due must be at least 21 calendar days after the date of the issuance of the request for qualifications. In the event the cost of the project is estimated to exceed $12,000,000, then the statement of qualifications due date must be at least 28 calendar days after the date of the issuance of the request for qualifications. The transportation agency shall include in the request for proposals a minimum of 30 days to develop the proposals after the selection of entities from the evaluation of the statements of qualifications is completed.

(c)(1) The transportation agency shall develop, with the assistance of a licensed design professional, the request for qualifications and the request for proposals, which shall include scope and performance criteria. The scope and performance criteria must be in sufficient detail and contain adequate information to reasonably apprise the private entities of the transportation agency's overall programmatic needs and goals, including criteria and preliminary design plans, general budget parameters, schedule, and delivery requirements.

(2) Each request for qualifications and request for proposals shall also include a description of the level of design to be provided in the proposals. This description must include the scope and type of renderings, drawings, and specifications that, at a minimum, will be required by the transportation agency to be produced by the private entities.

(3) The scope and performance criteria shall be prepared by a design professional who is an employee of the transportation agency, or the transportation agency may contract with an independent design professional selected under the Architectural, Engineering, and Land Surveying Qualifications Based Selection Act to provide these services.

(4) The design professional that prepares the scope and performance criteria is prohibited from participating in any private entity proposal for the project.

(d)(1) The transportation agency must use a two phase procedure for the selection of the successful design-build entity. The request for qualifications phase will evaluate and shortlist the private entities based on qualifications, and the request for proposals will evaluate the technical and cost proposals.

(2) The transportation agency shall include in the request for qualifications the evaluating factors to be used in the request for qualifications phase. These factors are in addition to any prequalification requirements of private entities that the transportation agency has set forth. Each request for qualifications shall establish the relative importance assigned to each evaluation factor, including any weighting of criteria to be employed by the transportation agency. The transportation agency must maintain a record of the evaluation scoring to be disclosed in event of a protest regarding the solicitation.

The transportation agency shall include the following criteria in every request for qualifications phase evaluation of private entities: (i) experience of personnel; (ii) successful experience with similar project types; (iii) financial capability; (iv) timeliness of past performance; (v) experience with similarly sized

projects; (vi) successful reference checks of the firm; (vii) commitment to assign personnel for the duration of the project and qualifications of the entity's consultants; and (viii) ability or past performance in meeting or exhausting good faith efforts to meet the utilization goals for business enterprises established in the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act and in complying with Section 2-105 of the Illinois Human Rights Act. No proposal shall be considered that does not include an entity's plan to comply with the requirements regarding minority and women business enterprises and economically disadvantaged firms established by the transportation agency and with Section 2-105 of the Illinois Human Rights Act. The transportation agency may include any additional relevant criteria in the request for qualifications phase that it deems necessary for a proper qualification review.

Upon completion of the qualifications evaluation, the transportation agency shall create a shortlist of the most highly qualified private entities.

The transportation agency shall notify the entities selected for the shortlist in writing. This notification shall commence the period for the preparation of the request for proposals phase technical and cost evaluations. The transportation agency must allow sufficient time for the shortlist entities to prepare their proposals considering the scope and detail requested by the transportation agency.

(3) The transportation agency shall include in the request for proposals the evaluating factors to be used in the technical and cost submission components. Each request for proposals shall establish, for both the technical and cost submission components, the relative importance assigned to each evaluation factor, including any weighting of criteria to be employed by the transportation agency. The transportation agency must maintain a record of the evaluation scoring to be disclosed in event of a protest regarding the solicitation.

The transportation agency shall include the following criteria in every request for proposals phase technical evaluation of private entities: (i) compliance with objectives of the project; (ii) compliance of proposed services to the request for proposal requirements; (iii) compliance with the request for proposal requirements of products or materials proposed; (iv) quality of design parameters; and (v) design concepts. The transportation agency may include any additional relevant technical evaluation factors it deems necessary for proper selection.

The transportation agency shall include the following criteria in every request for proposals phase cost evaluation: the total project cost and the time of completion. The transportation agency may include any additional relevant technical evaluation factors it deems necessary for proper selection. The guaranteed maximum project cost criteria weighing factor shall not exceed 30%.

The transportation agency shall directly employ or retain a licensed design professional to evaluate the technical and cost submissions to determine if the technical submissions are in accordance with generally accepted industry standards.

(e) Statements of qualifications and proposals must be properly identified and sealed. Statements of qualifications and proposals may not be reviewed until after the deadline for submission has passed as set forth in the request for qualifications or the request for proposals. All private entities submitting statements of qualifications or proposals shall be disclosed after the deadline for submission, and all private entities who are selected for request for proposals phase evaluation shall also be disclosed at the time of that determination.

Design-build proposals shall include a bid bond in the form and security as designated in the request for proposals. Proposals shall also contain a separate sealed envelope with the cost information within the overall proposal submission. Proposals shall include a list of all design professionals and other entities to which any work identified in Section 30-30 of the Illinois Procurement Code as a subdivision of construction work may be subcontracted during the performance of the contract to the extent known at the time of proposal. If the information is not known at the time of proposal, then the design-build agreement shall require the identification prior to a previously unlisted subcontractor commencing work on the transportation project.

Statements of qualifications and proposals must meet all material requirements of the request for qualifications or request for proposals, or else they may be rejected as non-responsive. The transportation agency shall have the right to reject any and all statements of qualifications and proposals.

The private entity's proprietary intellectual property contained in the drawings and specifications of any unsuccessful statement of qualifications or proposal shall remain the property of the private entity.

The transportation agency shall review the statements of qualifications and the proposals for compliance with the performance criteria and evaluation factors.

Statements of qualifications and proposals may be withdrawn prior to the due date and time for submissions for any cause. After evaluation begins by the transportation agency, clear and convincing evidence of error is required for withdrawal.

(Source: P.A. 97-502, eff. 8-23-11; 97-858, eff. 7-27-12.)

Section 175. The Criminal Code of 2012 is amended by changing Sections 17-10.3 and 33E-2 as follows:

(720 ILCS 5/17-10.3)

Sec. 17-10.3. Deception relating to certification of disadvantaged business enterprises.

(a) Fraudulently obtaining or retaining certification. A person who, in the course of business, fraudulently obtains or retains certification as a minority-owned ~~minority owned~~ business, women-owned ~~female owned~~ business, service-disabled veteran-owned small business, or veteran-owned small business commits a Class 2 felony.

(b) Willfully making a false statement. A person who, in the course of business, willfully makes a false statement whether by affidavit, report or other representation, to an official or employee of a State agency or the ~~Minority and Female~~ Business Enterprise Council for Minorities, Women, and Persons with Disabilities for the purpose of influencing the certification or denial of certification of any business entity as a minority-owned ~~minority owned~~ business, women-owned ~~female owned~~ business, service-disabled veteran-owned small business, or veteran-owned small business commits a Class 2 felony.

(c) Willfully obstructing or impeding an official or employee of any agency in his or her investigation. Any person who, in the course of business, willfully obstructs or impedes an official or employee of any State agency or the ~~Minority and Female~~ Business Enterprise Council for Minorities, Women, and Persons with Disabilities who is investigating the qualifications of a business entity which has requested certification as a minority-owned ~~minority owned~~ business, women-owned ~~female owned~~ business, service-disabled veteran-owned small business, or veteran-owned small business commits a Class 2 felony.

(d) Fraudulently obtaining public moneys reserved for disadvantaged business enterprises. Any person who, in the course of business, fraudulently obtains public moneys reserved for, or allocated or available to, minority-owned ~~minority owned~~ businesses, women-owned ~~female owned~~ businesses, service-disabled veteran-owned small businesses, or veteran-owned small businesses commits a Class 2 felony.

(e) Definitions. As used in this Article, "minority-owned ~~minority owned~~ business", " women-owned ~~female owned~~ business", "State agency" with respect to minority-owned ~~minority owned~~ businesses and women-owned ~~female owned~~ businesses, and "certification" with respect to minority-owned ~~minority owned~~ businesses and women-owned ~~female owned~~ businesses shall have the meanings ascribed to them in Section 2 of the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act. As used in this Article, "service-disabled veteran-owned small business", "veteran-owned small business", "State agency" with respect to service-disabled veteran-owned small businesses and veteran-owned small businesses, and "certification" with respect to service-disabled veteran-owned small businesses and veteran-owned small businesses have the same meanings as in Section 45-57 of the Illinois Procurement Code.

(Source: P.A. 96-1551, eff. 7-1-11; 97-260, eff. 8-5-11.)

(720 ILCS 5/33E-2) (from Ch. 38, par. 33E-2)

Sec. 33E-2. Definitions. In this Act:

(a) "Public contract" means any contract for goods, services or construction let to any person with or without bid by any unit of State or local government.

(b) "Unit of State or local government" means the State, any unit of state government or agency thereof, any county or municipal government or committee or agency thereof, or any other entity which is funded by or expends tax dollars or the proceeds of publicly guaranteed bonds.

(c) "Change order" means a change in a contract term other than as specifically provided for in the contract which authorizes or necessitates any increase or decrease in the cost of the contract or the time to completion.

(d) "Person" means any individual, firm, partnership, corporation, joint venture or other entity, but does not include a unit of State or local government.

(e) "Person employed by any unit of State or local government" means any employee of a unit of State or local government and any person defined in subsection (d) who is authorized by such unit of State or local government to act on its behalf in relation to any public contract.

(f) "Sheltered market" has the meaning ascribed to it in Section 8b of the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act; except that, with respect to State contracts set aside for award to service-disabled veteran-owned small businesses and veteran-owned small businesses pursuant to Section 45-57 of the Illinois Procurement Code, "sheltered market" means procurements pursuant to that Section.

(g) "Kickback" means any money, fee, commission, credit, gift, gratuity, thing of value, or compensation of any kind which is provided, directly or indirectly, to any prime contractor, prime

contractor employee, subcontractor, or subcontractor employee for the purpose of improperly obtaining or rewarding favorable treatment in connection with a prime contract or in connection with a subcontract relating to a prime contract.

(h) "Prime contractor" means any person who has entered into a public contract.

(i) "Prime contractor employee" means any officer, partner, employee, or agent of a prime contractor.

(i-5) "Stringing" means knowingly structuring a contract or job order to avoid the contract or job order being subject to competitive bidding requirements.

(j) "Subcontract" means a contract or contractual action entered into by a prime contractor or subcontractor for the purpose of obtaining goods or services of any kind under a prime contract.

(k) "Subcontractor" (1) means any person, other than the prime contractor, who offers to furnish or furnishes any goods or services of any kind under a prime contract or a subcontract entered into in connection with such prime contract; and (2) includes any person who offers to furnish or furnishes goods or services to the prime contractor or a higher tier subcontractor.

(l) "Subcontractor employee" means any officer, partner, employee, or agent of a subcontractor.
(Source: P.A. 97-260, eff. 8-5-11.)

Section 180. The Business Corporation Act of 1983 is amended by changing Section 14.05 as follows:
(805 ILCS 5/14.05) (from Ch. 32, par. 14.05)

Sec. 14.05. Annual report of domestic or foreign corporation. Each domestic corporation organized under any general law or special act of this State authorizing the corporation to issue shares, other than homestead associations, building and loan associations, banks and insurance companies (which includes a syndicate or limited syndicate regulated under Article V 1/2 of the Illinois Insurance Code or member of a group of underwriters regulated under Article V of that Code), and each foreign corporation (except members of a group of underwriters regulated under Article V of the Illinois Insurance Code) authorized to transact business in this State, shall file, within the time prescribed by this Act, an annual report setting forth:

(a) The name of the corporation.

(b) The address, including street and number, or rural route number, of its registered office in this State, and the name of its registered agent at that address.

(c) The address, including street and number, or rural route number, of its principal office.

(d) The names and respective addresses, including street and number, or rural route number, of its directors and officers.

(e) A statement of the aggregate number of shares which the corporation has authority to issue, itemized by classes and series, if any, within a class.

(f) A statement of the aggregate number of issued shares, itemized by classes, and series, if any, within a class.

(g) A statement, expressed in dollars, of the amount of paid-in capital of the corporation as defined in this Act.

(h) Either a statement that (1) all the property of the corporation is located in this State and all of its business is transacted at or from places of business in this State, or the corporation elects to pay the annual franchise tax on the basis of its entire paid-in capital, or (2) a statement, expressed in dollars, of the value of all the property owned by the corporation, wherever located, and the value of the property located within this State, and a statement, expressed in dollars, of the gross amount of business transacted by the corporation and the gross amount thereof transacted by the corporation at or from places of business in this State as of the close of its fiscal year on or immediately preceding the last day of the third month prior to the anniversary month or in the case of a corporation which has established an extended filing month, as of the close of its fiscal year on or immediately preceding the last day of the third month prior to the extended filing month; however, in the case of a domestic corporation that has not completed its first fiscal year, the statement with respect to property owned shall be as of the last day of the third month preceding the anniversary month and the statement with respect to business transacted shall be furnished for the period between the date of incorporation and the last day of the third month preceding the anniversary month. In the case of a foreign corporation that has not been authorized to transact business in this State for a period of 12 months and has not commenced transacting business prior to obtaining authority, the statement with respect to property owned shall be as of the last day of the third month preceding the anniversary month and the statement with respect to business transacted shall be furnished for the period between the date of its authorization to transact business in this State and the last day of the third month preceding the anniversary month. If

the data referenced in item (2) of this subsection is not completed, the franchise tax provided for in this Act shall be computed on the basis of the entire paid-in capital.

