SENATE JOURNAL

STATE OF ILLINOIS

NINETY-THIRD GENERAL ASSEMBLY

122ND LEGISLATIVE DAY

TUESDAY, JUNE 1, 2004

11:40 O'CLOCK A.M.

NO. 122
[June 1, 2004]

SENATE
Daily Journal Index
122nd Legislative Day

Action	Page(s)
Joint Action Motion Filed	3
Message from the Governor	3
Message from the President	79

Bill Number	Legislative Action	Page(s)
HB 0805	Recalled – Amendments	15
HB 0929	Recalled – Amendments	48

The Senate met pursuant to adjournment.
Senator Debbie DeFrancesco Halvorson, Kankakee, Illinois, presiding.
Prayer by Pastor Samuel W. Hale, Jr., Zion Missionary Baptist Church, Springfield, Illinois.
Senator Link led the Senate in the Pledge of Allegiance.

Senator Haine moved that reading and approval of the Journal of Monday, May 31, 2004 be postponed, pending arrival of the printed Journal.
The motion prevailed.

JOINT ACTION MOTION FILED

The following Joint Action Motion to the Senate Bill listed below has been filed with the Secretary and referred to the Committee on Rules:

Motion to Concur in House Amendment 2 to Senate Bill 1936

REPORTS FROM STANDING COMMITTEES

Senator Shadid, Chairperson of the Committee on Transportation, to which was referred the following Senate floor amendments, reported that the Committee recommends that they be adopted:

Senate Amendment No. 2 to House Bill 714
Senate Amendment No. 2 to House Bill 731
Senate Amendment No. 1 to House Bill 944

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

Senator Shadid, Chairperson of the Committee on Transportation, to which was referred the Motion to concur with House Amendment to the following Senate Bill, reported that the Committee recommends that it be adopted:

Motion to Concur in House Amendment 1 to Senate Bill 184

Under the rules, the foregoing Motion is eligible for consideration by the Senate.

Senators Cullerton and Dillard, Co-Chairpersons of the Committee on Judiciary, to which was referred the Motions to concur with House Amendments to the following Senate Bills, reported that the Committee recommends that they be approved for consideration:

Motion to Concur in House Amendment 1 to Senate Bill 2499
Motion to Concur in House Amendments 1, 2, 4, 5 and 6 to Senate Bill 3007

Under the rules, the foregoing Motions are eligible for consideration by the Senate.

MESSAGE FROM THE GOVERNOR

Message for the Governor by Joseph B. Handley
Deputy Chief of Staff for Legislative Affairs

February 26, 2004

Mr. President,

The Governor directs me to lay before the Senate the following Message:

STATE OF ILLINOIS
EXECUTIVE DEPARTMENT

To the Honorable
Members of the Senate
Ninety-Third General Assembly

I have nominated and appointed the following named persons to the offices enumerated below and respectfully ask concurrence in and confirmation of these appointments of your Honorable body.

JOLIET ARSENAL DEVELOPMENT AUTHORITY

To be a Member of the Joliet Arsenal Development Authority for a term commencing February 23, 2004 and ending January 15, 2007:

Warren C. Dorris of Joliet
Non-Salaried

Rod Blagojevich
GOVERNOR

Under the rules, the foregoing Message was referred to the Committee on Executive Appointments.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

Senator Shadid, from the Committee appointed on the part of the Senate to adjust the differences between the two Houses on Senate Amendment No. 1 to **House Bill No. 599**, submitted the following Report of the First Conference Committee and moved its adoption:

93RD GENERAL ASSEMBLY
CONFERENCE COMMITTEE REPORT
ON HOUSE BILL 599

To the President of the Senate and the Speaker of the House of Representatives:

We, the conference committee appointed to consider the differences between the houses in relation to Senate Amendment No. 1 to House Bill 599, recommend the following:

(1) that the Senate recede from Senate Amendment No. 1; and

(2) that House Bill 599 be amended by replacing everything after the enacting clause with the following:

"Section 5. The Property Tax Code is amended by changing Section 18-185 as follows:

(35 ILCS 200/18-185)

Sec. 18-185. Short title; definitions. This Division 5 may be cited as the Property Tax Extension Limitation Law. As used in this Division 5:

"Consumer Price Index" means the Consumer Price Index for All Urban Consumers for all items published by the United States Department of Labor.

"Extension limitation" means (a) the lesser of 5% or the percentage increase in the Consumer Price Index during the 12-month calendar year preceding the levy year or (b) the rate of increase approved by voters under Section 18-205.

"Affected county" means a county of 3,000,000 or more inhabitants or a county contiguous to a county of 3,000,000 or more inhabitants.

"Taxing district" has the same meaning provided in Section 1-150, except as otherwise provided in this Section. For the 1991 through 1994 levy years only, "taxing district" includes only each non-home rule taxing district having the majority of its 1990 equalized assessed value within any county or counties contiguous to a county with 3,000,000 or more inhabitants. Beginning with the 1995 levy year, "taxing district" includes only each non-home rule taxing district subject to this Law before the 1995 levy year and each non-home rule taxing district not subject to this Law before the 1995 levy year

having the majority of its 1994 equalized assessed value in an affected county or counties. Beginning with the levy year in which this Law becomes applicable to a taxing district as provided in Section 18-213, "taxing district" also includes those taxing districts made subject to this Law as provided in Section 18-213.

"Aggregate extension" for taxing districts to which this Law applied before the 1995 levy year means the annual corporate extension for the taxing district and those special purpose extensions that are made annually for the taxing district, excluding special purpose extensions: (a) made for the taxing district to pay interest or principal on general obligation bonds that were approved by referendum; (b) made for any taxing district to pay interest or principal on general obligation bonds issued before October 1, 1991; (c) made for any taxing district to pay interest or principal on bonds issued to refund or continue to refund those bonds issued before October 1, 1991; (d) made for any taxing district to pay interest or principal on bonds issued to refund or continue to refund bonds issued after October 1, 1991 that were approved by referendum; (e) made for any taxing district to pay interest or principal on revenue bonds issued before October 1, 1991 for payment of which a property tax levy or the full faith and credit of the unit of local government is pledged; however, a tax for the payment of interest or principal on those bonds shall be made only after the governing body of the unit of local government finds that all other sources for payment are insufficient to make those payments; (f) made for payments under a building commission lease when the lease payments are for the retirement of bonds issued by the commission before October 1, 1991, to pay for the building project; (g) made for payments due under installment contracts entered into before October 1, 1991; (h) made for payments of principal and interest on bonds issued under the Metropolitan Water Reclamation District Act to finance construction projects initiated before October 1, 1991; (i) made for payments of principal and interest on limited bonds, as defined in Section 3 of the Local Government Debt Reform Act, in an amount not to exceed the debt service extension base less the amount in items (b), (c), (e), and (h) of this definition for non-referendum obligations, except obligations initially issued pursuant to referendum; (j) made for payments of principal and interest on bonds issued under Section 15 of the Local Government Debt Reform Act; (k) made by a school district that participates in the Special Education District of Lake County, created by special education joint agreement under Section 10-22.31 of the School Code, for payment of the school district's share of the amounts required to be contributed by the Special Education District of Lake County to the Illinois Municipal Retirement Fund under Article 7 of the Illinois Pension Code; the amount of any extension under this item (k) shall be certified by the school district to the county clerk; ~~and~~ (l) made to fund expenses of providing joint recreational programs for the handicapped under Section 5-8 of the Park District Code or Section 11-95-14 of the Illinois Municipal Code ; and (m) made for contributions to a firefighter's pension fund created under Article 4 of the Illinois Pension Code, to the extent of the amount certified under item (5) of Section 4-134 of the Illinois Pension Code.

"Aggregate extension" for the taxing districts to which this Law did not apply before the 1995 levy year (except taxing districts subject to this Law in accordance with Section 18-213) means the annual corporate extension for the taxing district and those special purpose extensions that are made annually for the taxing district, excluding special purpose extensions: (a) made for the taxing district to pay interest or principal on general obligation bonds that were approved by referendum; (b) made for any taxing district to pay interest or principal on general obligation bonds issued before March 1, 1995; (c) made for any taxing district to pay interest or principal on bonds issued to refund or continue to refund those bonds issued before March 1, 1995; (d) made for any taxing district to pay interest or principal on bonds issued to refund or continue to refund bonds issued after March 1, 1995 that were approved by referendum; (e) made for any taxing district to pay interest or principal on revenue bonds issued before March 1, 1995 for payment of which a property tax levy or the full faith and credit of the unit of local government is pledged; however, a tax for the payment of interest or principal on those bonds shall be made only after the governing body of the unit of local government finds that all other sources for payment are insufficient to make those payments; (f) made for payments under a building commission lease when the lease payments are for the retirement of bonds issued by the commission before March 1, 1995 to pay for the building project; (g) made for payments due under installment contracts entered into before March 1, 1995; (h) made for payments of principal and interest on bonds issued under the Metropolitan Water Reclamation District Act to finance construction projects initiated before October 1, 1991; (i) made for payments of principal and interest on limited bonds, as defined in Section 3 of the Local Government Debt Reform Act, in an amount not to exceed the debt service extension base less the amount in items (b), (c), and (e) of this definition for non-referendum obligations, except obligations initially issued pursuant to referendum and bonds described in subsection (h) of this definition; (j) made for payments of principal and interest on bonds issued under Section 15 of the Local Government Debt Reform Act; (k) made for payments of principal and interest on bonds authorized by Public Act 88-503

and issued under Section 20a of the Chicago Park District Act for aquarium or museum projects; (l) made for payments of principal and interest on bonds authorized by Public Act 87-1191 or 93-601 ~~this amendatory Act of the 93rd General Assembly~~ and (i) issued pursuant to Section 21.2 of the Cook County Forest Preserve District Act, (ii) issued under Section 42 of the Cook County Forest Preserve District Act for zoological park projects, or (iii) issued under Section 44.1 of the Cook County Forest Preserve District Act for botanical gardens projects; (m) made pursuant to Section 34-53.5 of the School Code, whether levied annually or not; (n) made to fund expenses of providing joint recreational programs for the handicapped under Section 5-8 of the Park District Code or Section 11-95-14 of the Illinois Municipal Code; ~~and~~ (o) made by the Chicago Park District for recreational programs for the handicapped under subsection (c) of Section 7.06 of the Chicago Park District Act ; and (p) made for contributions to a firefighter's pension fund created under Article 4 of the Illinois Pension Code, to the extent of the amount certified under item (5) of Section 4-134 of the Illinois Pension Code.

"Aggregate extension" for all taxing districts to which this Law applies in accordance with Section 18-213, except for those taxing districts subject to paragraph (2) of subsection (e) of Section 18-213, means the annual corporate extension for the taxing district and those special purpose extensions that are made annually for the taxing district, excluding special purpose extensions: (a) made for the taxing district to pay interest or principal on general obligation bonds that were approved by referendum; (b) made for any taxing district to pay interest or principal on general obligation bonds issued before the date on which the referendum making this Law applicable to the taxing district is held; (c) made for any taxing district to pay interest or principal on bonds issued to refund or continue to refund those bonds issued before the date on which the referendum making this Law applicable to the taxing district is held; (d) made for any taxing district to pay interest or principal on bonds issued to refund or continue to refund bonds issued after the date on which the referendum making this Law applicable to the taxing district is held if the bonds were approved by referendum after the date on which the referendum making this Law applicable to the taxing district is held; (e) made for any taxing district to pay interest or principal on revenue bonds issued before the date on which the referendum making this Law applicable to the taxing district is held for payment of which a property tax levy or the full faith and credit of the unit of local government is pledged; however, a tax for the payment of interest or principal on those bonds shall be made only after the governing body of the unit of local government finds that all other sources for payment are insufficient to make those payments; (f) made for payments under a building commission lease when the lease payments are for the retirement of bonds issued by the commission before the date on which the referendum making this Law applicable to the taxing district is held to pay for the building project; (g) made for payments due under installment contracts entered into before the date on which the referendum making this Law applicable to the taxing district is held; (h) made for payments of principal and interest on limited bonds, as defined in Section 3 of the Local Government Debt Reform Act, in an amount not to exceed the debt service extension base less the amount in items (b), (c), and (e) of this definition for non-referendum obligations, except obligations initially issued pursuant to referendum; (i) made for payments of principal and interest on bonds issued under Section 15 of the Local Government Debt Reform Act; (j) made for a qualified airport authority to pay interest or principal on general obligation bonds issued for the purpose of paying obligations due under, or financing airport facilities required to be acquired, constructed, installed or equipped pursuant to, contracts entered into before March 1, 1996 (but not including any amendments to such a contract taking effect on or after that date); ~~and~~ (k) made to fund expenses of providing joint recreational programs for the handicapped under Section 5-8 of the Park District Code or Section 11-95-14 of the Illinois Municipal Code ; and (l) made for contributions to a firefighter's pension fund created under Article 4 of the Illinois Pension Code, to the extent of the amount certified under item (5) of Section 4-134 of the Illinois Pension Code.