(i) A statement, including the basis therefor, of status as a "minority-owned ~~minority owned~~ business" or as a " women-owned ~~female owned~~

business" as those terms are defined in the Business Enterprise for Minorities, Women ~~Females~~, and Persons with Disabilities Act.

(j) Additional information as may be necessary or appropriate in order to enable the

Secretary of State to administer this Act and to verify the proper amount of fees and franchise taxes payable by the corporation.

The annual report shall be made on forms prescribed and furnished by the Secretary of State, and the information therein required by paragraphs (a) through (d), both inclusive, of this Section, shall be given as of the date of the execution of the annual report and the information therein required by paragraphs (e), (f) and (g) of this Section shall be given as of the last day of the third month preceding the anniversary month, except that the information required by paragraphs (e), (f) and (g) shall, in the case of a corporation which has established an extended filing month, be given in its final transition annual report and each subsequent annual report as of the close of its fiscal year immediately preceding its extended filing month. It shall be executed by the corporation by its president, a vice-president, secretary, assistant secretary, treasurer or other officer duly authorized by the board of directors of the corporation to execute those reports, and verified by him or her, or, if the corporation is in the hands of a receiver or trustee, it shall be executed on behalf of the corporation and verified by the receiver or trustee.
(Source: P.A. 92-16, eff. 6-28-01; 92-33, eff. 7-1-01; 93-59, 7-1-03.)

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

The motion prevailed.

And the amendment was adopted and ordered printed.

Floor Amendment No. 5 was held in the Committee on Assignments.

Senator Clayborne offered the following amendment and moved its adoption:

AMENDMENT NO. 6 TO SENATE BILL 262

AMENDMENT NO. 6. Amend Senate Bill 262, AS AMENDED, with reference to page and line numbers of Senate Amendment No. 4, as follows:

on page 85, line 22, by replacing "construction" with "~~construction~~"; and

on page 85, line 24, by deleting "completed"; and

on page 86, line 1, by replacing "5 ~~10~~" with "10 calendar"; and

on page 112, line 2, after "Council", by inserting "identifying"; and

by replacing line 11 on page 112 through line 13 on page 114 with the following:

"(30 ILCS 575/8h new)

Sec. 8h. Encouragement for telecom and communications entities to submit supplier diversity reports.

(1) The following entities that do business in Illinois or serve Illinois customers shall be subject to this Section:

(i) all local exchange telecommunications carriers with at least 35,000 subscriber access lines;

(ii) cable and video providers, as defined in Section 21-20l of the Public Utilities Act;

(iii) interconnected VoIP providers, as defined in Section 13-235 of the Public Utilities Act;

(iv) wireless service providers;

(v) broadband internet access services providers; and

(vi) any other entity that provides messaging, voice, or video services via the Internet or a social media platform.

(2) Each entity subject to this Section may submit to the Illinois Commerce Commission and the Business Enterprise Council an annual report by April 15, 20l8, and every April 15 thereafter, which provides, for the previous calendar year, information and data on diversity goals, and progress toward achieving those goals, by certified businesses owned by minorities, women, persons with disabilities, and service-disabled veterans, provided that if the entity does not track such information and data for

businesses owned by service-disabled veterans, the entity may provide information and data for businesses owned by veterans.

The diversity report shall include the following:

(i) Overall annual spending on all such certified businesses.

(ii) A narrative description of the entity's supplier diversity goals and plans for meeting those goals.

(iii) The entity's best estimate of its annual spending in professional services and spending with certified businesses owned by minorities, women, persons with disabilities, and service-disabled veterans (or veterans, if the reporting entity does not track spending with service-disabled veterans), including, but not limited to, the following professional services categories: accounting; architecture and engineering; consulting; information technology; insurance; financial, legal, and marketing services; and other professional services. The diversity report shall also include the entity's overall annual spending in the listed professional service categories. For the diversity reports due on April 15, 2018 and April 15, 2019, the information on annual spending with certified businesses for professional services required by this Section may be provided for all professional services on an aggregated basis.

(iv) Beginning with the diversity report due on April 15, 2020, the total number and percentage of women and minorities that provided services for each construction project in the State.

An entity subject to this Section which is part of an affiliated group of entities may provide information for the affiliated group as a whole.

(3) Any entity that is subject to this Section that does not submit a report shall be reported by the Business Enterprise Council to each chief procurement officer. Upon receiving a report from the Business Enterprise Council, the chief procurement officer shall prohibit any entities that do not submit a report from bidding on State contracts for a period of one year beginning the first day of the following fiscal year and post on its respective bulletin the names of all entities that fail to comply with the provisions of this Section.

(4) A vendor may appeal any of the actions taken pursuant to this Section in the same manner as a vendor denied certification, by following the appeal procedures in the administrative rules created pursuant to this Act.".

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the foregoing Amendments numbered 4 and 6 were ordered engrossed, and the bill, as amended, was ordered to a third reading.

READING BILL OF THE SENATE A THIRD TIME

On motion of Senator Clayborne, **Senate Bill No. 262** having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

YEAS 52; NAYS None.

The following voted in the affirmative:

Althoff	Hastings	McGuire	Schimpf
Aquino	Holmes	Morrison	Silverstein
Barickman	Hunter	Mulroe	Stadelman
Bennett	Hutchinson	Muñoz	Steans
Biss	Jones, E.	Murphy	Syverson
Brady	Koehler	Nybo	Tracy
Bush	Landek	Oberweis	Trotter
Castro	Lightford	Radogno	Van Pelt
Clayborne	Link	Raoul	Weaver
Collins	Manar	Rezin	Mr. President
Connelly	Martinez	Righter	
Cunningham	McCann	Rooney	
Fowler	McConchie	Rose	
Harmon	McConnaughay	Sandoval	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

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

SENATE BILL RECALLED

On motion of Senator Link, **Senate Bill No. 518** was recalled from the order of third reading to the order of second reading.

Senator Link offered the following amendment and moved its adoption:

AMENDMENT NO. 2 TO SENATE BILL 518

AMENDMENT NO. _2_. Amend Senate Bill 518, AS AMENDED, with reference to page and line numbers of Senate Amendment No. 1, on page 3, line 12, by replacing "shall" with "may".

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the foregoing Amendment No. 2 was ordered engrossed, and the bill, as amended, was ordered to a third reading.

READING BILL OF THE SENATE A THIRD TIME

On motion of Senator Link, **Senate Bill No. 518** having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

And the question being, “Shall this bill pass?” it was decided in the affirmative by the following vote:

YEAS 51; NAY 1.

The following voted in the affirmative:

Althoff	Fowler	McCann	Rose
Aquino	Harmon	McConnaughay	Sandoval
Barickman	Hastings	McGuire	Schimpf
Bennett	Holmes	Morrison	Silverstein
Biss	Hunter	Mulroe	Stadelman
Bivins	Hutchinson	Muñoz	Steans
Brady	Jones, E.	Murphy	Syverson
Bush	Koehler	Nybo	Tracy
Castro	Landek	Oberweis	Trotter
Clayborne	Lightford	Radogno	Van Pelt
Collins	Link	Raoul	Weaver
Cullerton, T.	Manar	Righter	Mr. President
Cunningham	Martinez	Rooney	

The following voted in the negative:

McCarter

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

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

SENATE BILL RECALLED

On motion of Senator Collins, **Senate Bill No. 1532** was recalled from the order of third reading to the order of second reading.

Senator Collins offered the following amendment and moved its adoption:

AMENDMENT NO. 2 TO SENATE BILL 1532

AMENDMENT NO. 2. Amend Senate Bill 1532, AS AMENDED, by replacing everything after the enacting clause with the following:

"Section 5. The School Code is amended by changing Section 10-17a as follows:

(105 ILCS 5/10-17a) (from Ch. 122, par. 10-17a)

Sec. 10-17a. State, school district, and school report cards.

(1) By October 31, 2013 and October 31 of each subsequent school year, the State Board of Education, through the State Superintendent of Education, shall prepare a State report card, school district report cards, and school report cards, and shall by the most economic means provide to each school district in this State, including special charter districts and districts subject to the provisions of Article 34, the report cards for the school district and each of its schools.

(2) In addition to any information required by federal law, the State Superintendent shall determine the indicators and presentation of the school report card, which must include, at a minimum, the most current data possessed by the State Board of Education related to the following:

(A) school characteristics and student demographics, including average class size, average teaching experience, student racial/ethnic breakdown, and the percentage of students classified as low-income; the percentage of students classified as English learners; the percentage of students who have individualized education plans or 504 plans that provide for special education services; the percentage of students who annually transferred in or out of the school district; average daily attendance; the per-pupil operating expenditure of the school district; and the per-pupil State average operating expenditure for the district type (elementary, high school, or unit);

(B) curriculum information, including, where applicable, Advanced Placement, International Baccalaureate or equivalent courses, dual enrollment courses, foreign language classes, school personnel resources (including Career Technical Education teachers), before and after school programs, extracurricular activities, subjects in which elective classes are offered, health and wellness initiatives (including the average number of days of Physical Education per week per student), approved programs of study, awards received, community partnerships, and special programs such as programming for the gifted and talented, students with disabilities, and work-study students;

(C) student outcomes, including, where applicable, the percentage of students deemed proficient on assessments of State standards, the percentage of students in the eighth grade who pass Algebra, the percentage of students enrolled in post-secondary institutions (including colleges, universities, community colleges, trade/vocational schools, and training programs leading to career certification within 2 semesters of high school graduation), the percentage of students graduating from high school who are college and career ready, and the percentage of graduates enrolled in community colleges, colleges, and universities who are in one or more courses that the community college, college, or university identifies as a developmental course;

(D) student progress, including, where applicable, the percentage of students in the ninth grade who have earned 5 credits or more without failing more than one core class, a measure of students entering kindergarten ready to learn, a measure of growth, and the percentage of students who enter high school on track for college and career readiness;

(E) the school environment, including, where applicable, the percentage of students with less than 10 absences in a school year, the percentage of teachers with less than 10 absences in a school year for reasons other than professional development, leaves taken pursuant to the federal Family Medical Leave Act of 1993, long-term disability, or parental leaves, the 3-year average of the percentage of teachers returning to the school from the previous year, the number of different principals at the school in the last 6 years, 2 or more indicators from any school climate survey selected or approved by the State and administered pursuant to Section 2-3.153 of this Code, with the same or similar indicators included on school report cards for all surveys selected or approved by the State pursuant to Section 2-3.153 of this Code, and the combined percentage of teachers rated as proficient or excellent in their most recent evaluation; and

(F) a school district's and its individual schools' balanced accountability measure, in accordance with Section 2-3.25a of this Code.

The school report card shall also provide information that allows for comparing the current outcome, progress, and environment data to the State average, to the school data from the past 5 years, and to the outcomes, progress, and environment of similar schools based on the type of school and enrollment of low-income students, special education students, and English learners.

For the purposes of paragraph (A) of this subsection (2), "average daily attendance" means the average of the actual number of attendance days during the previous school year for any enrolled student who is subject to compulsory attendance by Section 26-1 of this Code at each school and charter school.

(3) At the discretion of the State Superintendent, the school district report card shall include a subset of the information identified in paragraphs (A) through (E) of subsection (2) of this Section, as well as information relating to the operating expense per pupil and other finances of the school district, and the State report card shall include a subset of the information identified in paragraphs (A) through (E) of subsection (2) of this Section.

(4) Notwithstanding anything to the contrary in this Section, in consultation with key education stakeholders, the State Superintendent shall at any time have the discretion to amend or update any and all metrics on the school, district, or State report card.

(5) Annually, no more than 30 calendar days after receipt of the school district and school report cards from the State Superintendent of Education, each school district, including special charter districts and districts subject to the provisions of Article 34, shall present such report cards at a regular school board meeting subject to applicable notice requirements, post the report cards on the school district's Internet web site, if the district maintains an Internet web site, make the report cards available to a newspaper of general circulation serving the district, and, upon request, send the report cards home to a parent (unless the district does not maintain an Internet web site, in which case the report card shall be sent home to parents without request). If the district posts the report card on its Internet web site, the district shall send a written notice home to parents stating (i) that the report card is available on the web site, (ii) the address of the web site, (iii) that a printed copy of the report card will be sent to parents upon request, and (iv) the telephone number that parents may call to request a printed copy of the report card.