"Aggregate extension" for all taxing districts to which this Law applies in accordance with paragraph (2) of subsection (e) of Section 18-213 means the annual corporate extension for the taxing district and those special purpose extensions that are made annually for the taxing district, excluding special purpose extensions: (a) made for the taxing district to pay interest or principal on general obligation bonds that were approved by referendum; (b) made for any taxing district to pay interest or principal on general obligation bonds issued before the effective date of this amendatory Act of 1997; (c) made for any taxing district to pay interest or principal on bonds issued to refund or continue to refund those bonds issued before the effective date of this amendatory Act of 1997; (d) made for any taxing district to pay interest or principal on bonds issued to refund or continue to refund bonds issued after the effective date of this amendatory Act of 1997 if the bonds were approved by referendum after the effective date of this amendatory Act of 1997; (e) made for any taxing district to pay interest or principal on revenue bonds issued before the effective date of this amendatory Act of 1997 for payment

of which a property tax levy or the full faith and credit of the unit of local government is pledged; however, a tax for the payment of interest or principal on those bonds shall be made only after the governing body of the unit of local government finds that all other sources for payment are insufficient to make those payments; (f) made for payments under a building commission lease when the lease payments are for the retirement of bonds issued by the commission before the effective date of this amendatory Act of 1997 to pay for the building project; (g) made for payments due under installment contracts entered into before the effective date of this amendatory Act of 1997; (h) made for payments of principal and interest on limited bonds, as defined in Section 3 of the Local Government Debt Reform Act, in an amount not to exceed the debt service extension base less the amount in items (b), (c), and (e) of this definition for non-referendum obligations, except obligations initially issued pursuant to referendum; (i) made for payments of principal and interest on bonds issued under Section 15 of the Local Government Debt Reform Act; (j) made for a qualified airport authority to pay interest or principal on general obligation bonds issued for the purpose of paying obligations due under, or financing airport facilities required to be acquired, constructed, installed or equipped pursuant to, contracts entered into before March 1, 1996 (but not including any amendments to such a contract taking effect on or after that date); ~~and~~ (k) made to fund expenses of providing joint recreational programs for the handicapped under Section 5-8 of the Park District Code or Section 11-95-14 of the Illinois Municipal Code ; and (l) made for contributions to a firefighter's pension fund created under Article 4 of the Illinois Pension Code, to the extent of the amount certified under item (5) of Section 4-134 of the Illinois Pension Code.

"Debt service extension base" means an amount equal to that portion of the extension for a taxing district for the 1994 levy year, or for those taxing districts subject to this Law in accordance with Section 18-213, except for those subject to paragraph (2) of subsection (e) of Section 18-213, for the levy year in which the referendum making this Law applicable to the taxing district is held, or for those taxing districts subject to this Law in accordance with paragraph (2) of subsection (e) of Section 18-213 for the 1996 levy year, constituting an extension for payment of principal and interest on bonds issued by the taxing district without referendum, but not including excluded non-referendum bonds. For park districts (i) that were first subject to this Law in 1991 or 1995 and (ii) whose extension for the 1994 levy year for the payment of principal and interest on bonds issued by the park district without referendum (but not including excluded non-referendum bonds) was less than 51% of the amount for the 1991 levy year constituting an extension for payment of principal and interest on bonds issued by the park district without referendum (but not including excluded non-referendum bonds), "debt service extension base" means an amount equal to that portion of the extension for the 1991 levy year constituting an extension for payment of principal and interest on bonds issued by the park district without referendum (but not including excluded non-referendum bonds). The debt service extension base may be established or increased as provided under Section 18-212. "Excluded non-referendum bonds" means (i) bonds authorized by Public Act 88-503 and issued under Section 20a of the Chicago Park District Act for aquarium and museum projects; (ii) bonds issued under Section 15 of the Local Government Debt Reform Act; or (iii) refunding obligations issued to refund or to continue to refund obligations initially issued pursuant to referendum.

"Special purpose extensions" include, but are not limited to, extensions for levies made on an annual basis for unemployment and workers' compensation, self-insurance, contributions to pension plans, and extensions made pursuant to Section 6-601 of the Illinois Highway Code for a road district's permanent road fund whether levied annually or not. The extension for a special service area is not included in the aggregate extension.

"Aggregate extension base" means the taxing district's last preceding aggregate extension as adjusted under Sections 18-215 through 18-230.

"Levy year" has the same meaning as "year" under Section 1-155.

"New property" means (i) the assessed value, after final board of review or board of appeals action, of new improvements or additions to existing improvements on any parcel of real property that increase the assessed value of that real property during the levy year multiplied by the equalization factor issued by the Department under Section 17-30, (ii) the assessed value, after final board of review or board of appeals action, of real property not exempt from real estate taxation, which real property was exempt from real estate taxation for any portion of the immediately preceding levy year, multiplied by the equalization factor issued by the Department under Section 17-30, and (iii) in counties that classify in accordance with Section 4 of Article IX of the Illinois Constitution, an incentive property's additional assessed value resulting from a scheduled increase in the level of assessment as applied to the first year final board of review market value. In addition, the county clerk in a county containing a population of 3,000,000 or more shall include in the 1997 recovered tax increment value for any school district, any

recovered tax increment value that was applicable to the 1995 tax year calculations.

"Qualified airport authority" means an airport authority organized under the Airport Authorities Act and located in a county bordering on the State of Wisconsin and having a population in excess of 200,000 and not greater than 500,000.

"Recovered tax increment value" means, except as otherwise provided in this paragraph, the amount of the current year's equalized assessed value, in the first year after a municipality terminates the designation of an area as a redevelopment project area previously established under the Tax Increment Allocation Development Act in the Illinois Municipal Code, previously established under the Industrial Jobs Recovery Law in the Illinois Municipal Code, or previously established under the Economic Development Area Tax Increment Allocation Act, of each taxable lot, block, tract, or parcel of real property in the redevelopment project area over and above the initial equalized assessed value of each property in the redevelopment project area. For the taxes which are extended for the 1997 levy year, the recovered tax increment value for a non-home rule taxing district that first became subject to this Law for the 1995 levy year because a majority of its 1994 equalized assessed value was in an affected county or counties shall be increased if a municipality terminated the designation of an area in 1993 as a redevelopment project area previously established under the Tax Increment Allocation Development Act in the Illinois Municipal Code, previously established under the Industrial Jobs Recovery Law in the Illinois Municipal Code, or previously established under the Economic Development Area Tax Increment Allocation Act, by an amount equal to the 1994 equalized assessed value of each taxable lot, block, tract, or parcel of real property in the redevelopment project area over and above the initial equalized assessed value of each property in the redevelopment project area. In the first year after a municipality removes a taxable lot, block, tract, or parcel of real property from a redevelopment project area established under the Tax Increment Allocation Development Act in the Illinois Municipal Code, the Industrial Jobs Recovery Law in the Illinois Municipal Code, or the Economic Development Area Tax Increment Allocation Act, "recovered tax increment value" means the amount of the current year's equalized assessed value of each taxable lot, block, tract, or parcel of real property removed from the redevelopment project area over and above the initial equalized assessed value of that real property before removal from the redevelopment project area.

Except as otherwise provided in this Section, "limiting rate" means a fraction the numerator of which is the last preceding aggregate extension base times an amount equal to one plus the extension limitation defined in this Section and the denominator of which is the current year's equalized assessed value of all real property in the territory under the jurisdiction of the taxing district during the prior levy year. For those taxing districts that reduced their aggregate extension for the last preceding levy year, the highest aggregate extension in any of the last 3 preceding levy years shall be used for the purpose of computing the limiting rate. The denominator shall not include new property. The denominator shall not include the recovered tax increment value.

(Source: P.A. 92-547, eff. 6-13-02; 93-601, eff. 1-1-04; 93-606, eff. 11-18-03; 93-612, eff. 11-18-03; revised 12-10-03.)

Section 10. The Illinois Pension Code is amended by changing Sections 4-109.1, 4-109.2, 4-114, 4-118.1, and 4-134 and adding Sections 4-108.4, 4-109.3, and 7-139.10 as follows:

(40 ILCS 5/4-108.4 new)

Sec. 4-108.4. Transfer of creditable service from Article 7 fund.

(a) Any firefighter who was excluded from participation in an Article 4 fund because the firefighter earned credit for that service under Article 7 of this Code and who is a participant in the Illinois Municipal Retirement Fund may become an active participant in that firefighter pension fund by making a written application to the Board. Persons so applying shall begin participation on the first day of the month following the month in which the application is received by the Board. An employee who makes application for participation shall not be deemed ineligible to participate in the firefighter pension fund by reason of having failed to apply within the 3-month period specified in subsection (b) of Section 4-107.

(b) A firefighter who was excluded from participation in an Article 4 fund because the firefighter earned credit for that service under Article 7 of this Code and who is a participant in the Illinois Municipal Retirement Fund may also elect to establish creditable service for those periods of employment as a firefighter during which he or she was excluded from participation in an Article 4 fund by paying into the fund the amount that the person would have contributed had deductions from salary been made for this purpose at the time the service was rendered, together with interest thereon at 6% per annum, compounded annually, from the time the service was rendered until the date of payment, less any amounts transferred from the Illinois Municipal Retirement Fund under Section 7-139.10.

(c) In no event shall pension credit for the same service rendered by an employee be accredited in more than one pension fund or retirement system under this Code. If an employee applies for service credit under subsection (b), then any creditable service time accumulated in the Illinois Municipal Retirement Fund for the same period must be transferred to the Article 4 fund under Section 7-139.10.

(40 ILCS 5/4-109.1) (from Ch. 108 1/2, par. 4-109.1)

Sec. 4-109.1. Increase in pension.

(a) Except as provided in subsection (e), the monthly pension of a firefighter who retires after July 1, 1971 and prior to January 1, 1986, shall, upon either the first of the month following the first anniversary of the date of retirement if 60 years of age or over at retirement date, or upon the first day of the month following attainment of age 60 if it occurs after the first anniversary of retirement, be increased by 2% of the originally granted monthly pension and by an additional 2% in each January thereafter. Effective January 1976, the rate of the annual increase shall be 3% of the originally granted monthly pension.

(b) The monthly pension of a firefighter who retired from service with 20 or more years of service, on or before July 1, 1971, shall be increased, in January of the year following the year of attaining age 65 or in January 1972, if then over age 65, by 2% of the originally granted monthly pension, for each year the firefighter received pension payments. In each January thereafter, he or she shall receive an additional increase of 2% of the original monthly pension. Effective January 1976, the rate of the annual increase shall be 3%.

(c) The monthly pension of a firefighter who is receiving a disability pension under this Article shall be increased, in January of the year following the year the firefighter attains age 60, or in January 1974, if then over age 60, by 2% of the originally granted monthly pension for each year he or she received pension payments. In each January thereafter, the firefighter shall receive an additional increase of 2% of the original monthly pension. Effective January 1976, the rate of the annual increase shall be 3%.

(c-1) On January 1, 1998, every child's disability benefit payable on that date under Section 4-110 or 4-110.1 shall be increased by an amount equal to 1/12 of 3% of the amount of the benefit, multiplied by the number of months for which the benefit has been payable. On each January 1 thereafter, every child's disability benefit payable under Section 4-110 or 4-110.1 shall be increased by 3% of the amount of the benefit then being paid, including any previous increases received under this Article. These increases are not subject to any limitation on the maximum benefit amount included in Section 4-110 or 4-110.1.

(c-2) On July 1, 2004, every pension payable to or on behalf of a minor or disabled surviving child that is payable on that date under Section 4-114 shall be increased by an amount equal to 1/12 of 3% of the amount of the pension, multiplied by the number of months for which the benefit has been payable. On July 1, 2005, July 1, 2006, July 1, 2007, and July 1, 2008, every pension payable to or on behalf of a minor or disabled surviving child that is payable under Section 4-114 shall be increased by 3% of the amount of the pension then being paid, including any previous increases received under this Article. These increases are not subject to any limitation on the maximum benefit amount included in Section 4-114.

(d) The monthly pension of a firefighter who retires after January 1, 1986, shall, upon either the first of the month following the first anniversary of the date of retirement if 55 years of age or over, or upon the first day of the month following attainment of age 55 if it occurs after the first anniversary of retirement, be increased by 1/12 of 3% of the originally granted monthly pension for each full month that has elapsed since the pension began, and by an additional 3% in each January thereafter.

The changes made to this subsection (d) by this amendatory Act of the 91st General Assembly apply to all initial increases that become payable under this subsection on or after January 1, 1999. All initial increases that became payable under this subsection on or after January 1, 1999 and before the effective date of this amendatory Act shall be recalculated and the additional amount accruing for that period, if any, shall be payable to the pensioner in a lump sum.

(e) Notwithstanding the provisions of subsection (a), upon the first day of the month following (1) the first anniversary of the date of retirement, or (2) the attainment of age 55, or (3) July 1, 1987, whichever occurs latest, the monthly pension of a firefighter who retired on or after January 1, 1977 and on or before January 1, 1986 and did not receive an increase under subsection (a) before July 1, 1987, shall be increased by 3% of the originally granted monthly pension for each full year that has elapsed since the pension began, and by an additional 3% in each January thereafter. The increases provided under this subsection are in lieu of the increases provided in subsection (a).

(Source: P.A. 90-32, eff. 6-27-97; 91-466, eff. 8-6-99.)

(40 ILCS 5/4-109.2) (from Ch. 108 1/2, par. 4-109.2)

Sec. 4-109.2. Minimum pension.

(a) Beginning January 1, 1984, the minimum disability pension granted under Section 4-110 or 4-111, the minimum surviving spouse's pension, and the minimum retirement pension granted to a firefighter with 20 or more years of creditable service, shall be $300 per month, without regard to whether the death, disability or retirement of the firefighter occurred prior to that date.

Beginning July 1, 1987, the minimum retirement pension payable to a firefighter with 20 or more years of creditable service, the minimum disability pension payable under Section 4-110 or 4-111, and the minimum surviving spouse's pension shall be $400 per month, without regard to whether the death, retirement or disability of the firefighter occurred prior to that date.

Beginning July 1, 1993, the minimum retirement pension payable to a firefighter with 20 or more years of creditable service and the minimum surviving spouse's pension shall be $475 per month, without regard to whether the firefighter was in service on or after the effective date of this amendatory Act of 1993.

(b) Beginning January 1, 1999, the minimum retirement pension payable to a firefighter with 20 or more years of creditable service, the minimum disability pension payable under Section 4-110, 4-110.1, or 4-111, and the minimum surviving spouse's pension shall be $600 per month, without regard to whether the firefighter was in service on or after the effective date of this amendatory Act of the 91st General Assembly.

In the case of a pensioner whose pension began before the effective date of this amendatory Act and is subject to increase under this subsection (b), the pensioner shall be entitled to a lump sum payment of the amount of that increase accruing from January 1, 1999 (or the date the pension began, if later) to the effective date of this amendatory Act.

(c) Beginning January 1, 2000, the minimum retirement pension payable to a firefighter with 20 or more years of creditable service, the minimum disability pension payable under Section 4-110, 4-110.1, or 4-111, and the minimum surviving spouse's pension shall be $800 per month, without regard to whether the firefighter was in service on or after the effective date of this amendatory Act of the 91st General Assembly.

(d) Beginning January 1, 2001, the minimum retirement pension payable to a firefighter with 20 or more years of creditable service, the minimum disability pension payable under Section 4-110, 4-110.1, or 4-111, and the minimum surviving spouse's pension shall be $1000 per month, without regard to whether the firefighter was in service on or after the effective date of this amendatory Act of the 91st General Assembly.

(e) Beginning July 1, 2004, the minimum retirement pension payable to a firefighter with 20 or more years of creditable service, the minimum disability pension payable under Section 4-110, 4-110.1, or 4-111, and the minimum surviving spouse's pension shall be $1030 per month, without regard to whether the firefighter was in service on or after the effective date of this amendatory Act of the 93rd General Assembly.

(f) Beginning July 1, 2005, the minimum retirement pension payable to a firefighter with 20 or more years of creditable service, the minimum disability pension payable under Section 4-110, 4-110.1, or 4-111, and the minimum surviving spouse's pension shall be $1060.90 per month, without regard to whether the firefighter was in service on or after the effective date of this amendatory Act of the 93rd General Assembly.

(g) Beginning July 1, 2006, the minimum retirement pension payable to a firefighter with 20 or more years of creditable service, the minimum disability pension payable under Section 4-110, 4-110.1, or 4-111, and the minimum surviving spouse's pension shall be $1092.73 per month, without regard to whether the firefighter was in service on or after the effective date of this amendatory Act of the 93rd General Assembly.

(h) Beginning July 1, 2007, the minimum retirement pension payable to a firefighter with 20 or more years of creditable service, the minimum disability pension payable under Section 4-110, 4-110.1, or 4-111, and the minimum surviving spouse's pension shall be $1125.51 per month, without regard to whether the firefighter was in service on or after the effective date of this amendatory Act of the 93rd General Assembly.

(i) Beginning July 1, 2008, the minimum retirement pension payable to a firefighter with 20 or more years of creditable service, the minimum disability pension payable under Section 4-110, 4-110.1, or 4-111, and the minimum surviving spouse's pension shall be $1159.27 per month, without regard to whether the firefighter was in service on or after the effective date of this amendatory Act of the 93rd General Assembly.

(Source: P.A. 91-466, eff. 8-6-99.)

(40 ILCS 5/4-109.3 new)

Sec. 4-109.3. Employee creditable service.

(a) As used in this Section:

"Final monthly salary" means the monthly salary attached to the rank held by the firefighter at the time of his or her last withdrawal from service under a particular pension fund.

"Last pension fund" means the pension fund in which the firefighter was participating at the time of his or her last withdrawal from service.

(b) The benefits provided under this Section are available only to a firefighter who:

(1) is a firefighter at the time of withdrawal from the last pension fund and for at least the final 3 years of employment prior to that withdrawal;

(2) has established service credit with at least one pension fund established under this Article other than the last pension fund;

(3) has a total of at least 20 years of service under the various pension funds established under this Article and has attained age 50; and

(4) is in service on or after the effective date of this amendatory Act of the 93rd General Assembly.

(c) A firefighter who is eligible for benefits under this Section may elect to receive a retirement pension from each pension fund under this Article in which the firefighter has at least one year of service credit but has not received a refund under Section 4-116 (unless the firefighter repays that refund under subsection (g)) or subsection (c) of Section 4-118.1, by applying in writing and paying the contribution required under subsection (i).

(d) From each such pension fund other than the last pension fund, in lieu of any retirement pension otherwise payable under this Article, a firefighter to whom this Section applies may elect to receive a monthly pension of 1/12th of 2.5% of his or her final monthly salary under that fund for each month of service in that fund, subject to a maximum of 75% of that final monthly salary.

(e) From the last pension fund, in lieu of any retirement pension otherwise payable under this Article, a firefighter to whom this Section applies may elect to receive a monthly pension calculated as follows:

The last pension fund shall calculate the retirement pension that would be payable to the firefighter under subsection (a) of Section 4-109 as if he or she had participated in that last pension fund during his or her entire period of service under all pension funds established under this Article (excluding any period of service for which the firefighter has received a refund under Section 4-116, unless the firefighter repays that refund under subsection (g), or for which the firefighter has received a refund under subsection (c) of Section 4-118.1). From this hypothetical pension there shall be subtracted the original amounts of the retirement pensions payable to the firefighter by all other pension funds under subsection (d). The remainder is the retirement pension payable to the firefighter by the last pension fund under this subsection (e).

(f) Pensions elected under this Section shall be subject to increases as provided in subsection (d) of Section 4-109.1.

(g) A current firefighter may reinstate creditable service in a pension fund established under this Article that was terminated upon receipt of a refund, by payment to that pension fund of the amount of the refund together with interest thereon at the rate of 6% per year, compounded annually, from the date of the refund to the date of payment. A repayment of a refund under this Section may be made in equal installments over a period of up to 10 years, but must be paid in full prior to retirement.

(h) As a condition of being hired to a position as a firefighter on or after the effective date of this amendatory Act of the 93rd General Assembly, a firefighter must notify the new employer, all of his or her previous employers under this Article, and the Public Pension Division of the Department of Insurance, within one year of being hired, of all periods of service of at least one year under a pension fund established under this Article.

(i) In order to receive a pension under this Section or an occupational disease disability pension for which he or she becomes eligible due to the application of subsection (m) of this Section, a firefighter must pay to each pension fund from which he or she has elected to receive a pension under this Section a contribution equal to 1/12th of 1% of monthly salary for each month of service credit that the firefighter has in that fund (other than service credit for which the firefighter has already paid the additional contribution required under subsection (c) of Section 4-118.1), together with interest thereon at the rate of 6% per annum, compounded annually, from the time the service was rendered to the date of payment.

(j) A retired firefighter who is receiving pension payments under Section 4-109 may reenter active service under this Article. Subject to the provisions of Section 4-117, the firefighter may receive credit for service performed after the reentry if the firefighter (1) applies to receive credit for that service, (2) suspends his or her pensions under this Section, and (3) makes the contributions required under subsection (i).

(k) A firefighter who is newly hired or promoted to a position as a firefighter shall not be denied

participation in a fund under this Article based on his or her age.

(l) If a firefighter who elects to make contributions under subsection (c) of Section 4-118.1 for the pension benefits provided under this Section becomes entitled to a disability pension under Section 4-110, the last pension fund is responsible to pay that disability pension and the amount of that disability pension shall be based only on the firefighter's service with the last pension fund.

(m) Notwithstanding any provision in Section 4-110.1 to the contrary, if a firefighter who elects to make contributions under subsection (c) of Section 4-118.1 for the pension benefits provided under this Section becomes entitled to an occupational disease disability pension under Section 4-110.1, each pension fund to which the firefighter has made contributions under subsection (c) of Section 4-118.1 must pay a portion of that occupational disease disability pension equal to the proportion that the firefighter's service credit with that pension fund for which the contributions under subsection (c) of Section 4-118.1 have been made bears to the firefighter's total service credit with all of the pension funds for which the contributions under subsection (c) of Section 4-118.1 have been made. A firefighter who has made contributions under subsection (c) of Section 4-118.1 for at least 5 years of creditable service shall be deemed to have met the 5-year creditable service requirement under Section 4-110.1, regardless of whether the firefighter has 5 years of creditable service with the last pension fund

(n) If a firefighter who elects to make contributions under subsection (c) of Section 4-118.1 for the pension benefits provided under this Section becomes entitled to a disability pension under Section 4-111, the last pension fund is responsible to pay that disability pension, provided that the firefighter has at least 7 years of creditable service with the last pension fund.

(40 ILCS 5/4-114) (from Ch. 108 1/2, par. 4-114)

Sec. 4-114. Pension to survivors. If a firefighter who is not receiving a disability pension under Section 4-110 or 4-110.1 dies (1) as a result of any illness or accident, or (2) from any cause while in receipt of a disability pension under this Article, or (3) during retirement after 20 years service, or (4) while vested for or in receipt of a pension payable under subsection (b) of Section 4-109, or (5) while a deferred pensioner, having made all required contributions, a pension shall be paid to his or her survivors, based on the monthly salary attached to the firefighter's rank on the last day of service in the fire department, as follows:

(a) To the surviving spouse, a monthly pension of 40% of the monthly salary, and to the guardian of any minor child or children including a child which has been conceived but not yet born, 12% of such monthly salary for each such child until attainment of age 18 or until the child's marriage, whichever occurs first. Beginning July 1, 1993, the monthly pension to the surviving spouse shall be 54% of the monthly salary for all persons receiving a surviving spouse pension under this Article, regardless of whether the deceased firefighter was in service on or after the effective date of this amendatory Act of 1993.

Beginning July 1, 2004, the total monthly pension payable under this paragraph (a) to the surviving spouse of a firefighter who died while receiving a retirement pension, including any amount payable on account of children, shall be no less than 100% of the monthly retirement pension that the deceased firefighter was receiving at the time of death, including any increases under Section 4-109.1. This minimum applies to all such surviving spouses who are eligible to receive a surviving spouse pension, regardless of whether the deceased firefighter was in service on or after the effective date of this amendatory Act of the 93rd General Assembly, and notwithstanding any limitation on maximum pension under paragraph (d) or any other provision of this Article.

The pension to the surviving spouse shall terminate in the event of the surviving spouse's remarriage prior to July 1, 1993; remarriage on or after that date does not affect the surviving spouse's pension, regardless of whether the deceased firefighter was in service on or after the effective date of this amendatory Act of 1993.

The surviving spouse's pension shall be subject to the minimum established in Section 4-109.2.

(b) Upon the death of the surviving spouse leaving one or more minor children, to the duly appointed guardian of each such child, for support and maintenance of each such child until the child reaches age 18 or marries, whichever occurs first, a monthly pension of 20% of the monthly salary.

(c) If a deceased firefighter leaves no surviving spouse or unmarried minor children under age 18, but leaves a dependent father or mother, to each dependent parent a monthly pension of 18% of the monthly salary. To qualify for the pension, a dependent parent must furnish satisfactory proof that the deceased firefighter was at the time of his or her death the sole supporter of the parent or that the parent was the deceased's dependent for federal income tax purposes.

(d) The total pension provided under paragraphs (a), (b) and (c) of this Section shall not exceed 75% of the monthly salary of the deceased firefighter (1) when paid to the survivor of a firefighter who has attained 20 or more years of service credit and who receives or is eligible to receive a retirement

pension under this Article, or (2) when paid to the survivor of a firefighter who dies as a result of illness or accident, or (3) when paid to the survivor of a firefighter who dies from any cause while in receipt of a disability pension under this Article, or (4) when paid to the survivor of a deferred pensioner. For all other survivors of deceased firefighters, the total pension provided under paragraphs (a), (b) and (c) of this Section shall not exceed 50% of the retirement annuity the firefighter would have received on the date of death.

The maximum pension limitations in this paragraph (d) do not control over any contrary provision of this Article explicitly establishing a minimum amount of pension or granting a one-time or annual increase in pension.

(e) If a firefighter leaves no eligible survivors under paragraphs (a), (b) and (c), the board shall refund to the firefighter's estate the amount of his or her accumulated contributions, less the amount of pension payments, if any, made to the firefighter while living.

(f) An adopted child is eligible for the pension provided under paragraph (a) if the child was adopted before the firefighter attained age 50.

(g) If a judgment of dissolution of marriage between a firefighter and spouse is judicially set aside subsequent to the firefighter's death, the surviving spouse is eligible for the pension provided in paragraph (a) only if the judicial proceedings are filed within 2 years after the date of the dissolution of marriage and within one year after the firefighter's death and the board is made a party to the proceedings. In such case the pension shall be payable only from the date of the court's order setting aside the judgment of dissolution of marriage.

(h) Benefits payable on account of a child under this Section shall not be reduced or terminated by reason of the child's attainment of age 18 if he or she is then dependent by reason of a physical or mental disability but shall continue to be paid as long as such dependency continues. Individuals over the age of 18 and adjudged as a disabled person pursuant to Article XIa of the Probate Act of 1975, except for persons receiving benefits under Article III of the Illinois Public Aid Code, shall be eligible to receive benefits under this Act.

(i) Beginning January 1, 2000, the pension of the surviving spouse of a firefighter who dies on or after January 1, 1994 as a result of sickness, accident, or injury incurred in or resulting from the performance of an act of duty or from the cumulative effects of acts of duty shall not be less than 100% of the salary attached to the rank held by the deceased firefighter on the last day of service, notwithstanding subsection (d) or any other provision of this Article.

(j) Beginning July 1, 2004, the pension of the surviving spouse of a firefighter who dies on or after January 1, 1988 as a result of sickness, accident, or injury incurred in or resulting from the performance of an act of duty or from the cumulative effects of acts of duty shall not be less than 100% of the salary attached to the rank held by the deceased firefighter on the last day of service, notwithstanding subsection (d) or any other provision of this Article.

(Source: P.A. 91-466, eff. 8-6-99.)

(40 ILCS 5/4-118.1) (from Ch. 108 1/2, par. 4-118.1)

Sec. 4-118.1. Contributions by firefighters.

(a) Beginning January 1, 1976 and until the effective date of this amendatory Act of the 91st General Assembly, each firefighter shall contribute to the pension fund 6 3/4% of salary towards the cost of his or her pension. Beginning on the effective date of this amendatory Act of the 91st General Assembly, each firefighter shall contribute to the pension fund 6.955% of salary towards the cost of his or her pension.