(6) Nothing contained in this amendatory Act of the 98th General Assembly repeals, supersedes, invalidates, or nullifies final decisions in lawsuits pending on the effective date of this amendatory Act of the 98th General Assembly in Illinois courts involving the interpretation of Public Act 97-8.

(Source: P.A. 98-463, eff. 8-16-13; 98-648, eff. 7-1-14; 99-30, eff. 7-10-15; 99-193, eff. 7-30-15; 99-642, eff. 7-28-16.)

Section 99. Effective date. This Act takes effect July 1, 2019.".

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the foregoing Amendment No. 2 was ordered engrossed, and the bill, as amended, was ordered to a third reading.

READING BILL OF THE SENATE A THIRD TIME

On motion of Senator Collins, **Senate Bill No. 1532** having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

And the question being, “Shall this bill pass?” it was decided in the affirmative by the following vote:

YEAS 56; NAYS None.

The following voted in the affirmative:

Althoff	Fowler	McConchie	Sandoval
Aquino	Harmon	McConnaughay	Schimpf
Barickman	Hastings	McGuire	Silverstein
Bennett	Holmes	Morrison	Stadelman
Bertino-Tarrant	Hunter	Mulroe	Steans
Biss	Hutchinson	Muñoz	Syverson
Bivins	Jones, E.	Murphy	Tracy
Brady	Koehler	Nybo	Trotter

Bush	Landek	Oberweis	Van Pelt
Castro	Lightford	Radogno	Weaver
Clayborne	Link	Raoul	Mr. President
Collins	Manar	Rezin	
Connelly	Martinez	Righter	
Cullerton, T.	McCann	Rooney	
Cunningham	McCarter	Rose	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

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

SENATE BILL RECALLED

On motion of Senator Morrison, **Senate Bill No. 325** was recalled from the order of third reading to the order of second reading.

Senator Morrison offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO SENATE BILL 325

AMENDMENT NO. 1. Amend Senate Bill 325 by replacing everything after the enacting clause with the following:

"Section 5. The Regulatory Sunset Act is amended by changing Section 4.28 and by adding 4.38 as follows:

(5 ILCS 80/4.28)

Sec. 4.28. Acts repealed on January 1, 2018. The following Acts are repealed on January 1, 2018:

The Illinois Petroleum Education and Marketing Act.

The Podiatric Medical Practice Act of 1987.

The Acupuncture Practice Act.

The Illinois Speech-Language Pathology and Audiology Practice Act.

~~The Interpreter for the Deaf Licensure Act of 2007.~~

The Nurse Practice Act.

The Clinical Social Work and Social Work Practice Act.

The Pharmacy Practice Act.

The Home Medical Equipment and Services Provider License Act.

The Marriage and Family Therapy Licensing Act.

The Nursing Home Administrators Licensing and Disciplinary Act.

The Physician Assistant Practice Act of 1987.

(Source: P.A. 95-187, eff. 8-16-07; 95-235, eff. 8-17-07; 95-450, eff. 8-27-07; 95-465, eff. 8-27-07; 95-617, eff. 9-12-07; 95-639, eff. 10-5-07; 95-687, eff. 10-23-07; 95-689, eff. 10-29-07; 95-703, eff. 12-31-07; 95-876, eff. 8-21-08; 96-328, eff. 8-11-09.)

(5 ILCS 80/4.38 new)

Sec. 4.38. Act repealed on January 1, 2028. The following Act is repealed on January 1, 2028:

The Interpreter for the Deaf Licensure Act of 2007.

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

The motion prevailed.

And the amendment was adopted and ordered printed.

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

READING BILLS OF THE SENATE A THIRD TIME

On motion of Senator Morrison, **Senate Bill No. 325** having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

YEAS 55; NAYS None.

The following voted in the affirmative:

Althoff	Cunningham	McCarter	Rooney
Anderson	Fowler	McConchie	Rose
Aquino	Harmon	McConnaughay	Sandoval
Bennett	Hastings	McGuire	Schimpf
Bertino-Tarrant	Holmes	Morrison	Silverstein
Biss	Hunter	Mulroe	Stadelman
Bivins	Hutchinson	Muñoz	Steans
Brady	Jones, E.	Murphy	Syverson
Bush	Koehler	Nybo	Tracy
Castro	Lightford	Oberweis	Trotter
Clayborne	Link	Radogno	Van Pelt
Collins	Manar	Raoul	Weaver
Connelly	Martinez	Rezin	Mr. President
Cullerton, T.	McCann	Righter	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

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

On motion of Senator Steans, **Senate Bill No. 955** having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

YEAS 36; NAYS 20.

The following voted in the affirmative:

Aquino	Harmon	Manar	Silverstein
Bennett	Hastings	Martinez	Stadelman
Bertino-Tarrant	Holmes	McCann	Steans
Biss	Hunter	McGuire	Trotter
Bush	Hutchinson	Morrison	Van Pelt
Castro	Jones, E.	Mulroe	Mr. President
Clayborne	Koehler	Muñoz	
Collins	Landek	Murphy	
Cullerton, T.	Lightford	Raoul	
Cunningham	Link	Sandoval	

The following voted in the negative:

Althoff	Fowler	Radogno	Tracy
Anderson	McCarter	Righter	Weaver
Barickman	McConchie	Rooney	
Bivins	McConnaughay	Rose	
Brady	Nybo	Schimpf	
Connelly	Oberweis	Syverson	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

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

At the hour of 3:25 o'clock p.m., Senator Lightford, presiding.

SENATE BILL RECALLED

On motion of Senator Biss, **Senate Bill No. 1351** was recalled from the order of third reading to the order of second reading.

Senator Biss offered the following amendment and moved its adoption:

AMENDMENT NO. 3 TO SENATE BILL 1351

AMENDMENT NO. _3__. Amend Senate Bill 1351, AS AMENDED, 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 Student Loan Servicing Rights Act.

Section 1-5. Definitions. As used in this Act:

"Applicant" means a person applying for a license pursuant to this Act.

"Borrower" or "student loan borrower" means a person who has received or agreed to pay a student loan for his or her own educational expenses.

"Cosigner" means a person who has agreed to share responsibility for repaying a student loan with a borrower.

"Department" means the Department of Financial and Professional Regulation.

"Division of Banking" means the Division of Banking of the Department of Financial and Professional Regulation.

"Federal loan borrower eligible for referral to a repayment specialist" means a borrower who possesses any of the following characteristics:

(1) requests information related to options to reduce or suspend his or her monthly payment;

(2) indicates that he or she is experiencing or anticipates experiencing financial hardship, distress, or difficulty making his or her payments;

(3) has missed 2 consecutive monthly payments;

(4) is at least 75 days delinquent;

(5) is enrolled in a discretionary forbearance for more than 9 of the previous 12 months;

(6) has rehabilitated or consolidated one or more loans out of default within the past 12 months; or

(7) has not completed a course of study, as reflected in the servicer's records, or the borrower identifies himself or herself as not having completed a program of study.

"Federal education loan" means any loan made, guaranteed, or insured under Title IV of the federal Higher Education Act of 1965.

"Income-driven payment plan certification" means the documentation related to a federal student loan borrower's income or financial status the borrower must submit to renew an income-driven repayment plan.

"Income-driven repayment options" includes the Income-Contingent Repayment Plan, the Income-Based Repayment Plan, the Income-Sensitive Repayment Plan, the Pay As You Earn Plan, the Revised Pay As You Earn Plan, and any other federal student loan repayment plan that is calculated based on a borrower's income.

"Licensee" means a person licensed pursuant to this Act.

"Other repayment plans" means the Standard Repayment Plan, the Graduated Repayment Plan, the Extended Repayment Plan, or any other federal student loan repayment plan not based on a borrower's income.

"Private loan borrower eligible for referral to a repayment specialist" means a borrower who possesses any of the following characteristics:

(1) requests information related to options to reduce or suspend his or her monthly

payments; or

(2) indicates that he or she is experiencing or anticipates experiencing financial hardship, distress, or difficulty making his or her payments.

"Requester" means any borrower or cosigner that submits a request for assistance.

"Request for assistance" means all inquiries, complaints, account disputes, and requests for documentation a servicer receives from borrowers or cosigners.

"Secretary" means the Secretary of Financial and Professional Regulation, or his or her designee, including the Director of the Division of Banking of the Department of Financial and Professional Regulation.

"Servicing" means: (1) receiving any scheduled periodic payments from a student loan borrower or cosigner pursuant to the terms of a student loan; (2) applying the payments of principal and interest and such other payments with respect to the amounts received from a student loan borrower or cosigner, as may be required pursuant to the terms of a student loan; and (3) performing other administrative services with respect to a student loan.

"Student loan" or "loan" means any federal education loan or other loan primarily for use to finance a postsecondary education and costs of attendance at a postsecondary institution, including, but not limited to, tuition, fees, books and supplies, room and board, transportation, and miscellaneous personal expenses. "Student loan" includes a loan made to refinance a student loan.

"Student loan" shall not include an extension of credit under an open-end consumer credit plan, a reverse mortgage transaction, a residential mortgage transaction, or any other loan that is secured by real property or a dwelling.

"Student loan" shall not include an extension of credit made by a postsecondary educational institution to a borrower if one of the following apply:

(1) The term of the extension of credit is no longer than the borrower's education program.

(2) The remaining, unpaid principal balance of the extension of credit is less than $1,500 at the time of the borrower's graduation or completion of the program.

(3) The borrower fails to graduate or successfully complete his or her education program and has a balance due at the time of his or her disenrollment from the postsecondary institution.

"Student loan servicer" or "servicer" means any person engaged in the business of servicing student loans.

"Student loan servicer" shall not include:

(1) a bank, savings bank, savings association, or credit union organized under the laws of the State or any other state or under the laws of the United States;

(2) a wholly owned subsidiary of any bank, savings bank, savings association, or credit union organized under the laws of the State or any other state or under the laws of the United States;

(3) an operating subsidiary where each owner of the operating subsidiary is wholly owned by the same bank, savings bank, savings association, or credit union organized under the laws of the State or any other state or under the laws of the United States;

(4) the Illinois Student Assistance Commission and its agents;

(5) a public postsecondary educational institution or a private nonprofit postsecondary educational institution servicing a student loan it extended to the borrower;

(6) a licensed debt management service under the Debt Management Service Act, except to the extent that the organization acts as a subcontractor, affiliate, or service provider for an entity that is otherwise subject to licensure under this Act;

(7) any collection agency licensed under the Collection Agency Act that is collecting post-default debt;

(8) in connection with its responsibilities as a guaranty agency engaged in default aversion, a State nonprofit private institution or organization having an agreement with the U.S. Secretary of Education under Section 428(b) of the Higher Education Act (20 U.S.C. 1078(B)); or

(9) a State institution or a nonprofit private organization designated by a governmental entity to make or service student loans, provided in each case that the institution or organization services fewer than 20,000 student loan accounts of borrowers who reside in Illinois.

ARTICLE 5. STUDENT LOAN BILL OF RIGHTS

Section 5-5. General provisions.

(a) A servicer shall not engage in any unfair or deceptive practice toward any borrower or cosigner or misrepresent or omit any material information in connection with the servicing of a student loan, including,

but not limited to, misrepresenting the amount, nature, or terms of any fee or payment due or claimed to be due on a student loan, the terms and conditions of the student loan agreement, or the borrower's or cosigner's obligations under the student loan or the terms of any repayment plans.

(b) A servicer shall not misapply payments made by a borrower to the outstanding balance of a student loan.

(c) A servicer shall oversee third parties, including subservicers, debt collectors, independent contractors, subsidiaries, affiliates, or other agents, to ensure that those companies comply with this Article 5.

Section 5-10. Payment processing.

(a) A servicer shall credit borrower and cosigner payments promptly and accurately.

(b) A servicer shall provide borrowers and cosigners with prompt notice if the servicer changes the address to which the borrower or cosigner needs to send payments.

(c) A servicer shall not charge a penalty to a borrower or cosigner if a student loan payment is received at an address used for payments for a period of 90 days after the change in address.

(d) A servicer shall not misrepresent the delinquent amount of the loan on any call with a borrower or cosigner.

(e) A servicer shall allow a borrower or cosigner to specify instructions as to how an overpayment should be applied to the balance of the loan as consistent with the promissory note.

Section 5-15. Fees.

(a) Unless otherwise provided by federal law, a servicer may only charge late fees that are reasonable and proportional to the cost it incurs related to a late payment.

(b) Unless otherwise provided by federal law, a servicer shall not charge a borrower or cosigner any fee to modify, defer, forbear, renew, extend, or amend the borrower's or cosigner's loan.

Section 5-20. Billing statements.

(a) In any student loan billing statement, a servicer shall not misrepresent the:

(1) fees assessed;

(2) total amount due for each loan;

(3) payment due date;

(4) date to avoid late fees;

(5) accrued interest during the billing cycle;

(6) default payment methodology;

(7) means to provide instructions for a payment; or

(8) procedure regarding escalated requests for assistance.