(b) In addition, beginning January 1, 1976, each firefighter shall contribute 1% of salary toward the cost of the increase in pension provided in Section 4-109.1; beginning January 1, 1987, such contribution shall be 1.5% of salary; beginning July 1, 2004, the contribution shall be 2.5% of salary..

(c) Beginning on the effective date of this amendatory Act of the 93rd General Assembly, each firefighter who elects to receive a pension under Section 4-109.3 and who has participated in at least one other pension fund under this Article for a period of at least one year shall contribute an additional 1.0% of salary toward the cost of the increase in pensions provided in Section 4-109.3.

In the event that a firefighter does not elect to receive a retirement pension provided under Section 4-109.3 from one or more of the pension funds in which the firefighter has credit, he or she shall, upon withdrawal from the last pension fund as defined in Section 4-109.3, be entitled to receive, from each such fund to which he or she has paid additional contributions under this subsection (c) and from which he or she does not receive a refund under Section 4-116, a refund of those contributions without interest.

A refund of total contributions to a particular firefighter pension fund under Section 4-116 shall include any refund of additional contributions paid to that fund under this subsection (c), but a firefighter who accepts a refund from a pension fund under Section 4-116 is thereafter ineligible to

receive a pension provided under Section 4-109.3 from that fund. A firefighter who meets the eligibility requirements of Section 4-109.3 may receive a pension under Section 4-109.3 from any pension fund from which the firefighter has not received a refund under Section 4-116 or under this subsection (c).

(d) "Salary" means the annual salary, including longevity, attached to the firefighter's rank, as established by the municipality appropriation ordinance, including any compensation for overtime which is included in the salary so established, but excluding any "overtime pay", "holiday pay", "bonus pay", "merit pay", or any other cash benefit not included in the salary so established.

(e) The contributions shall be deducted and withheld from the salary of firefighters.

(Source: P.A. 91-466, eff. 8-6-99.)

(40 ILCS 5/4-134) (from Ch. 108 1/2, par. 4-134)

Sec. 4-134. Report for tax levy. The board shall report to the city council or board of trustees of the municipality on the condition of the pension fund at the end of its most recently completed fiscal year. The report shall be made prior to the council or board meeting held for appropriating and levying taxes for the year for which the report is made.

The board in the report shall certify:

(1) the assets of the fund and their current market value;

(2) the estimated receipts during the next succeeding fiscal year from deductions from the salaries or wages of firefighters, and from all other sources;

(3) the estimated amount necessary during the fiscal year to meet the annual actuarial requirements of the pension fund as provided in Sections 4-118 and 4-120; ~~and~~

(4) the total net income received from investment of assets, compared to such income received during the preceding fiscal year; and

(5) the increase in employer pension contributions that results from the implementation of the provisions of this amendatory Act of the 93rd General Assembly.

Before the board makes its report, the municipality shall have the assets of the fund and their current market value verified by an independent certified public accountant of its choice.

(Source: P.A. 90-507, eff. 8-22-97.)

(40 ILCS 5/7-139.10 new)

Sec. 7-139.10. Transfer to Article 4 pension fund. A person who has elected under Section 4-108.4 to become an active participant in a firefighter pension fund established under Article 4 of this Code may apply for transfer to that Article 4 fund of his or her creditable service accumulated under this Article for municipal firefighter service. At the time of the transfer, the Fund shall pay to the firefighter pension fund an amount equal to:

(1) the amounts accumulated to the credit of the applicant for municipal firefighter service, including interest;

(2) any interest paid by the applicant in order to reinstate that service; and

(3) the municipality credits based on that service, including interest.

Participation in this fund with respect to the transferred credits shall terminate on the date of transfer.

For the purpose of this Section, "municipal firefighter service" means service with the fire department of a participating municipality for which the applicant established creditable service under this Article.

Section 90. The State Mandates Act is amended by adding Section 8.28 as follows:

(30 ILCS 805/8.28 new)

Sec. 8.28. Exempt mandate. Notwithstanding Sections 6 and 8 of this Act, no reimbursement by the State is required for the implementation of any mandate created by this amendatory Act of the 93rd General Assembly.

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

Submitted on May 31, 2004.

s/Senator Viverito	s/Representative Bradley
s/Senator Jacobs	s/Representative McGuire

s/Senator Shadid	s/Representative Washington
s/Senator Brady	s/Representative Black
s/Senator Peterson Committee for the Senate	Representative Schmitz Committee for the House

And on that motion, a call of the roll was had resulting as follows:

Yeas 47; Nays 8; Present 2.

The following voted in the affirmative:

Bomke	Halvorson	Meeks	Silverstein
Brady	Harmon	Munoz	Soden
Clayborne	Hendon	Obama	Sullivan, D.
Collins	Hunter	Peterson	Syverson
Crotty	Jacobs	Petka	Trotter
Cullerton	Jones, J.	Radogno	Viverito
del Valle	Jones, W.	Risinger	Walsh
DeLeo	Lightford	Ronen	Watson
Demuzio	Link	Sandoval	Welch
Garrett	Luechtefeld	Schoenberg	Winkel
Geo-Karis	Maloney	Shadid	Mr. President
Haine	Martinez	Sieben	

The following voted in the negative:

Althoff	Lauzen	Sullivan, J.
Burzynski	Rauschenberger	Wojcik
Forby	Roskam	

The following voted present:

Cronin
Dillard

The motion prevailed.

And the Senate adopted the Report of the First Conference Committee on **House Bill No. 599**, by a three-fifths vote.

Ordered that the Secretary inform the House of Representatives thereof.

HOUSE BILLS RECALLED

On motion of Senator Link, **House Bill No. 805** was recalled from the order of third reading to the order of second reading.

Floor Amendment No. 1 was held in the Committee on Rules

Senator Link offered the following amendment and moved its adoption:

AMENDMENT NO. 2

AMENDMENT NO. __2__. Amend House Bill 805 by replacing everything after the enacting clause with the following:

"Section 5. The Workers' Compensation Act is amended by changing Sections 2, 4, 8, 10, and 19 and by adding Sections 8.1, 8.2, and 8.3 as follows:

(820 ILCS 305/2) (from Ch. 48, par. 138.2)

Sec. 2. An employer in this State, who does not come within the classes enumerated by Section 3 of this Act, may elect to provide and pay compensation for accidental injuries sustained by himself or any employee, arising out of and in the course of the employment according to the provisions of this Act, and thereby relieve himself from any liability for the recovery of damages, except as herein provided. The State of Illinois hereby elects to provide and pay compensation according to the provisions of this Act. For purposes of this Act, an injury arises out of the employment if the injury occurred as a result of a terrorist act. For purposes of this Section, "terrorist act" means a violent act committed by one or more individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government.

(a) Election by any employer to provide and pay compensation according to the provisions of this Act shall be made by the employer filing notice of such election with the Commission, or by insuring his liability to pay compensation under this Act in some insurance carrier authorized, licensed or permitted to do such insurance business in this State.

(b) Every employer within the provisions of this Act who has elected to provide and pay compensation according to the provisions of this Act by filing notice of such election with the Commission, shall be bound thereby as to all his employees until January 1st of the next succeeding year and for terms of each year thereafter.

Any such employer who may have once elected, may elect not to provide and pay the compensation herein provided for accidents resulting in either injury or death and occurring after the expiration of any such calendar year by filing notice of such election with the Commission at least 60 days prior to the expiration of any such calendar year, and by posting such notice at a conspicuous place in the plant, shop, office, room or place where such employee is employed, or by personal service, in written or printed form, upon such employees, at least 60 days prior to the expiration of any such calendar year.

Every employer within the provisions of this Act who has elected to provide and pay compensation according to the provisions of this Act by insuring his liability to pay compensation under this Act, as above provided, shall be bound thereby as to all his employees until the date of expiration or cancellation of such policy of insurance, or any renewal thereof.

(c) In the event any employer mentioned in this section, elects to provide and pay the compensation provided in this Act, then every employee of such employer, as a part of his contract of hiring or who may be employed at the time of the taking effect of this Act and the acceptance of its provisions by such employer, shall be deemed to have accepted all the provisions of this Act and shall be bound thereby unless within 30 days after such hiring or after the taking effect of this Act, and its acceptance by such employee, he shall file a notice to the contrary with the Commission, whose duty it shall be to immediately notify the employer, and until such notice to the contrary is given to the employer, the measure of liability of such employer shall be determined according to the compensation provisions of this Act.

However, any employee may withdraw from the operation of this Act, except those under Section 3, upon filing a written notice of withdrawal at least 10 days prior to January 1st of any year with the Commission, whose duty it shall be to immediately notify such employer by registered mail, and, until such notice to the contrary is given to such employer, the measure of liability of such employer shall be determined according to the compensation provisions of this Act.

(d) Any such employer or employee may, without prejudice to any existing right or claim withdraw his election to reject this Act by giving 30 days' written notice in such manner and form as may be provided by the Commission.

(Source: P.A. 83-190.)

(820 ILCS 305/4) (from Ch. 48, par. 138.4)

Sec. 4. (a) Any employer, including but not limited to general contractors and their subcontractors, who shall come within the provisions of Section 3 of this Act, and any other employer who shall elect to provide and pay the compensation provided for in this Act shall:

(1) File with the Commission annually an application for approval as a self-insurer which shall include a current financial statement, and annually, thereafter, an application for renewal of self-insurance, which shall include a current financial statement. Said application and financial statement shall be signed and sworn to by the president or vice president and secretary or assistant secretary of the employer if it be a corporation, or by all of the partners, if it be a copartnership, or by the owner if it be neither a copartnership nor a corporation. All initial applications and all applications for renewal of self-insurance must be submitted at least 60 days prior to the requested effective date of

self-insurance. An employer may elect to provide and pay compensation as provided for in this Act as a member of a group workers' compensation pool under Article V 3/4 of the Illinois Insurance Code. If an employer becomes a member of a group workers' compensation pool, the employer shall not be relieved of any obligations imposed by this Act.

If the sworn application and financial statement of any such employer does not satisfy the Commission of the financial ability of the employer who has filed it, the Commission shall require such employer to,

(2) Furnish security, indemnity or a bond guaranteeing the payment by the employer of the compensation provided for in this Act, provided that any such employer whose application and financial statement shall not have satisfied the commission of his or her financial ability and who shall have secured his liability in part by excess liability insurance shall be required to furnish to the Commission security, indemnity or bond guaranteeing his or her payment up to the effective limits of the excess coverage, or

(3) Insure his entire liability to pay such compensation in some insurance carrier authorized, licensed, or permitted to do such insurance business in this State. Every policy of an insurance carrier, insuring the payment of compensation under this Act shall cover all the employees and the entire compensation liability of the insured: Provided, however, that any employer may insure his or her compensation liability with 2 or more insurance carriers or may insure a part and qualify under subsection 1, 2, or 4 for the remainder of his or her liability to pay such compensation, subject to the following two provisions:

Firstly, the entire compensation liability of the employer to employees working at or from one location shall be insured in one such insurance carrier or shall be self-insured, and

Secondly, the employer shall submit evidence satisfactorily to the Commission that his or her entire liability for the compensation provided for in this Act will be secured. Any provisions in any policy, or in any endorsement attached thereto, attempting to limit or modify in any way, the liability of the insurance carriers issuing the same except as otherwise provided herein shall be wholly void.

Nothing herein contained shall apply to policies of excess liability carriage secured by employers who have been approved by the Commission as self-insurers, or

(4) Make some other provision, satisfactory to the Commission, for the securing of the payment of compensation provided for in this Act, and

(5) Upon becoming subject to this Act and thereafter as often as the Commission may in writing demand, file with the Commission in form prescribed by it evidence of his or her compliance with the provision of this Section.

(a-1) Regardless of its state of domicile or its principal place of business, an employer shall make payments to its insurance carrier or group self-insurance fund, where applicable, based upon the premium rates of the situs where the work or project is located in Illinois if:

(A) the employer is engaged primarily in the building and construction industry; and

(B) subdivision (a)(3) of this Section applies to the employer or the employer is a member of a group self-insurance plan as defined in subsection (1) of Section 4a.

The Industrial Commission shall impose a penalty upon an employer for violation of this subsection (a-1) if:

(i) the employer is given an opportunity at a hearing to present evidence of its compliance with this subsection (a-1); and

(ii) after the hearing, the Commission finds that the employer failed to make payments upon the premium rates of the situs where the work or project is located in Illinois.

The penalty shall not exceed $1,000 for each day of work for which the employer failed to make payments upon the premium rates of the situs where the work or project is located in Illinois, but the total penalty shall not exceed $50,000 for each project or each contract under which the work was performed.

Any penalty under this subsection (a-1) must be imposed not later than one year after the expiration of the applicable limitation period specified in subsection (d) of Section 6 of this Act. Penalties imposed under this subsection (a-1) shall be deposited into the Industrial Commission Operations Fund, a special fund that is created in the State treasury. Subject to appropriation, moneys in the Fund shall be used solely for the operations of the Industrial Commission.

(b) The sworn application and financial statement, or security, indemnity or bond, or amount of insurance, or other provisions, filed, furnished, carried, or made by the employer, as the case may be, shall be subject to the approval of the Commission.

Deposits under escrow agreements shall be cash, negotiable United States government bonds or

negotiable general obligation bonds of the State of Illinois. Such cash or bonds shall be deposited in escrow with any State or National Bank or Trust Company having trust authority in the State of Illinois.

Upon the approval of the sworn application and financial statement, security, indemnity or bond or amount of insurance, filed, furnished or carried, as the case may be, the Commission shall send to the employer written notice of its approval thereof. The certificate of compliance by the employer with the provisions of subparagraphs (2) and (3) of paragraph (a) of this Section shall be delivered by the insurance carrier to the Industrial Commission within five days after the effective date of the policy so certified. The insurance so certified shall cover all compensation liability occurring during the time that the insurance is in effect and no further certificate need be filed in case such insurance is renewed, extended or otherwise continued by such carrier. The insurance so certified shall not be cancelled or in the event that such insurance is not renewed, extended or otherwise continued, such insurance shall not be terminated until at least 10 days after receipt by the Industrial Commission of notice of the cancellation or termination of said insurance; provided, however, that if the employer has secured insurance from another insurance carrier, or has otherwise secured the payment of compensation in accordance with this Section, and such insurance or other security becomes effective prior to the expiration of the 10 days, cancellation or termination may, at the option of the insurance carrier indicated in such notice, be effective as of the effective date of such other insurance or security.

(c) Whenever the Commission shall find that any corporation, company, association, aggregation of individuals, reciprocal or interinsurers exchange, or other insurer effecting workers' compensation insurance in this State shall be insolvent, financially unsound, or unable to fully meet all payments and liabilities assumed or to be assumed for compensation insurance in this State, or shall practice a policy of delay or unfairness toward employees in the adjustment, settlement, or payment of benefits due such employees, the Commission may after reasonable notice and hearing order and direct that such corporation, company, association, aggregation of individuals, reciprocal or interinsurers exchange, or insurer, shall from and after a date fixed in such order discontinue the writing of any such workers' compensation insurance in this State. Subject to such modification of the order as the Commission may later make on review of the order, as herein provided, it shall thereupon be unlawful for any such corporation, company, association, aggregation of individuals, reciprocal or interinsurers exchange, or insurer to effect any workers' compensation insurance in this State. A copy of the order shall be served upon the Director of Insurance by registered mail. Whenever the Commission finds that any service or adjustment company used or employed by a self-insured employer or by an insurance carrier to process, adjust, investigate, compromise or otherwise handle claims under this Act, has practiced or is practicing a policy of delay or unfairness toward employees in the adjustment, settlement or payment of benefits due such employees, the Commission may after reasonable notice and hearing order and direct that such service or adjustment company shall from and after a date fixed in such order be prohibited from processing, adjusting, investigating, compromising or otherwise handling claims under this Act.

Whenever the Commission finds that any self-insured employer has practiced or is practicing delay or unfairness toward employees in the adjustment, settlement or payment of benefits due such employees, the Commission may, after reasonable notice and hearing, order and direct that after a date fixed in the order such self-insured employer shall be disqualified to operate as a self-insurer and shall be required to insure his entire liability to pay compensation in some insurance carrier authorized, licensed and permitted to do such insurance business in this State, as provided in subparagraph 3 of paragraph (a) of this Section.

All orders made by the Commission under this Section shall be subject to review by the courts, said review to be taken in the same manner and within the same time as provided by Section 19 of this Act for review of awards and decisions of the Commission, upon the party seeking the review filing with the clerk of the court to which said review is taken a bond in an amount to be fixed and approved by the court to which the review is taken, conditioned upon the payment of all compensation awarded against the person taking said review pending a decision thereof and further conditioned upon such other obligations as the court may impose. Upon the review the Circuit Court shall have power to review all questions of fact as well as of law. The penalty hereinafter provided for in this paragraph shall not attach and shall not begin to run until the final determination of the order of the Commission.

(d) Whenever the Commission determines an employer has failed to provide coverage as required by paragraph (a) of this Section, the failure shall be deemed an immediate serious danger to public health, safety, and welfare sufficient to justify service by the Commission of a work-stop order on such employer, requiring the cessation of all business operations of such employer at the place of employment or job site. Any law enforcement agency in the State shall, at the request of the Commission, render any assistance necessary to carry out the provisions of this Section, including, but not limited to, preventing any employee of such employer from remaining at a place of employment or job site after a work-stop

order has taken effect.

Any individual employer, corporate officer or director of a corporate employer, partner of an employer partnership, or member of an employer limited liability company who knowingly fails to provide coverage as required by paragraph (a) of this Section is guilty of a Class 4 felony. Each day's violation constitutes a separate offense. The State's Attorney of the county in which the violation occurred, or the Attorney General, shall bring such actions in the name of the People of the State of Illinois, or may, in addition to other remedies provided in this Section, bring an action for an injunction to restrain the violation or to enjoin the operation of any such employer.

Any individual employer, corporate officer or director of a corporate employer, partner of an employer partnership, or member of an employer limited liability company who negligently fails to provide coverage as required by paragraph (a) of this Section is guilty of a Class A misdemeanor. Each day's violation constitutes a separate offense. The State's Attorney of the county in which the violation occurred, or the Attorney General, shall bring such actions in the name of the people of the State of Illinois, or may, in addition to other remedies provided in this Section, bring an action for an injunction to restrain such violation or to enjoin the operation of any such employer.

Employers who are subject to and who fail to comply with this Section shall not be entitled to the benefits of this Act during the period of noncompliance, but shall be liable in an action under any other applicable law of this State. In the action, such employer shall not avail himself or herself of the defenses of assumption of risk or negligence or that the injury was due to a co-employee. In the action, proof of the injury shall constitute prima facie evidence of negligence on the part of such employer and the burden shall be on such employer to show freedom of negligence resulting in the injury. The employer shall not join any other defendant in any such civil action. Nothing in this amendatory Act of the 93rd General Assembly shall affect the employee's rights under subdivision (a)3 of Section 1 of this Act.

An employee of an uninsured employer, or the employee's dependents in case death ensued, may, instead of proceeding against the employer in a civil action in court, file an application for adjustment of claim with the Commission in accordance with the provisions of this Act and the Commission shall hear and determine the application for adjustment of claim in the manner in which other claims are heard and determined before the Commission.

Upon a finding by the Commission, after reasonable notice and hearing, of the knowing and wilful failure or refusal of an employer to comply with any of the provisions of paragraph (a) of this Section or the failure or refusal of an employer, service or adjustment company, or an insurance carrier to comply with any order of the Industrial Commission pursuant to paragraph (c) of this Section disqualifying him or her to operate as a self insurer and requiring him or her to insure his or her liability, the Commission may assess a civil penalty of up to $500 per day for each day of such failure or refusal after the effective date of this amendatory Act of 1989. The minimum penalty under this Section shall be the sum of $10,000. Each day of such failure or refusal shall constitute a separate offense. The Commission may assess the civil penalty personally and individually against the corporate officers and directors of a corporate employer, the partners of an employer partnership, and the members of an employer limited liability company, after a finding of a knowing and willful refusal or failure of each such named corporate officer, director, partner, or member to comply with this Section. The liability for the assessed penalty shall be against the named employer first, and if the named employer fails or refuses to pay the penalty to the Commission within 30 days after the final order of the Commission, then the named corporate officers, directors, partners, or members who have been found to have knowingly and willfully refused or failed to comply with this Section shall be liable for the unpaid penalty or any unpaid portion of the penalty. All penalties collected under this Section shall be deposited in the Industrial Commission Operations Fund.

Upon the failure or refusal of any employer, service or adjustment company or insurance carrier to comply with the provisions of this Section and with the orders of the Commission under this Section, or the order of the court on review after final adjudication, the Commission may bring a civil action to recover the amount of the penalty in Cook County or in Sangamon County in which litigation the Commission shall be represented by the Attorney General. The Commission shall send notice of its finding of non-compliance and assessment of the civil penalty to the Attorney General. It shall be the duty of the Attorney General within 30 days after receipt of the notice, to institute prosecutions and promptly prosecute all reported violations of this Section.

Any individual employer, corporate officer or director of a corporate employer, partner of an employer partnership, or member of an employer limited liability company who, with the intent to avoid payment of compensation under this Act to an injured employee or the employee's dependents, knowingly transfers, sells, encumbers, assigns, or in any manner disposes of, conceals, secretes, or destroys any property belonging to the employer, officer, director, partner, or member, is guilty of a

Class 4 felony.

Penalties collected pursuant to this paragraph (d) shall be deposited upon receipt by the Commission into a special fund which shall be designated the Injured Workers Benefit Fund, of which the State Treasurer is ex-officio custodian, such special fund to be held and disbursed in accordance with this paragraph (d) for the purposes hereinafter stated in this paragraph (d), upon the final order of the Commission. The Injured Workers Benefit Fund shall be deposited the same as are State funds and any interest accruing thereon shall be added thereto every 6 months. The Injured Workers Benefit Fund is subject to audit the same as State funds and accounts and is protected by the general bond given by the State Treasurer. The Injured Workers Benefit Fund is considered always appropriated for the purposes of disbursements as provided in this paragraph, and shall be paid out and disbursed as herein provided and shall not at any time be appropriated or diverted to any other use or purpose. Moneys in the Injured Workers Benefit Fund shall be used only for payment of workers' compensation benefits for injured employees when the employer has failed to provide coverage as determined under this paragraph (d) and has failed to pay the benefits due to the injured employee under this paragraph (d). The Commission shall have the right to obtain reimbursement from the employer for compensation obligations paid by the Injured Workers Benefit Fund. Any such amounts obtained shall be deposited by the Commission into the Injured Workers Benefit Fund. If an injured employee or his or her personal representative receives payment from the Injured Workers Benefit Fund, the State of Illinois has the same rights under paragraph (b) of Section 5 that the employer who failed to pay the benefits due to the injured employee under this paragraph (d) would have had if the employer had paid those benefits, and any moneys recovered by the State as a result of the State's exercise of its rights under paragraph (b) of Section 5 shall be deposited into the Injured Workers Benefit Fund. The custodian of the Injured Workers Benefit Fund shall be joined with the employer as a party respondent in the application for adjustment of claim. Payment from the Injured Workers Benefit Fund to an eligible claimant at the end of the fiscal year that the award became final shall discharge the obligations of the Injured Workers Benefit Fund regarding the award entered by the Commission.

The Commission shall hold all final awards determined in a fiscal year to be made from the Fund in that fiscal year until the end of the fiscal year, at which time the Commission shall make disbursements on a pro-rata share basis only to the extent of the available moneys in the Fund for that fiscal year.

(e) This Act shall not affect or disturb the continuance of any existing insurance, mutual aid, benefit, or relief association or department, whether maintained in whole or in part by the employer or whether maintained by the employees, the payment of benefits of such association or department being guaranteed by the employer or by some person, firm or corporation for him or her: Provided, the employer contributes to such association or department an amount not less than the full compensation herein provided, exclusive of the cost of the maintenance of such association or department and without any expense to the employee. This Act shall not prevent the organization and maintaining under the insurance laws of this State of any benefit or insurance company for the purpose of insuring against the compensation provided for in this Act, the expense of which is maintained by the employer. This Act shall not prevent the organization or maintaining under the insurance laws of this State of any voluntary mutual aid, benefit or relief association among employees for the payment of additional accident or sick benefits.

(f) No existing insurance, mutual aid, benefit or relief association or department shall, by reason of anything herein contained, be authorized to discontinue its operation without first discharging its obligations to any and all persons carrying insurance in the same or entitled to relief or benefits therein.

(g) Any contract, oral, written or implied, of employment providing for relief benefit, or insurance or any other device whereby the employee is required to pay any premium or premiums for insurance against the compensation provided for in this Act shall be null and void. Any employer withholding from the wages of any employee any amount for the purpose of paying any such premium shall be guilty of a Class B misdemeanor.

In the event the employer does not pay the compensation for which he or she is liable, then an insurance company, association or insurer which may have insured such employer against such liability shall become primarily liable to pay to the employee, his or her personal representative or beneficiary the compensation required by the provisions of this Act to be paid by such employer. The insurance carrier may be made a party to the proceedings in which the employer is a party and an award may be entered jointly against the employer and the insurance carrier.

(h) It shall be unlawful for any employer, insurance company or service or adjustment company to interfere with, restrain or coerce an employee in any manner whatsoever in the exercise of the rights or remedies granted to him or her by this Act or to discriminate, attempt to discriminate, or threaten to discriminate against an employee in any way because of his or her exercise of the rights or remedies

granted to him or her by this Act.

It shall be unlawful for any employer, individually or through any insurance company or service or adjustment company, to discharge or to threaten to discharge, or to refuse to rehire or recall to active service in a suitable capacity an employee because of the exercise of his or her rights or remedies granted to him or her by this Act.

(i) If an employer elects to obtain a life insurance policy on his employees, he may also elect to apply such benefits in satisfaction of all or a portion of the death benefits payable under this Act, in which case, the employer's compensation premium shall be reduced accordingly.

(j) Within 45 days of receipt of an initial application or application to renew self-insurance privileges the Self-Insurers Advisory Board shall review and submit for approval by the Chairman of the Commission recommendations of disposition of all initial applications to self-insure and all applications to renew self-insurance privileges filed by private self-insurers pursuant to the provisions of this Section and Section 4a-9 of this Act. Each private self-insurer shall submit with its initial and renewal applications the application fee required by Section 4a-4 of this Act.

The Chairman of the Commission shall promptly act upon all initial applications and applications for renewal in full accordance with the recommendations of the Board or, should the Chairman disagree with any recommendation of disposition of the Self-Insurer's Advisory Board, he shall within 30 days of receipt of such recommendation provide to the Board in writing the reasons supporting his decision. The Chairman shall also promptly notify the employer of his decision within 15 days of receipt of the recommendation of the Board.

If an employer is denied a renewal of self-insurance privileges pursuant to application it shall retain said privilege for 120 days after receipt of a notice of cancellation of the privilege from the Chairman of the Commission.

All orders made by the Chairman under this Section shall be subject to review by the courts, such review to be taken in the same manner and within the same time as provided by subsection (f) of Section 19 of this Act for review of awards and decisions of the Commission, upon the party seeking the review filing with the clerk of the court to which such review is taken a bond in an amount to be fixed and approved by the court to which the review is taken, conditioned upon the payment of all compensation awarded against the person taking such review pending a decision thereof and further conditioned upon such other obligations as the court may impose. Upon the review the Circuit Court shall have power to review all questions of fact as well as of law.