(b) A servicer shall not misrepresent information regarding the $0 bill and advancement of the due date on any billing statement that reflects $0 owed.

Section 5-25. Payment histories. A servicer shall provide a written payment history to a borrower or cosigner upon request at no cost within 21 calendar days of receiving the request.

Section 5-30. Specialized assistance for student loan borrowers.

(a) A servicer shall specially designate servicing and collections personnel deemed repayment specialists who have received enhanced training related to repayment options.

(b) A servicer shall refrain from presenting forbearance as the sole or first repayment option to a student loan borrower struggling with repayment unless the servicer has determined that, based on the borrower's financial status, a short term forbearance is appropriate.

(c) All inbound and outbound calls from a federal loan borrower eligible for referral to a repayment specialist and a private loan borrower eligible for referral to a repayment specialist shall be routed to a repayment specialist.

(d) During each inbound or outbound communication with an eligible federal loan borrower, a repayment specialist shall first inform a federal loan borrower eligible for referral to a repayment specialist that federal income-driven repayment plans that can reduce the borrower's monthly payment may be available, discuss such plans, and assist the borrower in determining whether a particular repayment plan may be appropriate for the borrower.

(e) A repayment specialist shall assess the long-term and short-term financial situation and needs of a federal loan borrower eligible for referral to a repayment specialist and consider any available specific

information from the borrower as necessary to assist the borrower in determining whether a particular income-driven repayment option may be available to the borrower.

(f) In each discussion with a federal loan borrower eligible for referral to a repayment specialist, a repayment specialist shall present and explain the following options, as appropriate:

(1) total and permanent disability discharge, public service loan forgiveness, closed school discharge, and defenses to repayment;

(2) other repayment plans;

(3) deferment; and

(4) forbearance.

(g) A repayment specialist shall assess the long-term and short-term financial situation and needs of a private loan borrower eligible for referral to a repayment specialist in determining whether any private loan repayment options may be appropriate for the borrower.

(h) A servicer shall present and explain all private loan repayment options, including alternative repayment arrangements applicable to private student loan borrowers.

(i) A servicer shall be prohibited from implementing any compensation plan that has the intended or actual effect of incentivizing a repayment specialist to violate this Act or any other measure that encourages undue haste or lack of quality.

(j) The requirements of this Section shall not apply if a repayment specialist has already conversed with a borrower consistent with the requirements of this Section.

Section 5-35. Disclosures related to discharge and cancellation. If a servicer is aware that a student loan borrower attended a school the United States Department of Education has made findings supporting a defense to repayment claim or closed school discharge, or that a borrower may be eligible to have his or her loans forgiven under a total and permanent disability discharge program, the servicer's personnel shall disclose information related to the Department of Education's procedure for asserting a defense to repayment claim, closed school discharge, or submitting an application for a total and permanent disability discharge.

Section 5-40. Income-driven repayment plan certifications. A servicer shall disclose the date that a borrower's income-driven payment plan certification will expire and the consequences to the borrower for failing to recertify by the date, including the new repayment amount.

Section 5-45. Information to be provided to private education loan borrowers.

(a) A servicer shall provide on its website a description of any alternative repayment plan offered by the servicer for private education loans.

(b) A servicer shall establish policies and procedures and implement them consistently in order to facilitate evaluation of private student loan alternative repayment arrangement requests, including providing accurate information regarding any private student loan alternative repayment arrangements that may be available to the borrower through the promissory note or that may have been marketed to the borrower through marketing materials.

A private student loan alternative repayment arrangements shall consider the affordability of repayment plans for a distressed borrower, as well as investor, guarantor, and insurer guidelines and previous outcome and performance information.

(c) If a servicer offers private student loan repayment arrangements, a servicer shall consistently present and offer those arrangements to borrowers with similar financial circumstances.

Section 5-50. Cosigner release. For private student loans, a servicer shall provide information on its website concerning the availability and criteria for a cosigner release.

Section 5-55. Payoff statements. A servicer shall indicate on its website that a borrower may request a payoff statement. A servicer shall provide the payoff statement within 10 days, including information the requester needs to pay off the loan. If a payoff is made, the servicer must send a paid-in-full notice within 30 days.

Section 5-60. Requirements related to the transfer of servicing.

(a) When acting as the transferor servicer, a servicer shall provide to each borrower subject to the transfer a written notice not less than 15 calendar days before the effective date of the transfer. The transferee servicer and transferor servicer may provide a single notice, in which case the notice shall be

provided not less than 15 calendar days before the effective date of the transfer. The notice by the transferor servicer or, if applicable, the combined notice of transfer shall contain the following information:

(1) the effective date of the transfer of servicing;

(2) the name, address, and toll-free telephone number for the transferor servicer's designated point of contact that can be contacted by the borrower to obtain answers to servicing inquiries;

(3) the name, address, and toll-free telephone number for the transferee servicer's designated point of contact that can be contacted by the borrower to obtain answers to servicing inquiries;

(4) the date on which the transferor servicer will cease to accept payments relating to the loan and the date on which the transferee servicer will begin to accept such payments; the dates shall either be the same or consecutive days;

(5) a statement that the transfer of servicing does not affect any term or condition of the loan other than terms directly related to the servicing of a loan;

(6) information on whether the borrower's authorization for recurring electronic fund transfers, if applicable, will be transferred to the transferee servicer; if any such recurring electronic funds transfers cannot be transferred, the transferee servicer shall provide information explaining how the borrower may establish new recurring electronic funds transfers with the transferee servicer; and

(7) a statement of the current loan balance, including the current unpaid amount of principal, interest, and fees.

(b) When acting as the transferee servicer, a servicer shall provide to each borrower subject to the transfer a written notice not more than 15 calendar days after the effective date of the transfer. The transferee servicer and transferor servicer may provide a combined notice of transfer, in which case the notice shall be provided not less than 15 days before the effective date of the transfer. The notice by the transferee servicer or, if applicable, the combined notice of transfer shall contain the following information:

(1) the effective date of the transfer of servicing;

(2) the name, address, and toll-free telephone number for the transferee servicer's designated point of contact that can be contacted by the borrower to obtain answers to servicing inquiries;

(3) the date on which the transferor servicer will cease to accept payments relating to the loan and the date on which the transferee servicer will begin to accept such payments; the dates shall either be the same or consecutive days;

(4) a statement that the transfer of servicing does not affect any term or condition of the student loan other than terms directly related to the servicing of a loan;

(5) information on whether the borrower's authorization for recurring electronic fund transfers, if applicable, will be transferred to the transferee servicer; if any such recurring electronic funds transfers cannot be transferred, the transferee servicer shall provide information explaining how the borrower may establish new recurring electronic funds transfers with the transferee servicer; and

(6) a statement of the current loan balance, including the current unpaid amount of principal, interest, and fees.

(c) During the 60 calendar day period beginning on the effective date of transfer of the servicing of any loan, a payment timely made to the transferor servicer may not be treated as late for any purpose by the transferee servicer, including the assessment of late fees, accrual of additional interest, and furnishing negative credit information.

(d) To the extent practicable, for at least 120 calendar days beginning on the effective date of transfer of servicing of any loan, when acting as the transferor servicer, a servicer shall promptly transfer payments received to the transferee servicer for application to the borrower's loan account.

(e) Unless a borrower's authorizations for recurring electronic fund transfers are automatically transferred to the transferee servicer, when acting as transferee servicer, a servicer shall make available to a borrower whose loan servicing is transferred an online process through which a borrower may make a new authorization for recurring electronic fund transfers. A servicer shall also provide a process through which the borrower may make a new authorization for recurring electronic funds transfers by phone or through written approval.

Section 5-65. Requests for assistance; account dispute resolution; appeals.

(a) A servicer shall implement reasonable policies and procedures for accepting, processing, investigating, and responding to requests for assistance in a timely and effective manner, including, but not limited to, the following requirements:

(1) A servicer shall provide readily accessible methods for consumers to submit a request for assistance to the servicer, including such methods as phone, email, and U.S. mail.

(2) A servicer shall post on its website and disclose on its billing statements:

(A) the toll-free telephone number, email address, and mailing address for consumers to submit a requests for assistance to the servicer; and

(B) the procedures for a requester to send a written communication to the servicer regarding any request for assistance.

(3) For any request for assistance that includes a request for documentation or information, where a response cannot be immediately provided, a servicer shall provide the requested documentation or information to the requester within 14 calendar days of the request; if a servicer determines in good faith that it is unable to provide the documentation or information within 14 calendar days, promptly after making the determination, the servicer shall notify the requester of the expected response period, which must be reasonable for the request for assistance.

(b) A servicer shall implement a process by which a requester can escalate any request for assistance. Such process shall allow a requester who has made a request for assistance on the phone and who receives a response during the call to obtain immediate review of the response by an employee of the servicer at a higher supervisory level.

(c) The following requirements shall apply when a requester submits a written or oral request for assistance which contains an account dispute to a servicer:

(1) Within 14 calendar days after its receipt of the written communication or oral request for further escalation, a servicer shall attempt to make contact, including providing the requester with name and contact information of the representative handling the account dispute, by phone or in writing, to the requester and document such attempt in the borrower's account.

(2) A servicer shall complete the following actions within 30 calendar days of its receipt of the written communication or oral request for further escalation, subject to paragraph (3) of this subsection:

(A) conduct a thorough investigation of the account dispute;

(B) make all appropriate corrections to the account of the requester, including crediting any late fees assessed and derogatory credit furnishing as the result of any error, and, if any corrections are made, sending the requester a written notification that includes the following information:

(i) an explanation of the correction or corrections to the requester's account that have been made; and

(ii) the toll-free telephone number, email address, and mailing address of the servicer's personnel knowledgeable about the investigation and resolution of the account dispute.

(3) If a servicer determines in good faith that it cannot complete a thorough investigation of the account dispute within 30 calendar days after receiving the written communication or oral request for further escalation regarding the account dispute, then, promptly after making the determination, the servicer shall notify the requester of the expected resolution time period, which must be reasonable for the account dispute. A servicer must complete the actions listed in the investigation and resolution of account dispute within this time period.

(4) If a servicer determines as a result of its investigation that the requested changes to a requester's dispute will not be made, the servicer shall provide the requester with a written notification that includes the following information:

(A) a description of its determination and an explanation of the reasons for that determination;

(B) the toll-free telephone number, email address, and mailing address of the servicer's personnel knowledgeable about the investigation and resolution of the account dispute;

(C) instructions about how the requester can appeal the servicer's determination in accordance with paragraph (5) of this subsection; and

(D) information regarding the method by which a borrower may request copies of documents a servicer relied on to make a determination that no changes to a requester's account will be made.

(5) After the requester receives a determination regarding an account dispute in accordance with paragraph (4) of this subsection, the servicer shall allow a process by which the requester can appeal, in writing, the determination. The appeals process shall include:

(A) a written acknowledgment notifying the requester that the servicer has commenced the appeals process; such acknowledgment shall be sent within 14 calendar days after receiving a written request for appeal from the requester;

(B) an independent reassessment of the servicer's determination regarding the account dispute, performed by another employee of the servicer at an equal or higher supervisory level than the employee or employees involved in the initial account dispute determination;

(C) investigation and resolution of appeals within 30 calendar days after a servicer's commencement of the appeals process; and

(D) notification sent to the requester, in writing, documenting the outcome of the appeal, including any reason for denial.

(d) While a requester has a pending account dispute, including any applicable appeal, a servicer shall take reasonable steps to:

(1) prevent negative credit reporting with respect to the borrower's or cosigner's account while the dispute is under review; and

(2) suspend all collection activities on the account while the account dispute is being researched or resolved, if the account dispute is related to the delinquency.

ARTICLE 10. STUDENT LOAN OMBUDSMAN

Section 10-5. Student Loan Ombudsman.

(a) The position of Student Loan Ombudsman is created within the Office of the Attorney General to provide timely assistance to student loan borrowers.

(b) The Student Loan Ombudsman, in consultation with the Secretary, shall:

(1) receive, review, and attempt to resolve any complaints from student loan borrowers, including, but not limited to, attempts to resolve complaints in collaboration with institutions of higher education, student loan servicers, and any other participants in student loan lending;

(2) compile and analyze data on student loan borrower complaints;

(3) assist student loan borrowers to understand their rights and responsibilities under the terms of student education loans;

(4) provide information to the public, agencies, legislators, and others regarding the problems and concerns of student loan borrowers and make recommendations for resolving those problems and concerns;

(5) analyze and monitor the development and implementation of federal, State, and local laws, regulations, and policies relating to student loan borrowers and recommend any changes the Student Loan Ombudsman deems necessary;

(6) review the complete student education loan history for any student loan borrower who has provided written consent for such review;

(7) disseminate information concerning the availability of the Student Loan Ombudsman to assist student loan borrowers and potential student loan borrowers, as well as public institutions of higher education, student loan servicers, and any other participant in student education loan lending, with any student loan servicing concerns; and

(8) take any other actions necessary to fulfill the duties of the Student Loan Ombudsman as set forth in this subsection.