(Source: P.A. 91-375, eff. 1-1-00; 91-757, eff. 1-1-01; 92-324, eff. 8-9-01.)

(820 ILCS 305/8) (from Ch. 48, par. 138.8)

Sec. 8. The amount of compensation which shall be paid to the employee for an accidental injury not resulting in death is:

(a) The employer shall provide and pay <u>the lesser of the health care provider's actual charges or the usual and customary charges incurred, subject to Section 8.2,</u> for all the necessary first aid, medical and surgical services, and all necessary medical, surgical and hospital services thereafter incurred, limited, however, to that which is reasonably required to cure or relieve from the effects of the accidental injury. The employer shall also pay for treatment, instruction and training necessary for the physical, mental and vocational rehabilitation of the employee, including all maintenance costs and expenses incidental thereto. If as a result of the injury the employee is unable to be self-sufficient the employer shall further pay for such maintenance or institutional care as shall be required.

The employee may at any time elect to secure his own physician, surgeon and hospital services at the employer's expense, or,

Upon agreement between the employer and the employees, or the employees' exclusive representative, and subject to the approval of the Industrial Commission, the employer shall maintain a list of physicians, to be known as a Panel of Physicians, who are accessible to the employees. The employer shall post this list in a place or places easily accessible to his employees. The employee shall have the right to make an alternative choice of physician from such Panel if he is not satisfied with the physician first selected. If, due to the nature of the injury or its occurrence away from the employer's place of business, the employee is unable to make a selection from the Panel, the selection process from the Panel shall not apply. The physician selected from the Panel may arrange for any consultation, referral or other specialized medical services outside the Panel at the employer's expense. Provided that, in the event the Commission shall find that a doctor selected by the employee is rendering improper or inadequate care, the Commission may order the employee to select another doctor certified or qualified in the medical field for which treatment is required. If the employee refuses to make such change the Commission may relieve the employer of his obligation to pay the doctor's charges from the date of refusal to the date of compliance.

Any vocational rehabilitation counselors who provide service under this Act shall have appropriate certifications which designate the counselor as qualified to render opinions relating to vocational rehabilitation. Vocational rehabilitation may include, but is not limited to, counseling for job searches, supervising a job search program, and vocational retraining including education at an accredited learning institution. The employee or employer may petition to the Commission to decide disputes relating to vocational rehabilitation and the Commission shall resolve any such dispute, including payment of the vocational rehabilitation program by the employer.

The maintenance benefit shall not be less than the temporary total disability rate determined for the employee. In addition, maintenance shall include costs and expenses incidental to the vocational rehabilitation program.

When the employee is working light duty on a part-time basis or full-time basis and earns less than he or she would be earning if employed in the full capacity of the job or jobs, then the employee shall be entitled to temporary partial disability benefits. Temporary partial disability benefits shall be equal to two-thirds of the difference between the average amount that the employee would be able to earn in the full performance of his or her duties in the occupation in which he or she was engaged at the time of accident and the net amount which he or she is earning in the modified job provided to the employee by the employer or in any other job that the employee is working.

Every hospital, physician, surgeon or other person rendering treatment or services in accordance with the provisions of this Section shall upon written request furnish full and complete reports thereof to, and permit their records to be copied by, the employer, the employee or his dependents, as the case may be, or any other party to any proceeding for compensation before the Commission, or their attorneys.

Notwithstanding the foregoing, the employer's liability to pay for such medical services selected by the employee shall be limited to:

(1) all first aid and emergency treatment; plus

(2) all medical, surgical and hospital services provided by the physician, surgeon or hospital initially chosen by the employee or by any other physician, consultant, expert, institution or other provider of services recommended by said initial service provider or any subsequent provider of medical services in the chain of referrals from said initial service provider; plus

(3) all medical, surgical and hospital services provided by any second physician, surgeon or hospital subsequently chosen by the employee or by any other physician, consultant, expert, institution or other provider of services recommended by said second service provider or any subsequent provider of medical services in the chain of referrals from said second service provider. Thereafter the employer shall select and pay for all necessary medical, surgical and hospital treatment and the employee may not select a provider of medical services at the employer's expense unless the employer agrees to such selection. At any time the employee may obtain any medical treatment he desires at his own expense. This paragraph shall not affect the duty to pay for rehabilitation referred to above.

When an employer and employee so agree in writing, nothing in this Act prevents an employee whose injury or disability has been established under this Act, from relying in good faith, on treatment by prayer or spiritual means alone, in accordance with the tenets and practice of a recognized church or religious denomination, by a duly accredited practitioner thereof, and having nursing services appropriate therewith, without suffering loss or diminution of the compensation benefits under this Act. However, the employee shall submit to all physical examinations required by this Act. The cost of such treatment and nursing care shall be paid by the employee unless the employer agrees to make such payment.

Where the accidental injury results in the amputation of an arm, hand, leg or foot, or the enucleation of an eye, or the loss of any of the natural teeth, the employer shall furnish an artificial of any such members lost or damaged in accidental injury arising out of and in the course of employment, and shall also furnish the necessary braces in all proper and necessary cases. In cases of the loss of a member or members by amputation, the employer shall, whenever necessary, maintain in good repair, refit or replace the artificial limbs during the lifetime of the employee. Where the accidental injury accompanied by physical injury results in damage to a denture, eye glasses or contact eye lenses, or where the accidental injury results in damage to an artificial member, the employer shall replace or repair such denture, glasses, lenses, or artificial member.

The furnishing by the employer of any such services or appliances is not an admission of liability on the part of the employer to pay compensation.

The furnishing of any such services or appliances or the servicing thereof by the employer is not the payment of compensation.

(b) If the period of temporary total incapacity for work lasts more than 3 working days, weekly

compensation as hereinafter provided shall be paid beginning on the 4th day of such temporary total incapacity and continuing as long as the total temporary incapacity lasts. In cases where the temporary total incapacity for work continues for a period of 14 days or more from the day of the accident compensation shall commence on the day after the accident.

1. The compensation rate for temporary total incapacity under this paragraph (b) of this Section shall be equal to 66 2/3% of the employee's average weekly wage computed in accordance with Section 10, provided that it shall be not less than 66 2/3% of the sum of the Federal minimum wage under the Fair Labor Standards Act, or the Illinois minimum wage under the Minimum Wage Law, whichever is more, multiplied by 40 hours. This percentage rate shall be increased by 10% for each spouse and child, not to exceed 100% of the total minimum wage calculation, ~~the following amounts in the following cases:~~

~~$100.90 in case of a single person;~~
~~$105.50 in case of a married person with no children;~~
~~$108.30 in case of one child;~~
~~$113.40 in case of 2 children;~~
~~$117.40 in case of 3 children;~~
~~$124.30 in case of 4 or more children;~~

nor exceed the employee's average weekly wage computed in accordance with the provisions of Section 10, whichever is less.

2. The compensation rate in all cases other than for temporary total disability under this paragraph (b), and other than for serious and permanent disfigurement under paragraph (c) and other than for permanent partial disability under subparagraph (2) of paragraph (d) or under paragraph (e), of this Section shall be equal to 66 2/3% of the employee's average weekly wage computed in accordance with the provisions of Section 10, provided that it shall be not less than 66 2/3% of the sum of the Federal minimum wage under the Fair Labor Standards Act, or the Illinois minimum wage under the Minimum Wage Law, whichever is more, multiplied by 40 hours. This percentage rate shall be increased by 10% for each spouse and child, not to exceed 100% of the total minimum wage calculation, ~~the following amounts in the following cases:~~

~~$80.90 in case of a single person;~~
~~$83.20 in case of a married person with no children;~~
~~$86.10 in case of one child;~~
~~$88.90 in case of 2 children;~~
~~$91.80 in case of 3 children;~~
~~$96.90 in case of 4 or more children;~~

nor exceed the employee's average weekly wage computed in accordance with the provisions of Section 10, whichever is less.

2.1. The compensation rate in all cases of serious and permanent disfigurement under paragraph (c) and of permanent partial disability under subparagraph (2) of paragraph (d) or under paragraph (e) of this Section shall be equal to 66 2/3% ~~60%~~ of the employee's average weekly wage computed in accordance with the provisions of Section 10, provided that it shall be not less than 66 2/3% of the sum of the Federal minimum wage under the Fair Labor Standards Act, or the Illinois minimum wage under the Minimum Wage Law, whichever is more, multiplied by 40 hours. This percentage rate shall be increased by 10% for each spouse and child, not to exceed 100% of the total minimum wage calculation, ~~the following amounts in the following cases:~~

~~$80.90 in case of a single person;~~
~~$83.20 in case of a married person with no children;~~
~~$86.10 in case of one child;~~
~~$88.90 in case of 2 children;~~
~~$91.80 in case of 3 children;~~
~~$96.90 in case of 4 or more children;~~

nor exceed the employee's average weekly wage computed in accordance with the provisions of Section 10, whichever is less.

3. As used in this Section the term "child" means a child of the employee including any child legally adopted before the accident or whom at the time of the accident the employee was under legal obligation to support or to whom the employee stood in loco parentis, and who at the time of the accident was under 18 years of age and not emancipated. The term "children" means the plural of "child".

4. All weekly compensation rates provided under subparagraphs 1, 2 and 2.1 of this paragraph (b) of this Section shall be subject to the following limitations:

The maximum weekly compensation rate from July 1, 1975, except as hereinafter provided, shall be 100% of the State's average weekly wage in covered industries under the Unemployment Insurance Act, that being the wage that most closely approximates the State's average weekly wage.

The maximum weekly compensation rate, for the period July 1, 1984, through June 30, 1987, except as hereinafter provided, shall be $293.61. Effective July 1, 1987 and on July 1 of each year thereafter the maximum weekly compensation rate, except as hereinafter provided, shall be determined as follows: if during the preceding 12 month period there shall have been an increase in the State's average weekly wage in covered industries under the Unemployment Insurance Act, the weekly compensation rate shall be proportionately increased by the same percentage as the percentage of increase in the State's average weekly wage in covered industries under the Unemployment Insurance Act during such period.

The maximum weekly compensation rate, for the period January 1, 1981 through December 31, 1983, except as hereinafter provided, shall be 100% of the State's average weekly wage in covered industries under the Unemployment Insurance Act in effect on January 1, 1981. Effective January 1, 1984 and on January 1, of each year thereafter the maximum weekly compensation rate, except as hereinafter provided, shall be determined as follows: if during the preceding 12 month period there shall have been an increase in the State's average weekly wage in covered industries under the Unemployment Insurance Act, the weekly compensation rate shall be proportionately increased by the same percentage as the percentage of increase in the State's average weekly wage in covered industries under the Unemployment Insurance Act during such period.

From July 1, 1977 and thereafter such maximum weekly compensation rate in death cases under Section 7, and permanent total disability cases under paragraph (f) or subparagraph 18 of paragraph (3) of this Section and for temporary total disability under paragraph (b) of this Section and for amputation of a member or enucleation of an eye under paragraph (e) of this Section shall be increased to 133-1/3% of the State's average weekly wage in covered industries under the Unemployment Insurance Act.

For injuries occurring on or after January 1, 2005, the maximum weekly benefit under paragraph (d)1 of this Section shall be 133-1/3% of the State's average weekly wage in covered industries under the Unemployment Insurance Act.

4.1. Any provision herein to the contrary notwithstanding, the weekly compensation rate for compensation payments under subparagraph 18 of paragraph (e) of this Section and under paragraph (f) of this Section and under paragraph (a) of Section 7 and for amputation of a member or enucleation of an eye under paragraph (e) of this Section, shall in no event be less than 50% of the State's average weekly wage in covered industries under the Unemployment Insurance Act.

4.2. Any provision to the contrary notwithstanding, the total compensation payable under Section 7 shall not exceed the greater of $250,000 or 20 years.

5. For the purpose of this Section this State's average weekly wage in covered industries under the Unemployment Insurance Act on July 1, 1975 is hereby fixed at $228.16 per week and the computation of compensation rates shall be based on the aforesaid average weekly wage until modified as hereinafter provided.

6. The Department of Employment Security of the State shall on or before the first day of December, 1977, and on or before the first day of June, 1978, and on the first day of each December and June of each year thereafter, publish the State's average weekly wage in covered industries under the Unemployment Insurance Act and the Industrial Commission shall on the 15th day of January, 1978 and on the 15th day of July, 1978 and on the 15th day of each January and July of each year thereafter, post and publish the State's average weekly wage in covered industries under the Unemployment Insurance Act as last determined and published by the Department of Employment Security. The amount when so posted and published shall be conclusive and shall be applicable as the basis of computation of compensation rates until the next posting and publication as aforesaid.

7. The payment of compensation by an employer or his insurance carrier to an injured employee shall not constitute an admission of the employer's liability to pay compensation.

(c) For any serious and permanent disfigurement to the hand, head, face, neck, arm, leg below the knee or the chest above the axillary line, the employee is entitled to compensation for such disfigurement, the amount determined by agreement at any time or by arbitration under this Act, at a hearing not less than 6 months after the date of the accidental injury, which amount shall not exceed 150 weeks at the applicable rate provided in subparagraph 2.1 of paragraph (b) of this Section.

No compensation is payable under this paragraph where compensation is payable under paragraphs (d), (e) or (f) of this Section.

A duly appointed member of a fire department in a city, the population of which exceeds 200,000

according to the last federal or State census, is eligible for compensation under this paragraph only where such serious and permanent disfigurement results from burns.

(d) 1. If, after the accidental injury has been sustained, the employee as a result thereof becomes partially incapacitated from pursuing his usual and customary line of employment, he shall, except in cases compensated under the specific schedule set forth in paragraph (e) of this Section, receive compensation for the duration of his disability, subject to the limitations as to maximum amounts fixed in paragraph (b) of this Section, equal to 66-2/3% of the difference between the average amount which he would be able to earn in the full performance of his duties in the occupation in which he was engaged at the time of the accident and the average amount which he is earning or is able to earn in some suitable employment or business after the accident.