ARTICLE 15. LICENSURE

Section 15-5. Scope; requirement for student loan servicing license.

(a) It shall be unlawful for any person to operate as a student loan servicer in Illinois except as authorized by this Act and without first having obtained a license in accordance with this Act.

(b) The provisions of this Act do not apply to any of the following:

(1) a bank, savings bank, savings association, or credit union organized under the laws of the State or any other state or under the laws of the United States;

(2) a wholly owned subsidiary of any bank, savings bank, savings association, or credit union organized under the laws of the State or any other state or under the laws of the United States;

(3) an operating subsidiary where each owner of the operating subsidiary is wholly owned by the same bank, savings bank, savings association, or credit union organized under the laws of the State or any other state or under the laws of the United States;

(4) the Illinois Student Assistance Commission and its agents;

(5) a public postsecondary educational institution or a private nonprofit postsecondary educational institution servicing a student loan it extended to the borrower;

(6) a licensed debt management service under the Debt Management Service Act, except to the extent that the organization acts as a subcontractor, affiliate, or service provider for an entity that is otherwise subject to licensure under this Act;

(7) any collection agency licensed under the Collection Agency Act that is collecting post-default debt;

(8) in connection with its responsibilities as a guaranty agency engaged in default aversion, a State nonprofit private institution or organization having an agreement with the U.S. Secretary of Education under Section 428(b) of the Higher Education Act (20 U.S.C. 1078(B); or

(9) a State institution or a nonprofit private organization designated by a governmental entity to make or service student loans, provided in each case that the institution or organization services fewer than 20,000 student loan accounts of borrowers who reside in Illinois.

Section 15-10. Licensee name. No person, partnership, association, corporation, limited liability company, or other entity engaged in the business regulated by this Act shall operate such business under a name other than the real names of the entity and individuals conducting such business. Such business may in addition operate under an assumed corporate name pursuant to the Business Corporation Act of 1983, an assumed limited liability company name pursuant to the Limited Liability Company Act, or an assumed business name pursuant to the Assumed Business Name Act.

Section 15-15. Application process; investigation; fees.

(a) The Secretary shall issue a license upon completion of all of the following:

(1) the filing of an application for license with the Secretary or the Nationwide Mortgage Licensing System and Registry as approved by the Secretary;

(2) the filing with the Secretary of a listing of judgments entered against, and bankruptcy petitions by, the license applicant for the preceding 10 years;

(3) the payment, in certified funds, of investigation and application fees, the total of which shall be in an amount equal to $1,000 for an initial application and $800 for a background investigation;

(4) the filing of an audited balance sheet, including all footnotes prepared by a certified public accountant in accordance with generally accepted accounting principles and generally accepted auditing standards; notwithstanding the requirements of this subsection, an applicant that is a subsidiary may submit audited consolidated financial statements of its parent, intermediary parent, or ultimate parent as long as the consolidated statements are supported by consolidating statements that include the applicant's financial statement; if the consolidating statements are unaudited, the applicant's chief financial officer shall attest to the applicant's financial statements disclosed in the consolidating statements; and

(5) an investigation of the averments required by Section 15-30, which investigation must allow the Secretary to issue positive findings stating that the financial responsibility, experience, character, and general fitness of the license applicant and of the members thereof if the license applicant is a partnership or association, of the officers and directors thereof if the license applicant is a corporation, and of the managers and members that retain any authority or responsibility under the operating agreement if the license applicant is a limited liability company, are such as to command the confidence of the community and to warrant belief that the business will be operated honestly, fairly, and efficiently within the purpose of this Act; if the Secretary does not so find, he or she shall not issue the license, and he or she shall notify the license applicant of the denial.

The Secretary may impose conditions on a license if the Secretary determines that those conditions are necessary or appropriate. These conditions shall be imposed in writing and shall continue in effect for the period prescribed by the Secretary.

(b) All licenses shall be issued to the license applicant. Upon receipt of the license, a student loan servicing licensee shall be authorized to engage in the business regulated by this Act. The license shall remain in full force and effect until it expires without renewal, is surrendered by the licensee, or revoked or suspended as hereinafter provided.

Section 15-20. Application form.

(a) Application for a student loan servicer license must be made in accordance with Section 15-40 and, if applicable, in accordance with requirements of the Nationwide Mortgage Licensing System and Registry. The application shall be in writing, under oath, and on a form obtained from and prescribed by

the Secretary, or may be submitted electronically, with attestation, to the Nationwide Mortgage Licensing System and Registry.

(b) The application shall contain the name and complete business and residential address or addresses of the license applicant. If the license applicant is a partnership, association, corporation, or other form of business organization, the application shall contain the names and complete business and residential addresses of each member, director, and principal officer thereof. The application shall also include a description of the activities of the license applicant in such detail and for such periods as the Secretary may require, including all of the following:

(1) an affirmation of financial solvency noting such capitalization requirements as may be required by the Secretary and access to such credit as may be required by the Secretary;

(2) an affirmation that the license applicant or its members, directors, or principals, as may be appropriate, are at least 18 years of age;

(3) information as to the character, fitness, financial and business responsibility, background, experience, and criminal record of any (i) person, entity, or ultimate equitable owner that owns or controls, directly or indirectly, 10% or more of any class of stock of the license applicant; (ii) person, entity, or ultimate equitable owner that is not a depository institution, as defined in Section 1007.50 of the Savings Bank Act, that lends, provides, or infuses, directly or indirectly, in any way, funds to or into a license applicant in an amount equal to or more than 10% of the license applicant's net worth; (iii) person, entity, or ultimate equitable owner that controls, directly or indirectly, the election of 25% or more of the members of the board of directors of a license applicant; or (iv) person, entity, or ultimate equitable owner that the Secretary finds influences management of the license applicant; the provisions of this subsection shall not apply to a public official serving on the board of directors of a State guaranty agency;

(4) upon written request by the licensee and notwithstanding the provisions of paragraphs (1), (2), and (3) of this subsection, the Secretary may permit the licensee to omit all or part of the information required by those paragraphs if, in lieu of the omitted information, the licensee submits an affidavit stating that the information submitted on the licensee's previous renewal application is still true and accurate; the Secretary may adopt rules prescribing the form and content of the affidavit that are necessary to accomplish the purposes of this Section; and

(5) such other information as required by rules of the Secretary.

Section 15-25. Student loan servicer license application and issuance.

(a) Applicants for a license shall apply in a form prescribed by the Secretary. Each form shall contain content as set forth by rule, regulation, instruction, or procedure of the Secretary and may be changed or updated as necessary by the Secretary in order to carry out the purposes of this Act.

(b) In order to fulfill the purposes of this Act, the Secretary is authorized to establish relationships or contracts with the Nationwide Mortgage Licensing System and Registry or other entities designated by the Nationwide Mortgage Licensing System and Registry to collect and maintain records and process transaction fees or other fees related to licensees or other persons subject to this Act.

(c) In connection with an application for licensing, the applicant may be required, at a minimum, to furnish to the Nationwide Mortgage Licensing System and Registry information concerning the applicant's identity, including:

(1) fingerprints for submission to the Federal Bureau of Investigation or any governmental agency or entity authorized to receive such information for a State, national, and international criminal history background check; and

(2) personal history and experience in a form prescribed by the Nationwide Mortgage Licensing System and Registry, including the submission of authorization for the Nationwide Mortgage Licensing System and Registry and the Secretary to obtain:

(A) an independent credit report obtained from a consumer reporting agency described in Section 603(p) of the Fair Credit Reporting Act (15 U.S.C. 1681a(p)); and

(B) information related to any administrative, civil, or criminal findings by any governmental jurisdiction.

(d) For the purposes of this Section, and in order to reduce the points of contact that the Federal Bureau of Investigation may have to maintain for purposes of subsection (c) of this Section, the Secretary may use the Nationwide Mortgage Licensing System and Registry as a channeling agent for requesting information from and distributing information to the federal Department of Justice or any governmental agency.

(e) For the purposes of this Section, and in order to reduce the points of contact that the Secretary may have to maintain for purposes of paragraph (2) of subsection (c) of this Section, the Secretary may use the

Nationwide Mortgage Licensing System and Registry as a channeling agent for requesting and distributing information to and from any source as directed by the Secretary.

(f) The provisions of this Section shall not apply to a public official serving on the board of directors of a State guaranty agency.

Section 15-30. Averments of licensee. Each application for license shall be accompanied by the following averments stating that the applicant:

(1) will file with the Secretary or Nationwide Mortgage Licensing System and Registry, as applicable, when due, any report or reports that it is required to file under any of the provisions of this Act;

(2) has not committed a crime against the law of this State, any other state, or of the United States involving moral turpitude or 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 that has not been previously reported to the Secretary;

(3) has not engaged in any conduct that would be cause for denial of a license;

(4) has not become insolvent;

(5) has not submitted an application for a license under this Act that contains a material misstatement;

(6) 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;

(7) will advise the Secretary in writing or the Nationwide Mortgage Licensing System and Registry, as applicable, of any changes to the information submitted on the most recent application for license or averments of record within 30 days of the change; the written notice must be signed in the same form as the application for the license being amended;

(8) will comply with the provisions of this Act and with any lawful order, rule, or regulation made or issued under the provisions of this Act;

(9) will submit to periodic examination by the Secretary as required by this Act; and

(10) will advise the Secretary in writing of judgments entered against and bankruptcy petitions by the license applicant within 5 days after the occurrence.

A licensee who fails to fulfill the obligations of an averment, fails to comply with averments made, or otherwise violates any of the averments made under this Section shall be subject to the penalties of this Act.

Section 15-35. Refusal to issue license. The Secretary shall refuse to issue or renew a license if:

(1) it is determined that the applicant is not in compliance with any provisions of this Act;

(2) there is substantial continuity between the applicant and any violator of this Act; or

(3) the Secretary cannot make the findings specified in subsection (a) of Section 15-15 of this Act.

Section 15-40. License issuance and renewal; fees.

(a) Licenses shall be renewed every year using the common renewal date of the Nationwide Mortgage Licensing System and Registry, as adopted by the Secretary. Properly completed renewal application forms and filing fees may be received by the Secretary 60 days prior to the license expiration date, but, to be deemed timely, the completed renewal application forms and filing fees must be received by the Secretary no later than 30 days prior to the license expiration date.

(b) It shall be the responsibility of each licensee to accomplish renewal of its license. Failure by a licensee to submit a properly completed renewal application form and fees in a timely fashion, absent a written extension from the Secretary, shall result in the license becoming inactive.

(c) No activity regulated by this Act shall be conducted by the licensee when a license becomes inactive. An inactive license may be reactivated by the Secretary upon payment of the renewal fee and payment of a reactivation fee equal to the renewal fee.

(d) A licensee ceasing an activity or activities regulated by this Act and desiring to no longer be licensed shall so inform the Secretary in writing and, at the same time, convey any license issued 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, and comply with the surrender

guidelines or requirements of the Secretary. Upon receipt of such written notice, the Secretary shall post the cancellation or issue a certified statement canceling the license.

(e) The expenses of administering this Act, including investigations and examinations provided for in this Act, shall be borne by and assessed against entities regulated by this Act. Subject to the limitations set forth in Section 15-15 of this Act, the Secretary shall establish fees by rule in at least the following categories:

(1) investigation of licensees and license applicant fees;

(2) examination fees;

(3) contingent fees; and

(4) such other categories as may be required to administer this Act.

ARTICLE 20. SUPERVISION

Section 20-5. Functions; powers; duties. The functions, powers, and duties of the Secretary shall include the following:

(1) to issue or refuse to issue any license as provided by this Act;

(2) to revoke or suspend for cause any license issued under this Act;

(3) to keep records of all licenses issued under this Act;

(4) to receive, consider, investigate, and act upon complaints made by any person in connection with any student loan servicing licensee in this State;

(5) to prescribe the forms of and receive:

(A) applications for licenses; and

(B) all reports and all books and records required to be made by any licensee under this Act, including annual audited financial statements and annual reports of student loan activity;

(6) to adopt rules necessary and proper for the administration of this Act;

(7) to subpoena documents and witnesses and compel their attendance and production, to administer oaths, and to require the production of any books, papers, or other materials relevant to any inquiry authorized by this Act;

(8) to issue orders against any person if the Secretary has reasonable cause to believe that an unsafe, unsound, or unlawful practice has occurred, is occurring, or is about to occur; if any person has violated, is violating, or is about to violate any law, rule, or written agreement with the Secretary; or for the purpose of administering the provisions of this Act and any rule adopted in accordance with this Act;

(9) to address any inquiries to any licensee, or the officers thereof, in relation to its activities and conditions, or any other matter connected with its affairs, and it shall be the duty of any licensee or person so addressed to promptly reply in writing to those inquiries; the Secretary may also require reports from any licensee at any time the Secretary may deem desirable;

(10) to examine the books and records of every licensee under this Act;

(11) to enforce provisions of this Act;

(12) to levy fees, fines, and charges for services performed in administering this Act; the aggregate of all fees collected by the Secretary on and after the effective date of this Act shall be paid promptly after receipt, accompanied by a detailed statement thereof, into the Bank and Trust Company Fund under Section 20-10; the amounts deposited into that Fund shall be used for the ordinary and contingent expenses of the Department; nothing in this Act shall prevent the continuation of the practice of paying expenses involving salaries, retirement, social security, and State-paid insurance of State officers by appropriation from the General Revenue Fund;

(13) to appoint examiners, supervisors, experts, and special assistants as needed to effectively and efficiently administer this Act;

(14) to conduct hearings for the purpose of:

(A) appeals of orders of the Secretary;

(B) suspensions or revocations of licenses, or fining of licensees;

(C) investigating:

(i) complaints against licensees; or

(ii) annual gross delinquency rates; and

(D) carrying out the purposes of this Act;

(15) to exercise exclusive visitorial power over a licensee unless otherwise

authorized by this Act or as vested in the courts, or upon prior consultation with the Secretary, a foreign student loan servicing regulator with an appropriate supervisory interest in the parent or affiliate of a licensee;

(16) to enter into cooperative agreements with state regulatory authorities of other states to provide for examination of corporate offices or branches of those states and to accept reports of such examinations;

(17) to assign an examiner or examiners to monitor the affairs of a licensee with whatever frequency the Secretary determines appropriate and to charge the licensee for reasonable and necessary expenses of the Secretary if in the opinion of the Secretary an emergency exists or appears likely to occur;

(18) to impose civil penalties of up to $50 per day against a licensee for failing to respond to a regulatory request or reporting requirement; and

(19) to enter into agreements in connection with the Nationwide Mortgage Licensing System and Registry.

Section 20-10. Bank and Trust Company Fund. All moneys received by the Secretary under this Act in conjunction with the provisions relating to student loan servicers shall be paid into and all expenses incurred by the Secretary under this Act in conjunction with the provisions relating to student loan servicers shall be paid from the Bank and Trust Company Fund.

Section 20-15. Examination; prohibited activities.

(a) The business affairs of a licensee under this Act shall be examined for compliance with this Act as often as the Secretary deems necessary and proper. The Secretary may adopt rules with respect to the frequency and manner of examination. The Secretary shall appoint a suitable person to perform such examination. The Secretary and his or her appointees may examine the entire books, records, documents, and operations of each licensee and its subsidiary, affiliate, or agent, and may examine any of the licensee's or its subsidiary's, affiliate's, or agent's officers, directors, employees, and agents under oath.

(b) The Secretary shall prepare a sufficiently detailed report of each licensee's examination, shall issue a copy of such report to each licensee's principals, officers, or directors, and shall take appropriate steps to ensure correction of violations of this Act.

(c) Affiliates of a licensee shall be subject to examination by the Secretary on the same terms as the licensee, but only when reports from or examination of a licensee provides for documented evidence of unlawful activity between a licensee and affiliate benefiting, affecting, or deriving from the activities regulated by this Act.

(d) The expenses of any examination of the licensee and affiliates shall be borne by the licensee and assessed by the Secretary as may be established by rule.

(e) Upon completion of the examination, the Secretary shall issue a report to the licensee. All confidential supervisory information, including the examination report and the work papers of the report, shall belong to the Secretary's office and may not be disclosed to anyone other than the licensee, law enforcement officials or other regulatory agencies that have an appropriate regulatory interest as determined by the Secretary, or to a party presenting a lawful subpoena to the Department. The Secretary may, through the Attorney General, immediately appeal to the court of jurisdiction the disclosure of such confidential supervisory information and seek a stay of the subpoena pending the outcome of the appeal. Reports required of licensees by the Secretary under this Act and results of examinations performed by the Secretary under this Act shall be the property of only the Secretary, but may be shared with the licensee. Access under this Act to the books and records of each licensee shall be limited to the Secretary and his or her agents as provided in this Act and to the licensee and its authorized agents and designees. No other person shall have access to the books and records of a licensee under this Act. Any person upon whom a demand for production of confidential supervisory information is made, whether by subpoena, order, or other judicial or administrative process, must withhold production of the confidential supervisory information and must notify the Secretary of the demand, at which time the Secretary is authorized to intervene for the purpose of enforcing the limitations of this Section or seeking the withdrawal or termination of the attempt to compel production of the confidential supervisory information. The Secretary may impose any conditions and limitations on the disclosure of confidential supervisory information that are necessary to protect the confidentiality of that information. Except as authorized by the Secretary, no person obtaining access to confidential supervisory information may make a copy of the confidential supervisory information. The Secretary may condition a decision to disclose confidential supervisory information on entry of a protective order by the court or administrative tribunal presiding in the particular case or on a written agreement of confidentiality. In a case in which a protective order or agreement has

already been entered between parties other than the Secretary, the Secretary may nevertheless condition approval for release of confidential supervisory information upon the inclusion of additional or amended provisions in the protective order. The Secretary may authorize a party who obtained the records for use in one case to provide them to another party in another case, subject to any conditions that the Secretary may impose on either or both parties. The requester shall promptly notify other parties to a case of the release of confidential supervisory information obtained and, upon entry of a protective order, shall provide copies of confidential supervisory information to the other parties.

(f) The Secretary and employees of the Department shall be subject to the restrictions provided in Section 2.5 of the Division of Banking Act, including, without limitation, the restrictions on (i) owning shares of stock or holding any other equity interest in an entity regulated under this Act or in any corporation or company that owns or controls an entity regulated under this Act; (ii) being an officer, director, employee, or agent of an entity regulated under this Act; and (iii) obtaining a loan or accepting a gratuity from an entity regulated under this Act.

Section 20-20. Subpoena power of the Secretary.

(a) The Secretary shall have the power to issue and to serve subpoenas and subpoenas duces tecum to compel the attendance of witnesses and the production of all books, accounts, records, and other documents and materials relevant to an examination or investigation. The Secretary, or his or her duly authorized representative, shall have power to administer oaths and affirmations to any person.

(b) In the event of noncompliance with a subpoena or subpoena duces tecum issued or caused to be issued by the Secretary, the Secretary may, through the Attorney General, petition the circuit court of the county in which the person subpoenaed resides or has its principal place of business for an order requiring the subpoenaed person to appear and testify and to produce such books, accounts, records, and other documents as are specified in the subpoena duces tecum. The court may grant injunctive relief restraining the person from advertising, promoting, soliciting, entering into, offering to enter into, continuing, or completing any student loan servicing transaction. The court may grant other relief, including, but not limited to, the restraint, by injunction or appointment of a receiver, of any transfer, pledge, assignment, or other disposition of the person's assets or any concealment, alteration, destruction, or other disposition of books, accounts, records, or other documents and materials as the court deems appropriate, until the person has fully complied with the subpoena or subpoena duces tecum and the Secretary has completed an investigation or examination.

(c) If it appears to the Secretary that the compliance with a subpoena or subpoena duces tecum issued or caused to be issued by the Secretary pursuant to this Section is essential to an investigation or examination, the Secretary, in addition to the other remedies provided for in this Act, may, through the Attorney General, apply for relief to the circuit court of the county in which the subpoenaed person resides or has its principal place of business. The court shall thereupon direct the issuance of an order against the subpoenaed person requiring sufficient bond conditioned on compliance with the subpoena or subpoena duces tecum. The court shall cause to be endorsed on the order a suitable amount of bond or payment pursuant to which the person named in the order shall be freed, having a due regard to the nature of the case.

(d) In addition, the Secretary may, through the Attorney General, seek a writ of attachment or an equivalent order from the circuit court having jurisdiction over the person who has refused to obey a subpoena, who has refused to give testimony, or who has refused to produce the matters described in the subpoena duces tecum.

Section 20-25. Report required of licensee. In addition to any reports required under this Act, every licensee shall file any other report the Secretary requests.

Section 20-30. Suspension; revocation of licenses; fines.

(a) Upon written notice to a licensee, the Secretary may suspend or revoke any license issued pursuant to this Act if, in the notice, he or she makes a finding of one or more of the following:

(1) that through separate acts or an act or a course of conduct, the licensee has violated any provisions of this Act, any rule adopted by the Secretary, or any other law, rule, or regulation of this State or the United States;

(2) that any fact or condition exists that, if it had existed at the time of the original application for the license, would have warranted the Secretary in refusing originally to issue the license; or

(3) that 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 acted or failed to act in a way that 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 20-65 of this Act.

(c) The Secretary, on good cause shown that an emergency exists, may suspend any license for a period not exceeding 180 days, pending investigation.

(d) The provisions of subsection (d) of Section 15-40 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 license expires without renewal, is surrendered, is revoked, or is suspended in accordance with the provisions of this Act, but the Secretary shall have authority to reinstate a suspended license or to issue a new license to a licensee whose license has been revoked if no fact or condition then exists which would have warranted the Secretary in refusing originally to issue that license under this Act.

(g) Whenever the Secretary revokes or suspends a license issued pursuant to this Act or fines a licensee under this Act, he or she shall execute a written order to that effect. The Secretary shall post notice of the order on an agency Internet site maintained by the Secretary or on the Nationwide Mortgage Licensing System and Registry and shall serve a copy of the order upon the licensee. Any such order may be reviewed in the manner provided by Section 20-65 of this Act.

(h) If the Secretary 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 Secretary may specify;

(3) placement of the licensee or applicant on probation for a period of time and subject to all reasonable conditions as the Secretary may specify;

(4) issuance of a reprimand;

(5) imposition of a fine not to exceed $25,000 for each count of separate offense; except that a fine may be imposed not to exceed $75,000 for each separate count of offense of paragraph (2) of subsection (i) of this Section; or

(6) denial of a license.

(i) The following acts shall constitute grounds for which the disciplinary actions specified in subsection (h) may be taken:

(1) being convicted or found guilty, regardless of pendency of an appeal, of a crime in any jurisdiction that involves fraud, dishonest dealing, or any other act of moral turpitude;

(2) fraud, misrepresentation, deceit, or negligence in any student loan transaction;

(3) a material or intentional misstatement of fact on an initial or renewal application;

(4) insolvency or filing under any provision of the federal Bankruptcy Code as a debtor;

(5) failure to account or deliver to any person any property, such as any money, fund, deposit, check, draft, or other document or thing of value, that has come into his or her hands and that is not his or her property or that 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;

(6) failure to disburse funds in accordance with agreements;

(7) 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;

(8) failure to comply with an order of the Secretary or rule made or issued under the provisions of this Act;

(9) engaging in activities regulated by this Act without a current, active license unless specifically exempted by this Act;

(10) failure to pay in a timely manner any fee, charge, or fine under this Act;

(11) 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 Secretary;

(12) refusing, obstructing, evading, or unreasonably delaying an investigation, information request, or examination authorized under this Act, or refusing, obstructing, evading, or unreasonably delaying compliance with the Secretary's subpoena or subpoena duces tecum; and

(13) failure to comply with or a 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) A licensee shall be subject to suspension or revocation for unauthorized employee actions only if there is a pattern of repeated violations by employees or the licensee has knowledge of the violations or there is substantial harm to a consumer.

(l) Procedures for surrender of a license include the following:

(1) The Secretary 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 for the contemplated action 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 $25,000 per violation, or revoke or suspend any license issued under this Act 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 Secretary lawfully made pursuant to the authority of this Act; or

(ii) any fact or condition exists that, if it had existed at the time of the original application for the license, clearly would have warranted the Secretary in refusing to issue the license.

(2) Any licensee may submit an application to surrender a license, but, upon the Secretary approving the surrender, it 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.

Section 20-35. Investigation of complaints. The Secretary shall at all times maintain staff and facilities adequate to receive, record, and investigate complaints and inquiries made by any person concerning this Act and any licensees under this Act. Each licensee shall open its books, records, documents, and offices wherever situated to the Secretary or his or her appointees as needed to facilitate such investigations.

Section 20-40. Additional investigation and examination authority. In addition to any authority allowed under this Act, the Secretary shall have the authority to conduct investigations and examinations as follows:

(1) For purposes of initial licensing, license renewal, license suspension, license conditioning, license revocation or termination, or general or specific inquiry or investigation to determine compliance with this Act, the Secretary shall have the authority to access, receive, and use any books, accounts, records, files, documents, information, or evidence, including, but not limited to, the following:

(A) criminal, civil, and administrative history information, including nonconviction data as specified in the Criminal Code of 2012;

(B) personal history and experience information, including independent credit reports obtained from a consumer reporting agency described in Section 603(p) of the federal Fair Credit Reporting Act; and

(C) any other documents, information, or evidence the Secretary deems relevant to the inquiry or investigation, regardless of the location, possession, control, or custody of the documents, information, or evidence.