2. If, as a result of the accident, the employee sustains serious and permanent injuries not covered by paragraphs (c) and (e) of this Section or having sustained injuries covered by the aforesaid paragraphs (c) and (e), he shall have sustained in addition thereto other injuries which injuries do not incapacitate him from pursuing the duties of his employment but which would disable him from pursuing other suitable occupations, or which have otherwise resulted in physical impairment; or if such injuries partially incapacitate him from pursuing the duties of his usual and customary line of employment but do not result in an impairment of earning capacity, or having resulted in an impairment of earning capacity, the employee elects to waive his right to recover under the foregoing subparagraph 1 of paragraph (d) of this Section then in any of the foregoing events, he shall receive in addition to compensation for temporary total disability under paragraph (b) of this Section, compensation at the rate provided in subparagraph 2.1 of paragraph (b) of this Section for that percentage of 500 weeks that the partial disability resulting from the injuries covered by this paragraph bears to total disability. If the employee shall have sustained a fracture of one or more vertebra or fracture of the skull, the amount of compensation allowed under this Section shall be not less than 6 weeks for a fractured skull and 6 weeks for each fractured vertebra, and in the event the employee shall have sustained a fracture of any of the following facial bones: nasal, lachrymal, vomer, zygoma, maxilla, palatine or mandible, the amount of compensation allowed under this Section shall be not less than 2 weeks for each such fractured bone, and for a fracture of each transverse process not less than 3 weeks. In the event such injuries shall result in the loss of a kidney, spleen or lung, the amount of compensation allowed under this Section shall be not less than 10 weeks for each such organ. Compensation awarded under this subparagraph 2 shall not take into consideration injuries covered under paragraphs (c) and (e) of this Section and the compensation provided in this paragraph shall not affect the employee's right to compensation payable under paragraphs (b), (c) and (e) of this Section for the disabilities therein covered.

(e) For accidental injuries in the following schedule, the employee shall receive compensation for the period of temporary total incapacity for work resulting from such accidental injury, under subparagraph 1 of paragraph (b) of this Section, and shall receive in addition thereto compensation for a further period for the specific loss herein mentioned, but shall not receive any compensation under any other provisions of this Act. The following listed amounts apply to either the loss of or the permanent and complete loss of use of the member specified, such compensation for the length of time as follows:

1. Thumb-70 weeks.
2. First, or index finger-40 weeks.
3. Second, or middle finger-35 weeks.
4. Third, or ring finger-25 weeks.
5. Fourth, or little finger-20 weeks.
6. Great toe-35 weeks.
7. Each toe other than great toe-12 weeks.
8. The loss of the first or distal phalanx of the thumb or of any finger or toe shall be considered to be equal to the loss of one-half of such thumb, finger or toe and the compensation payable shall be one-half of the amount above specified. The loss of more than one phalanx shall be considered as the loss of the entire thumb, finger or toe. In no case shall the amount received for more than one finger exceed the amount provided in this schedule for the loss of a hand.
9. Hand-190 weeks. The loss of 2 or more digits, or one or more phalanges of 2 or more digits, of a hand may be compensated on the basis of partial loss of use of a hand, provided, further, that the loss of 4 digits, or the loss of use of 4 digits, in the same hand shall constitute the complete loss of a hand.
10. Arm-235 weeks. Where an accidental injury results in the amputation of an arm below the elbow, such injury shall be compensated as a loss of an arm. Where an accidental injury results in the amputation of an arm above the elbow, compensation for an additional 15 weeks shall be paid, except where the accidental injury results in the amputation of an arm at the shoulder joint, or so

close to shoulder joint that an artificial arm cannot be used, or results in the disarticulation of an arm at the shoulder joint, in which case compensation for an additional 65 weeks shall be paid.

11. Foot-155 weeks.

12. Leg-200 weeks. Where an accidental injury results in the amputation of a leg below the knee, such injury shall be compensated as loss of a leg. Where an accidental injury results in the amputation of a leg above the knee, compensation for an additional 25 weeks shall be paid, except where the accidental injury results in the amputation of a leg at the hip joint, or so close to the hip joint that an artificial leg cannot be used, or results in the disarticulation of a leg at the hip joint, in which case compensation for an additional 75 weeks shall be paid.

13. Eye-150 weeks. Where an accidental injury results in the enucleation of an eye, compensation for an additional 10 weeks shall be paid.

14. Loss of hearing of one ear-50 weeks; total and permanent loss of hearing of both ears-200 weeks.

15. Testicle-50 weeks; both testicles-150 weeks.

16. For the permanent partial loss of use of a member or sight of an eye, or hearing of an ear, compensation during that proportion of the number of weeks in the foregoing schedule provided for the loss of such member or sight of an eye, or hearing of an ear, which the partial loss of use thereof bears to the total loss of use of such member, or sight of eye, or hearing of an ear.

(a) Loss of hearing for compensation purposes shall be confined to the frequencies of 1,000, 2,000 and 3,000 cycles per second. Loss of hearing ability for frequency tones above 3,000 cycles per second are not to be considered as constituting disability for hearing.

(b) The percent of hearing loss, for purposes of the determination of compensation claims for occupational deafness, shall be calculated as the average in decibels for the thresholds of hearing for the frequencies of 1,000, 2,000 and 3,000 cycles per second. Pure tone air conduction audiometric instruments, approved by nationally recognized authorities in this field, shall be used for measuring hearing loss. If the losses of hearing average 30 decibels or less in the 3 frequencies, such losses of hearing shall not then constitute any compensable hearing disability. If the losses of hearing average 85 decibels or more in the 3 frequencies, then the same shall constitute and be total or 100% compensable hearing loss.

(c) In measuring hearing impairment, the lowest measured losses in each of the 3 frequencies shall be added together and divided by 3 to determine the average decibel loss. For every decibel of loss exceeding 30 decibels an allowance of 1.82% shall be made up to the maximum of 100% which is reached at 85 decibels.

(d) If a hearing loss is established to have existed on July 1, 1975 by audiometric testing the employer shall not be liable for the previous loss so established nor shall he be liable for any loss for which compensation has been paid or awarded.

(e) No consideration shall be given to the question of whether or not the ability of an employee to understand speech is improved by the use of a hearing aid.

(f) No claim for loss of hearing due to industrial noise shall be brought against an employer or allowed unless the employee has been exposed for a period of time sufficient to cause permanent impairment to noise levels in excess of the following:

Sound Level DBA Slow Response	Hours Per Day
90	8
92	6
95	4
97	3
100	2
102	1-1/2
105	1
110	1/2
115	1/4

This subparagraph (f) shall not be applied in cases of hearing loss resulting from trauma or explosion.

17. In computing the compensation to be paid to any employee who, before the accident for which he claims compensation, had before that time sustained an injury resulting in the loss by amputation or partial loss by amputation of any member, including hand, arm, thumb or fingers, leg, foot or any toes, such loss or partial loss of any such member shall be deducted from any award made

for the subsequent injury. For the permanent loss of use or the permanent partial loss of use of any such member or the partial loss of sight of an eye, for which compensation has been paid, then such loss shall be taken into consideration and deducted from any award for the subsequent injury.

18. The specific case of loss of both hands, both arms, or both feet, or both legs, or both eyes, or of any two thereof, or the permanent and complete loss of the use thereof, constitutes total and permanent disability, to be compensated according to the compensation fixed by paragraph (f) of this Section. These specific cases of total and permanent disability do not exclude other cases.

Any employee who has previously suffered the loss or permanent and complete loss of the use of any of such members, and in a subsequent independent accident loses another or suffers the permanent and complete loss of the use of any one of such members the employer for whom the injured employee is working at the time of the last independent accident is liable to pay compensation only for the loss or permanent and complete loss of the use of the member occasioned by the last independent accident.

19. In a case of specific loss and the subsequent death of such injured employee from other causes than such injury leaving a widow, widower, or dependents surviving before payment or payment in full for such injury, then the amount due for such injury is payable to the widow or widower and, if there be no widow or widower, then to such dependents, in the proportion which such dependency bears to total dependency.

Beginning July 1, 1980, and every 6 months thereafter, the Commission shall examine the Second Injury Fund and when, after deducting all advances or loans made to such Fund, the amount therein is $500,000 then the amount required to be paid by employers pursuant to paragraph (f) of Section 7 shall be reduced by one-half. When the Second Injury Fund reaches the sum of $600,000 then the payments shall cease entirely. However, when the Second Injury Fund has been reduced to $400,000, payment of one-half of the amounts required by paragraph (f) of Section 7 shall be resumed, in the manner herein provided, and when the Second Injury Fund has been reduced to $300,000, payment of the full amounts required by paragraph (f) of Section 7 shall be resumed, in the manner herein provided. The Commission shall make the changes in payment effective by general order, and the changes in payment become immediately effective for all cases coming before the Commission thereafter either by settlement agreement or final order, irrespective of the date of the accidental injury.

On August 1, 1996 and on February 1 and August 1 of each subsequent year, the Commission shall examine the special fund designated as the "Rate Adjustment Fund" and when, after deducting all advances or loans made to said fund, the amount therein is $4,000,000, the amount required to be paid by employers pursuant to paragraph (f) of Section 7 shall be reduced by one-half. When the Rate Adjustment Fund reaches the sum of $5,000,000 the payment therein shall cease entirely. However, when said Rate Adjustment Fund has been reduced to $3,000,000 the amounts required by paragraph (f) of Section 7 shall be resumed in the manner herein provided.

(f) In case of complete disability, which renders the employee wholly and permanently incapable of work, or in the specific case of total and permanent disability as provided in subparagraph 18 of paragraph (e) of this Section, compensation shall be payable at the rate provided in subparagraph 2 of paragraph (b) of this Section for life.

An employee entitled to benefits under paragraph (f) of this Section shall also be entitled to receive from the Rate Adjustment Fund provided in paragraph (f) of Section 7 of the supplementary benefits provided in paragraph (g) of this Section 8.

If any employee who receives an award under this paragraph afterwards returns to work or is able to do so, and earns or is able to earn as much as before the accident, payments under such award shall cease. If such employee returns to work, or is able to do so, and earns or is able to earn part but not as much as before the accident, such award shall be modified so as to conform to an award under paragraph (d) of this Section. If such award is terminated or reduced under the provisions of this paragraph, such employees have the right at any time within 30 months after the date of such termination or reduction to file petition with the Commission for the purpose of determining whether any disability exists as a result of the original accidental injury and the extent thereof.

Disability as enumerated in subdivision 18, paragraph (e) of this Section is considered complete disability.

If an employee who had previously incurred loss or the permanent and complete loss of use of one member, through the loss or the permanent and complete loss of the use of one hand, one arm, one foot, one leg, or one eye, incurs permanent and complete disability through the loss or the permanent and complete loss of the use of another member, he shall receive, in addition to the compensation payable by the employer and after such payments have ceased, an amount from the Second Injury Fund provided for in paragraph (f) of Section 7, which, together with the compensation payable from the employer in

whose employ he was when the last accidental injury was incurred, will equal the amount payable for permanent and complete disability as provided in this paragraph of this Section.

The custodian of the Second Injury Fund provided for in paragraph (f) of Section 7 shall be joined with the employer as a party respondent in the application for adjustment of claim. The application for adjustment of claim shall state briefly and in general terms the approximate time and place and manner of the loss of the first member.

In its award the Commission or the Arbitrator shall specifically find the amount the injured employee shall be weekly paid, the number of weeks compensation which shall be paid by the employer, the date upon which payments begin out of the Second Injury Fund provided for in paragraph (f) of Section 7 of this Act, the length of time the weekly payments continue, the date upon which the pension payments commence and the monthly amount of the payments. The Commission shall 30 days after the date upon which payments out of the Second Injury Fund have begun as provided in the award, and every month thereafter, prepare and submit to the State Comptroller a voucher for payment for all compensation accrued to that date at the rate fixed by the Commission. The State Comptroller shall draw a warrant to the injured employee along with a receipt to be executed by the injured employee and returned to the Commission. The endorsed warrant and receipt is a full and complete acquittance to the Commission for the payment out of the Second Injury Fund. No other appropriation or warrant is necessary for payment out of the Second Injury Fund. The Second Injury Fund is appropriated for the purpose of making payments according to the terms of the awards.

As of July 1, 1980 to July 1, 1982, all claims against and obligations of the Second Injury Fund shall become claims against and obligations of the Rate Adjustment Fund to the extent there is insufficient money in the Second Injury Fund to pay such claims and obligations. In that case, all references to "Second Injury Fund" in this Section shall also include the Rate Adjustment Fund.

(g) Every award for permanent total disability entered by the Commission on and after July 1, 1965 under which compensation payments shall become due and payable after the effective date of this amendatory Act, and every award for death benefits or permanent total disability entered by the Commission on and after the effective date of this amendatory Act shall be subject to annual adjustments as to the amount of the compensation rate therein provided. Such adjustments shall first be made on July 15, 1977, and all awards made and entered prior to July 1, 1975 and on July 15 of each year thereafter. In all other cases such adjustment shall be made on July 15 of the second year next following the date of the entry of the award and shall further be made on July 15 annually thereafter. If during the intervening period from the date of the entry of the award, or the last periodic adjustment, there shall have been an increase in the State's average weekly wage in covered industries under the Unemployment Insurance Act, the weekly compensation rate shall be proportionately increased by the same percentage as the percentage of increase in the State's average weekly wage in covered industries under the Unemployment Insurance Act. The increase in the compensation rate under this paragraph shall in no event bring the total compensation rate to an amount greater than the prevailing maximum rate. Such increase shall be paid in the same manner as herein provided for payments under the Second Injury Fund to the injured employee, or his dependents, as the case may be, out of the Rate Adjustment Fund provided in paragraph (f) of Section 7 of this Act. Payments shall be made at the same intervals as provided in the award or, at the option of the Commission, may be made in quarterly payment on the 15th day of January, April, July and October of each year. In the event of a decrease in such average weekly wage there shall be no change in the then existing compensation rate. The within paragraph shall not apply to cases where there is disputed liability and in which a compromise lump sum settlement between the employer and the injured employee, or his dependents, as the case may be, has been duly approved by the Industrial Commission.