(2) For the purposes of investigating violations or complaints arising under this Act or for the purposes of examination, the Secretary may review, investigate, or examine any licensee, individual, or person subject to this Act as often as necessary in order to carry out the purposes of this Act. The Secretary may direct, subpoena, or order the attendance of and examine under oath all persons whose testimony may be required about the loans or the business or subject matter of any such examination or investigation, and may direct, subpoena, or order the person to produce books, accounts, records, files, and any other documents the Secretary deems relevant to the inquiry.

(3) Each licensee, individual, or person subject to this Act shall make available to the Secretary upon request the books and records relating to the operations of the licensee, individual, or person subject to this Act. The Secretary shall have access to those books and records and interview the

officers, principals, employees, independent contractors, agents, and customers of the licensee, individual, or person subject to this Act concerning their business.

(4) Each licensee, individual, or person subject to this Act shall make or compile reports or prepare other information as directed by the Secretary in order to carry out the purposes of this Section, including, but not limited to:

(A) accounting compilations;

(B) information lists and data concerning loan transactions in a format prescribed by the Secretary; or

(C) other information deemed necessary to carry out the purposes of this Section.

(5) In making any examination or investigation authorized by this Act, the Secretary may control access to any documents and records of the licensee or person under examination or investigation. The Secretary may take possession of the documents and records or place a person in exclusive charge of the documents and records in the place where they are usually kept. During the period of control, no person shall remove or attempt to remove any of the documents or records, except pursuant to a court order or with the consent of the Secretary. Unless the Secretary has reasonable grounds to believe the documents or records of the licensee have been, or are at risk of being altered or destroyed for purposes of concealing a violation of this Act, the licensee or owner of the documents and records shall have access to the documents or records as necessary to conduct its ordinary business affairs.

(6) In order to carry out the purposes of this Section, the Secretary may:

(A) retain attorneys, accountants, or other professionals and specialists as examiners, auditors, or investigators to conduct or assist in the conduct of examinations or investigations;

(B) enter into agreements or relationships with other government officials or regulatory associations in order to improve efficiencies and reduce regulatory burden by sharing resources, standardized or uniform methods or procedures, and documents, records, information, or evidence obtained under this Section;

(C) use, hire, contract, or employ public or privately available analytical systems, methods, or software to examine or investigate the licensee, individual, or person subject to this Act;

(D) accept and rely on examination or investigation reports made by other government officials, within or outside this State; or

(E) accept audit reports made by an independent certified public accountant for the licensee, individual, or person subject to this Act in the course of that part of the examination covering the same general subject matter as the audit and may incorporate the audit report in the report of the examination, report of investigation, or other writing of the Secretary.

(7) The authority of this Section shall remain in effect, whether such a licensee, individual, or person subject to this Act acts or claims to act under any licensing or registration law of this State or claims to act without the authority.

(8) No licensee, individual, or person subject to investigation or examination under this Section may knowingly withhold, abstract, remove, mutilate, destroy, or secrete any books, records, computer records, or other information.

Section 20-45. 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 student loan, 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.

Section 20-50. Confidentiality.

(a) In order to promote more effective regulation and reduce regulatory burden through supervisory information sharing, except as otherwise provided in federal Public Law 110-289, Section 1512, the requirements under any federal law or State law regarding the privacy or confidentiality of any information or material provided to the Nationwide Mortgage Licensing System and Registry, and any privilege arising under federal or State law, including the rules of any federal or State court, with respect to such information or material, shall continue to apply to information or material after the information or material has been

disclosed to the Nationwide Mortgage Licensing System and Registry. The information and material may be shared with all State and federal regulatory officials with student loan industry oversight authority without the loss of privilege or the loss of confidentiality protections provided by federal law or State law.

(b) In order to promote more effective regulation and reduce regulatory burden through supervisory information sharing, the Secretary is authorized to enter agreements or sharing arrangements with other governmental agencies, the Conference of State Bank Supervisors or other associations representing governmental agencies as established by rule, regulation, or order of the Secretary. The sharing of confidential supervisory information or any information or material described in subsection (a) of this Section pursuant to an agreement or sharing arrangement shall not result in the loss of privilege or the loss of confidentiality protections provided by federal law or State law.

(c) In order to promote more effective regulation and reduce regulatory burden through supervisory information sharing, information or material that is subject to a privilege or confidentiality under subsection (a) of this Section shall not be subject to the following:

(1) disclosure under any State law governing the disclosure to the public of information held by an officer or an agency of the State; or

(2) subpoena or discovery, or admission into evidence, in any private civil action or administrative process, unless with respect to any privilege held by the Nationwide Mortgage Licensing System and Registry with respect to the information or material, the person to whom such information or material pertains waives, in whole or in part, in the discretion of that person, that privilege.

(d) In order to promote more effective regulation and reduce regulatory burden through supervisory information sharing, any other law relating to the disclosure of confidential supervisory information or any information or material described in subsection (a) of this Section that is inconsistent with subsection (a) of this Section shall be superseded by the requirements of this Section to the extent the other law provides less confidentiality or a weaker privilege.

Section 20-55. Reports of violations. Any person licensed under this Act or any other person may report to the Secretary any information to show that a person subject to this Act is or may be in violation of this Act. A licensee who files a report with the Department that another licensee is engaged in one or more violations pursuant to this Act shall not be the subject of disciplinary action by the Department, unless the Department determines, by a preponderance of the evidence available to the Department, that the reporting person knowingly and willingly participated in the violation that was reported.

Section 20-60. Rules and regulations of the Secretary.

(a) In addition to such powers as may be prescribed by this Act, the Secretary is hereby authorized and empowered to adopt rules consistent with the purposes of this Act, including, but not limited to:

(1) rules in connection with the activities of licensees as may be necessary and appropriate for the protection of consumers in this State;

(2) rules as may be necessary and appropriate to define improper or fraudulent business practices in connection with the activities of licensees in servicing student loans;

(3) rules that define the terms used in this Act and as may be necessary and appropriate to interpret and implement the provisions of this Act; and

(4) rules as may be necessary for the enforcement of this Act.

(b) The Secretary is hereby authorized and empowered to make specific rulings, demands, and findings that he or she deems necessary for the proper conduct of the student loan servicing industry.

(c) A person or entity may make a written application to the Department for a written interpretation of this Act. The Department may then, in its sole discretion, choose to issue a written interpretation. To be valid, a written interpretation must be signed by the Secretary, or his or her designee, and the Department's General Counsel. A written interpretation expires 2 years after the date that it was issued.

(d) No provision in this Act that imposes liability or establishes violations shall apply to any act taken by a person or entity in conformity with a written interpretation of this Act that is in effect at the time the act is taken, notwithstanding whether the written interpretation is later amended, rescinded, or determined by judicial or other authority to be invalid for any reason.

Section 20-65. Appeal and review.

(a) Any person or entity affected by a decision of the Secretary under any provision of this Act may obtain review of that decision within the Department.

(b) The Secretary may, in accordance with the Illinois Administrative Procedure Act, adopt rules to provide for review within the Department of his or her decisions affecting the rights of entities under this Act. The review shall provide for, at a minimum:

(1) appointment of a hearing officer other than a regular employee of the Department;

(2) appropriate procedural rules, specific deadlines for filings, and standards of evidence and of proof; and

(3) provision for apportioning costs among parties to the appeal.

(c) All final agency determinations of appeals to decisions of the Secretary may be reviewed in accordance with and under the provisions of the Administrative Review Law. Appeals from all final orders and judgments entered by a court in review of any final administrative decision of the Secretary or of any final agency review of a decision of the Secretary may be taken as in other civil cases.

Section 20-70. Violations of this Act; Secretary's orders. If the Secretary finds, as the result of examination, investigation, or review of reports submitted by a licensee, that the business and affairs of a licensee are not being conducted in accordance with this Act, the Secretary shall notify the licensee of the correction necessary. If a licensee fails to correct such violations, the Secretary shall issue an order requiring immediate correction and compliance with this Act, specifying a reasonable date for performance.

The Secretary may adopt rules to provide for an orderly and timely appeal of all orders within the Department. The rules may include provision for assessment of fees and costs.

Section 20-75. Collection of compensation. Unless exempt from licensure under this Act, no person engaged in or offering to engage in any act or service for which a license under this Act is required may bring or maintain any action in any court of this State to collect compensation for the performance of the licensable services without alleging and proving that he or she was the holder of a valid student loan servicing license under this Act at all times during the performance of those services.

Section 20-80. Licensure fees.

(a) The fees for licensure shall be a $1,000 application fee and an additional $800 fee for investigation performed in conjunction with Section 15-5. The fees are nonrefundable.

(b) The fee for an application renewal shall be $1,000. The fee is nonrefundable.

Section 20-85. Injunction. The Secretary, through the Attorney General, may maintain an action in the name of the people of the State of Illinois and may apply for an injunction in the circuit court to enjoin a person from engaging in unlicensed student loan servicing activity.

ARTICLE 25. CONSUMER FRAUD AND DECEPTIVE BUSINESS PRACTICES ACT

Section 25-5. Enforcement; Consumer Fraud and Deceptive Business Practices Act. The Attorney General may enforce a violation of Article 5 of this Act as an unlawful practice under the Consumer Fraud and Deceptive Business Practices Act.

ARTICLE 99. SEVERABILITY; EFFECTIVE DATE

Section 99-1. Severability. The provisions of this Act are severable under Section 1.31 of the Statute on Statutes.

Section 99-99. Effective date. This Act takes effect December 31, 2018.".

The motion prevailed.

And the amendment was adopted and ordered printed.

Senator Biss offered the following amendment and moved its adoption:

AMENDMENT NO. 4 TO SENATE BILL 1351

AMENDMENT NO. _4_. Amend Senate Bill 1351, AS AMENDED, with reference to page and line numbers of Senate Amendment No. 3, on page 6, line 1, after "agents", by inserting "when the agents are acting on the Illinois Student Assistance Commission's behalf"; and

on page 6, line 15, before "nonprofit", by inserting "or"; and

on page 7, line 16, after "Article 5", by inserting "when working on behalf of the servicer"; and

on page 24, line 11, after "agents", by inserting "when the agents are acting on the Illinois Student Assistance Commission's behalf"; and

on page 24, line 25, before "nonprofit", by inserting "or".

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the foregoing Amendments numbered 3 and 4 were ordered engrossed, and the bill, as amended, was ordered to a third reading.

READING BILLS OF THE SENATE A THIRD TIME

On motion of Senator Biss, **Senate Bill No. 1351** having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

And the question being, “Shall this bill pass?” it was decided in the affirmative by the following vote:

YEAS 34; NAYS 15; Present 1.

The following voted in the affirmative:

Aquino	Cunningham	Lightford	Raoul
Bennett	Harmon	Link	Sandoval
Bertino-Tarrant	Hastings	Manar	Silverstein
Biss	Holmes	Martinez	Stadelman
Bush	Hunter	McGuire	Steans
Castro	Hutchinson	Morrison	Trotter
Clayborne	Jones, E.	Mulroe	Van Pelt
Collins	Koehler	Muñoz	
Cullerton, T.	Landek	Murphy	

The following voted in the negative:

Barickman	McCann	Radogno	Syverson
Bivins	McConnaughay	Righter	Tracy
Brady	Nybo	Rose	Weaver
Connelly	Oberweis	Schimpf	

The following voted present:

Mr. President

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

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

On motion of Senator Harmon, **Senate Bill No. 1774** having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

And the question being, “Shall this bill pass?” it was decided in the affirmative by the following vote:

YEAS 53; NAYS None.

The following voted in the affirmative:

Althoff	Cunningham	McCann	Sandoval
Anderson	Fowler	McConnaughay	Schimpf
Aquino	Harmon	McGuire	Silverstein
Barickman	Hastings	Morrison	Stadelman
Bennett	Holmes	Mulroe	Steans
Bertino-Tarrant	Hunter	Muñoz	Syverson
Biss	Hutchinson	Murphy	Tracy
Brady	Jones, E.	Nybo	Trotter
Bush	Koehler	Oberweis	Van Pelt
Castro	Landek	Radogno	Weaver
Clayborne	Lightford	Raoul	Mr. President
Collins	Link	Righter	
Connelly	Manar	Rooney	
Cullerton, T.	Martinez	Rose	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

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

SENATE BILL RECALLED

On motion of Senator Aquino, **Senate Bill No. 1869** was recalled from the order of third reading to the order of second reading.

Senator Aquino offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO SENATE BILL 1869

AMENDMENT NO. 1. Amend Senate Bill 1869 on page 3, by replacing lines 13 through 20 with the following:

"Within one-year after the effective date of this amendatory Act of the 100th General Assembly, to the extent practicable, the System shall use a free translation tool to enable translation into multiple languages of the information made available to the public through the website maintained by the System. The translation tool shall, at a minimum, translate the following content on the website maintained by the System: the home page; information regarding the members of the House of Representatives and the Senate, including, but not limited to, each member's biography, committee assignments, and sponsored bills; information regarding the membership of, bills assigned to, and meeting schedules of each standing and special committee of the House of Representatives and the Senate; information on the procedural status of each bill and resolution, together with any amendments thereto, and appointment message filed in the House of Representatives or the Senate, including both general information and user-selected information (through the "My Legislation" function or otherwise), but not including the synopsis or text of any bill or resolution, or any amendment thereto, or any appointment message, Public Act, or Executive Order; information regarding previous General Assemblies, not including the synopsis or text of any bill or resolution, or any amendment thereto, or any appointment message, Public Act, or Executive Order; contact information for the General Assembly, legislative support service agencies, and other related offices in the Capitol Complex; and information regarding access for persons with disabilities. The System may, in its discretion, provide for additional content to be translated. The languages available for translation shall be those provided by the translation tool. Before a user accesses translated information, the System shall ensure that a disclaimer is first displayed, stating that: the translated information is offered as a convenience and should not be considered accurate as to the translation of the text in question; and the English language version is the official and authoritative version of the text in question.".

The motion prevailed.

And the amendment was adopted and ordered printed.

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

READING BILLS OF THE SENATE A THIRD TIME

On motion of Senator Aquino, **Senate Bill No. 1869** having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

YEAS 57; NAYS None.

The following voted in the affirmative:

Althoff	Cunningham	McCarter	Rose
Anderson	Fowler	McConchie	Sandoval
Aquino	Harmon	McConnaughay	Schimpf
Barickman	Hastings	McGuire	Silverstein
Bennett	Holmes	Morrison	Stadelman
Bertino-Tarrant	Hunter	Mulroe	Steans
Biss	Hutchinson	Muñoz	Syverson
Bivins	Jones, E.	Murphy	Tracy
Brady	Koehler	Nybo	Trotter
Bush	Landek	Oberweis	Van Pelt
Castro	Lightford	Radogno	Weaver
Clayborne	Link	Raoul	Mr. President
Collins	Manar	Rezin	
Connelly	Martinez	Righter	
Cullerton, T.	McCann	Rooney	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

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

On motion of Senator J. Cullerton, **Senate Bill No. 10** having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

YEAS 35; NAYS 15; Present 5.

The following voted in the affirmative:

Aquino	Cunningham	Martinez	Raoul
Bennett	Harmon	McCann	Sandoval
Bertino-Tarrant	Holmes	McGuire	Silverstein
Biss	Hunter	Morrison	Stadelman
Bush	Hutchinson	Mulroe	Steans
Castro	Jones, E.	Muñoz	Trotter
Clayborne	Koehler	Murphy	Van Pelt
Collins	Lightford	Oberweis	Mr. President
Cullerton, T.	Link	Radogno	

The following voted in the negative:

Anderson	Fowler	Rezin	Syverson

Bivins	Manar	Rooney	Tracy
Brady	McCarter	Rose	Weaver
Connelly	McConchie	Schimpf	

The following voted present:

Althoff	Landek	Nybo
Hastings	McConnaughay	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

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

SENATE BILL RECALLED

On motion of Senator J. Cullerton, **Senate Bill No. 41** was recalled from the order of third reading to the order of second reading.

Senator J. Cullerton offered the following amendment and moved its adoption:

AMENDMENT NO. 1 TO SENATE BILL 41

AMENDMENT NO. 1. Amend Senate Bill 41 by replacing everything after the enacting clause with the following:

"Section 5. The Illinois Municipal Code is amended by adding Division 13 to Article 8 as follows:

(65 ILCS 5/Art. 8 Div. 13 heading new)

DIVISION 13. ASSIGNMENT OF RECEIPTS

(65 ILCS 5/8-13-5 new)

Sec. 8-13-5. Definitions. As used in this Article:

"Assignment agreement" means an agreement between a transferring unit and an issuing entity for the conveyance of all or part of any revenues or taxes received by the transferring unit from a State entity.

"Conveyance" means an assignment, sale, transfer, or other conveyance.

"Deposit account" means a designated escrow account established by an issuing entity at a trust company or bank having trust powers for the deposit of transferred receipts under an assignment agreement.

"Issuing entity" means (i) a corporation, trust or other entity that has been established for the limited purpose of issuing obligations for the benefit of a transferring unit, or (ii) a bank or trust company in its capacity as trustee for obligations issued by such bank or trust company for the benefit of a transferring unit.

"State entity" means the State Comptroller, the State Treasurer, or the Illinois Department of Revenue.

"Transferred receipts" means all or part of any revenues or taxes received from a State entity that have been conveyed by a transferring unit under an assignment agreement.

"Transferring unit" means a home rule municipality located in the State.

(65 ILCS 5/8-13-10 new)

Sec. 8-13-10. Assignment of receipts.

(a) Any transferring unit which receives revenues or taxes from a State entity may (to the extent not prohibited by any applicable statute, regulation, rule, or agreement governing the use of such revenues or taxes) authorize, by ordinance, the conveyance of all or any portion of such revenues or taxes to an issuing entity. Any conveyance of transferred receipts shall: (i) be made pursuant to an assignment agreement in exchange for the net proceeds of obligations issued by the issuing entity for the benefit of the transferring unit and shall, for all purposes, constitute an absolute conveyance of all right, title, and interest therein; (ii) not be deemed a pledge or other security interest for any borrowing by the transferring unit; (iii) be valid, binding, and enforceable in accordance with the terms thereof and of any related instrument, agreement, or other arrangement, including any pledge, grant of security interest, or other encumbrance made by the issuing entity to secure any obligations issued by the issuing entity for the benefit of the transferring unit; and (iv) not be subject to disavowal, disaffirmance, cancellation, or avoidance by reason of insolvency of any party, lack of consideration, or any other fact, occurrence, or State law or rule. On

and after the effective date of the conveyance of the transferred receipts, the transferring unit shall have no right, title or interest in or to the transferred receipts conveyed and the transferred receipts so conveyed shall be the property of the issuing entity to the extent necessary to pay the obligations issued by the issuing entity for the benefit of the transferring unit, and shall be received, held, and disbursed by the issuing entity in a trust fund outside the treasury of the transferring unit. An assignment agreement may provide for the periodic reconveyance to the transferring unit of amounts of transferred receipts remaining after the payment of the obligations issued by the issuing entity for the benefit of the transferring unit.

(b) In connection with any conveyance of transferred receipts, the transferring unit is authorized to direct the applicable State entity to deposit or cause to be deposited any amount of such transferred receipts into a deposit account in order to secure the obligations issued by the issuing entity for the benefit of the transferring unit. Where the transferring unit states that such direction is irrevocable, the direction shall be treated by the applicable State entity as irrevocable with respect to the transferred receipts described in such direction. Each State entity shall comply with the terms of any such direction received from a transferring unit and shall execute and deliver such acknowledgments and agreements, including escrow and similar agreements, as the transferring unit may require to effectuate the deposit of transferred receipts in accordance with the direction of the transferring unit.

(c) Not later than the date of issuance by an issuing entity of any obligations secured by collections of transferred receipts, a certified copy of the ordinance authorizing the conveyance of the right to receive the transferred receipts, together with executed copies of the applicable assignment agreement and the agreement providing for the establishment of the deposit account, shall be filed with the State entity having custody of the transferred receipts.

(65 ILCS 5/8-13-15 new)

Sec. 8-13-15. Pledges and agreements of the State. The State of Illinois pledges to and agrees with each transferring unit and issuing entity that the State will not limit or alter the rights and powers vested in the State entities by this Article with respect to the disposition of transferred receipts so as to impair the terms of any contract, including any assignment agreement, made by the transferring unit with the issuing entity or any contract executed by the issuing entity in connection with the issuance of obligations by the issuing entity for the benefit of the transferring unit until all requirements with respect to the deposit by such State entity of transferred receipts for the benefit of such issuing entity have been fully met and discharged. In addition, the State pledges to and agrees with each transferring unit and each issuing entity that the State will not limit or alter the basis on which transferred receipts are to be paid to the issuing entity as provided in this Article, or the use of such funds, so as to impair the terms of any such contract. Each transferring unit and issuing entity is authorized to include these pledges and agreements of the State in any contract executed and delivered as described in this Article. In no way shall the pledge and agreements of the State be interpreted to construe the State as a guarantor of any debt or obligation subject to an assignment agreement under this Division.

(65 ILCS 5/8-13-20 new)

Sec. 8-13-20. Home rule. A home rule unit may not enter into assignment agreements in a manner inconsistent with the provisions of this Article. This Section is a limitation under subsection (i) of Section 6 of Article VII of the Illinois Constitution on the concurrent exercise by home rule units of powers and functions exercised by the State.

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

The motion prevailed.

And the amendment was adopted and ordered printed.

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

READING BILLS OF THE SENATE A THIRD TIME

On motion of Senator J. Cullerton, **Senate Bill No. 41** having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

And the question being, “Shall this bill pass?” it was decided in the affirmative by the following vote:

YEAS 38; NAYS 12; Present 2.

The following voted in the affirmative:

Aquino	Harmon	Manar	Raoul
Bennett	Hastings	Martinez	Sandoval
Bertino-Tarrant	Holmes	McCann	Silverstein
Biss	Hunter	McGuire	Stadelman
Bush	Hutchinson	Morrison	Steans
Castro	Jones, E.	Mulroe	Trotter
Clayborne	Koehler	Muñoz	Van Pelt
Collins	Landek	Murphy	Mr. President
Cullerton, T.	Lightford	Oberweis	
Cunningham	Link	Radogno	

The following voted in the negative:

Bivins	McCarter	Rose
Brady	McConchie	Schimpf
Connelly	Nybo	Tracy
Fowler	Rezin	Weaver

The following voted present:

Rooney
Syverson

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

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

On motion of Senator Hastings, **Senate Bill No. 1882** having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

YEAS 56; NAYS None.

The following voted in the affirmative:

Althoff	Cunningham	McConchie	Sandoval
Anderson	Fowler	McConnaughay	Schimpf
Aquino	Harmon	McGuire	Silverstein
Barickman	Hastings	Morrison	Stadelman
Bennett	Hunter	Mulroe	Steans
Bertino-Tarrant	Hutchinson	Muñoz	Syverson
Biss	Jones, E.	Murphy	Tracy
Bivins	Koehler	Nybo	Trotter
Brady	Landek	Oberweis	Van Pelt
Bush	Lightford	Radogno	Weaver
Castro	Link	Raoul	Mr. President
Clayborne	Manar	Rezin	
Collins	Martinez	Righter	
Connelly	McCann	Rooney	
Cullerton, T.	McCarter	Rose	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

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

VOTE RECORDED

Senator Hutchinson asked and obtained unanimous consent for the Journal to reflect her intention to have voted in the affirmative on **Senate Bill No. 910** on May 9, 2017.

COMMITTEE MEETING ANNOUNCEMENTS

The Chair announced the following committees to meet immediately upon adjournment:

Licensed Activities and Pensions in Room 400
State Government in Room 409

The Chair announced the following committee to meet at 5:10 o'clock p.m.:

Insurance in Room 212

COMMITTEE MEETING ANNOUNCEMENT FOR MAY 11, 2017

The Chair announced the following committee to meet at 2:00 o'clock p.m.:

Executive in Room 212

PRESENTATION OF RESOLUTION

SENATE RESOLUTION NO. 505
Offered by Senator Link and all Senators:
Mourns the death of Thomas Strauss.

By unanimous consent, the foregoing resolution was referred to the Resolutions Consent Calendar.

LEGISLATIVE MEASURES FILED

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

Amendment No. 1 to House Bill 2810
Amendment No. 2 to House Bill 3737

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

Amendment No. 1 to House Bill 305

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

Amendment No. 1 to Senate Bill 643

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

Amendment No. 1 to Senate Bill 1103
Amendment No. 4 to Senate Bill 1337
Amendment No. 4 to Senate Bill 1415

MESSAGE FROM THE PRESIDENT

OFFICE OF THE SENATE PRESIDENT
STATE OF ILLINOIS

JOHN J. CULLERTON
SENATE PRESIDENT

327 STATE CAPITOL
SPRINGFIELD, IL 62706
217-782-2728

May 10, 2017

Mr. Tim Anderson
Secretary of the Senate
Room 401 State House
Springfield, IL 62706

Dear Mr. Secretary:

Pursuant to Rule 3-2(c), I hereby appoint Senator Bill Cunningham to temporarily replace Senator William Haine as a member of the Senate Licensed Activities and Pensions Committee. This appointment is effective immediately and will automatically expire upon adjournment of the Senate Licensed Activities and Pensions Committee.

Sincerely,
s/John J. Cullerton
John J. Cullerton
Senate President

cc: Senate Minority Leader Christine Radogno

At the hour of 4:55 o'clock p.m., the Chair announced the Senate stand adjourned until Thursday, May 11, 2017, at 12:00 o'clock noon.