Provided, that in cases of awards entered by the Commission for injuries occurring before July 1, 1975, the increases in the compensation rate adjusted under the foregoing provision of this paragraph (g) shall be limited to increases in the State's average weekly wage in covered industries under the Unemployment Insurance Act occurring after July 1, 1975.

(h) In case death occurs from any cause before the total compensation to which the employee would have been entitled has been paid, then in case the employee leaves any widow, widower, child, parent (or any grandchild, grandparent or other lineal heir or any collateral heir dependent at the time of the accident upon the earnings of the employee to the extent of 50% or more of total dependency) such compensation shall be paid to the beneficiaries of the deceased employee and distributed as provided in paragraph (g) of Section 7.

(h-1) In case an injured employee is under legal disability at the time when any right or privilege accrues to him or her under this Act, a guardian may be appointed pursuant to law, and may, on behalf of such person under legal disability, claim and exercise any such right or privilege with the same effect as

if the employee himself or herself had claimed or exercised the right or privilege. No limitations of time provided by this Act run so long as the employee who is under legal disability is without a conservator or guardian.

(i) In case the injured employee is under 16 years of age at the time of the accident and is illegally employed, the amount of compensation payable under paragraphs (b), (c), (d), (e) and (f) of this Section is increased 50%.

However, where an employer has on file an employment certificate issued pursuant to the Child Labor Law or work permit issued pursuant to the Federal Fair Labor Standards Act, as amended, or a birth certificate properly and duly issued, such certificate, permit or birth certificate is conclusive evidence as to the age of the injured minor employee for the purposes of this Section.

Nothing herein contained repeals or amends the provisions of the Child Labor Law relating to the employment of minors under the age of 16 years.

(j) 1. In the event the injured employee receives benefits, including medical, surgical or hospital benefits under any group plan covering non-occupational disabilities contributed to wholly or partially by the employer, which benefits should not have been payable if any rights of recovery existed under this Act, then such amounts so paid to the employee from any such group plan as shall be consistent with, and limited to, the provisions of paragraph 2 hereof, shall be credited to or against any compensation payment for temporary total incapacity for work or any medical, surgical or hospital benefits made or to be made under this Act. In such event, the period of time for giving notice of accidental injury and filing application for adjustment of claim does not commence to run until the termination of such payments. This paragraph does not apply to payments made under any group plan which would have been payable irrespective of an accidental injury under this Act. Any employer receiving such credit shall keep such employee safe and harmless from any and all claims or liabilities that may be made against him by reason of having received such payments only to the extent of such credit.

Any excess benefits paid to or on behalf of a State employee by the State Employees' Retirement System under Article 14 of the Illinois Pension Code on a death claim or disputed disability claim shall be credited against any payments made or to be made by the State of Illinois to or on behalf of such employee under this Act, except for payments for medical expenses which have already been incurred at the time of the award. The State of Illinois shall directly reimburse the State Employees' Retirement System to the extent of such credit.

2. Nothing contained in this Act shall be construed to give the employer or the insurance carrier the right to credit for any benefits or payments received by the employee other than compensation payments provided by this Act, and where the employee receives payments other than compensation payments, whether as full or partial salary, group insurance benefits, bonuses, annuities or any other payments, the employer or insurance carrier shall receive credit for each such payment only to the extent of the compensation that would have been payable during the period covered by such payment.

3. The extension of time for the filing of an Application for Adjustment of Claim as provided in paragraph 1 above shall not apply to those cases where the time for such filing had expired prior to the date on which payments or benefits enumerated herein have been initiated or resumed. Provided however that this paragraph 3 shall apply only to cases wherein the payments or benefits hereinabove enumerated shall be received after July 1, 1969.

(Source: P.A. 89-470, eff. 6-13-96.)

(820 ILCS 305/8.1 new)

Sec. 8.1. Ineligibility for benefits. Any person convicted of insurance fraud related to workers' compensation shall be subject to the penalties prescribed in Sections 46-1, 46-2, 46-3, and 46-6 of the Criminal Code of 1961. Any person convicted of committing insurance fraud related to workers' compensation pursuant to Section 46-1, 46-2, or 46-3 of the Criminal Code of 1961 shall be ineligible to receive or retain any compensation, disability, or medical benefits as defined in this Act if the compensation, disability, or medical benefits were owed or received as a result of a violation of Section 46-1, 46-2, or 46-3 of the Criminal Code of 1961 for which the recipient of the compensation, disability, or medical benefit was convicted.

(820 ILCS 305/8.2 new)

Sec. 8.2. Maximum allowable usual and customary charges; payments.

(a) On and after January 1, 2005, the maximum allowable usual and customary charge for procedures, treatments, or services covered under this Act shall be 90% of the 80th percentile of charges and fees as determined by the Commission utilizing information provided by employers' and insurers' national databases, with a minimum of 12,000,000 Illinois line item charges and fees comprised of health care provider and hospital charges and fees as of January 1, 2004. These charges and fees shall be designated

by geozip or any smaller geographic unit. The data shall in no way identify or tend to identify any patient, employer, or health care provider. As used in this Section, "geozip" means a group of one or more three-digit zip codes based on data similarities, geographical similarities, and frequencies. A geozip does not cross state boundaries. As used in this Section, "three-digit zip code" means a geographic area in which all zip codes have the same first 3 digits. The Commission has the authority to set the maximum allowable usual and customary charges for procedures not contained in the database in a manner consistent with the provisions of this paragraph.

On January 1 in 2006 and each year thereafter, the maximum allowable usual and customary charges established and in effect on January 1, 2005 shall be automatically increased or decreased annually by a percentage equal to the percentage change in the Consumer Price Index-U determined during the first quarter of the previous calendar year. As used in this Section, "Consumer Price Index-U" means the index published by the Bureau of Labor Statistics of the U.S. Department of Labor, that measures the average change in prices of all goods and services purchased by all urban consumers, U.S. city average, all items, 1982-84=100.

(b) Notwithstanding the provisions of subsection (a), if the Commission finds that there is a significant limitation on access to quality health care in either a specific field of health care services or a specific geographic limitation on access to health care, it may change the Consumer Price Index-U increase or decrease for that specific field or specific geographic limitation on access to health care to address that limitation.

(c) A health care provider shall not require, request, or accept payment for the treatment, accommodations, products, or services in excess of the maximum allowable usual and customary charges established by the Commission.

(d) The employer or insurer shall make payment and providers shall submit bills and records in accordance with the provisions of this Section. All payments to providers for treatment provided pursuant to this Act shall be made within 60 days of receipt of the bills. In the case of nonpayment to a provider within 60 days of receipt of the bill for treatment provided pursuant to this Act, the bill shall incur interest at a rate of 1% per month.

(e) A provider shall not hold an employee liable for costs related to care for service rendered in connection with a compensable injury under this Act. A provider shall not bill or otherwise attempt to recover from the employee the difference between the provider's charge and the amount paid by the employer or the insurer.

(f) Nothing in this Act shall prohibit an employer or insurer from contracting with a health care provider or group of health care providers for reimbursement levels different from those provided in this Section.

(820 ILCS 305/8.3 new)

Sec. 8.3. Workers' Compensation Medical Fee Advisory Board. There is created a Workers' Compensation Medical Fee Advisory Board consisting of 9 members appointed by the Governor with the advice and consent of the Senate. Three members of the Advisory Board shall be representative citizens chosen from the employee class, 3 members shall be representative citizens chosen from the employing class, and 3 members shall be representative citizens chosen from the medical provider class. Each member shall serve a 4-year term and shall continue to serve until a successor is appointed. A vacancy on the Advisory Board shall be filled by the Governor for the unexpired term.

Members of the Advisory Board shall receive no compensation for their services but shall be reimbursed for expenses incurred in the performance of their duties by the Commission from appropriations made to the Commission for that purpose.

The Advisory Board shall advise the Commission on establishment of fees for medical services and accessibility of medical treatment.

(820 ILCS 305/10) (from Ch. 48, par. 138.10)

Sec. 10. The basis for computing the compensation provided for in Sections 7 and 8 of the Act shall be as follows:

The compensation shall be computed on the basis of the "Average weekly wage" which shall mean the actual earnings of the employee in the employment in which he was working at the time of the injury during the period of 52 weeks ending with the last day of the employee's last full pay period immediately preceding the date of injury, illness or disablement, excluding ~~overtime, and~~ bonus , divided by 52; but if the injured employee lost 5 or more calendar days during such period, whether or not in the same week, then the earnings for the remainder of such 52 weeks shall be divided by the number of weeks and parts thereof remaining after the time so lost has been deducted. Where the employment prior to the injury extended over a period of less than 52 weeks, the method of dividing the earnings during that period by the number of weeks and parts thereof during which the employee actually earned wages shall be

followed. Where by reason of the shortness of the time during which the employee has been in the employment of his employer or of the casual nature or terms of the employment, it is impractical to compute the average weekly wages as above defined, regard shall be had to the average weekly amount which during the 52 weeks previous to the injury, illness or disablement was being or would have been earned by a person in the same grade employed at the same work for each of such 52 weeks for the same number of hours per week by the same employer. In the case of volunteer firemen, police and civil defense members or trainees, the income benefits shall be based on the average weekly wage in their regular employment. When the employee is working concurrently with two or more employers and the respondent employer has knowledge of such employment prior to the injury, his wages from all such employers shall be considered as if earned from the employer liable for compensation.
(Source: P.A. 81-1482.)

(820 ILCS 305/19) (from Ch. 48, par. 138.19)

Sec. 19. Any disputed questions of law or fact shall be determined as herein provided.

(a) It shall be the duty of the Commission upon notification that the parties have failed to reach an agreement, to designate an Arbitrator.

1. Whenever any claimant misconceives his remedy and files an application for adjustment of claim under this Act and it is subsequently discovered, at any time before final disposition of such cause, that the claim for disability or death which was the basis for such application should properly have been made under the Workers' Occupational Diseases Act, then the provisions of Section 19, paragraph (a-1) of the Workers' Occupational Diseases Act having reference to such application shall apply.

2. Whenever any claimant misconceives his remedy and files an application for adjustment of claim under the Workers' Occupational Diseases Act and it is subsequently discovered, at any time before final disposition of such cause that the claim for injury or death which was the basis for such application should properly have been made under this Act, then the application so filed under the Workers' Occupational Diseases Act may be amended in form, substance or both to assert claim for such disability or death under this Act and it shall be deemed to have been so filed as amended on the date of the original filing thereof, and such compensation may be awarded as is warranted by the whole evidence pursuant to this Act. When such amendment is submitted, further or additional evidence may be heard by the Arbitrator or Commission when deemed necessary. Nothing in this Section contained shall be construed to be or permit a waiver of any provisions of this Act with reference to notice but notice if given shall be deemed to be a notice under the provisions of this Act if given within the time required herein.

(b) The Arbitrator shall make such inquiries and investigations as he or they shall deem necessary and may examine and inspect all books, papers, records, places, or premises relating to the questions in dispute and hear such proper evidence as the parties may submit.

The hearings before the Arbitrator shall be held in the vicinity where the injury occurred after 10 days' notice of the time and place of such hearing shall have been given to each of the parties or their attorneys of record.

The Arbitrator may find that the disabling condition is temporary and has not yet reached a permanent condition and may order the payment of compensation up to the date of the hearing, which award shall be reviewable and enforceable in the same manner as other awards, and in no instance be a bar to a further hearing and determination of a further amount of temporary total compensation or of compensation for permanent disability, but shall be conclusive as to all other questions except the nature and extent of said disability.

The decision of the Arbitrator shall be filed with the Commission which Commission shall immediately send to each party or his attorney a copy of such decision, together with a notification of the time when it was filed. Beginning January 1, 2005 ~~1981~~, all decisions of the Arbitrator shall set forth in writing findings of fact and conclusions of law, separately stated , if requested by either party. Unless a petition for review is filed by either party within 30 days after the receipt by such party of the copy of the decision and notification of time when filed, and unless such party petitioning for a review shall within 35 days after the receipt by him of the copy of the decision, file with the Commission either an agreed statement of the facts appearing upon the hearing before the Arbitrator, or if such party shall so elect a correct transcript of evidence of the proceedings at such hearings, then the decision shall become the decision of the Commission and in the absence of fraud shall be conclusive. The Petition for Review shall contain a statement of the petitioning party's specific exceptions to the decision of the arbitrator. The jurisdiction of the Commission to review the decision of the arbitrator shall not be limited to the exceptions stated in the Petition for Review. The Commission, or any member thereof, may grant further time not exceeding 30 days, in which to file such agreed statement or transcript of evidence. Such agreed

statement of facts or correct transcript of evidence, as the case may be, shall be authenticated by the signatures of the parties or their attorneys, and in the event they do not agree as to the correctness of the transcript of evidence it shall be authenticated by the signature of the Arbitrator designated by the Commission.

Whether the employee is working or not, if the employee is not receiving or has not received medical, surgical, or hospital services or other services or compensation as provided in paragraph (a) of Section 8, or compensation as provided in paragraph (b) of Section 8, the employee may at any time petition for an expedited hearing by an Arbitrator on the issue of whether or not he or she is entitled to receive payment of the services or compensation. The hearing shall have priority over all other petitions and shall be heard by the Arbitrator and Commission with all convenient speed. The employee shall give notice of a request for an expedited hearing under this paragraph. A copy of the application for adjustment of claim shall be attached to the notice. The Commission shall adopt rules and procedures under which the final decision under this paragraph is filed not later than 180 days from the date of the first hearing.

(b-1) If the employee is not receiving medical, surgical or hospital services as provided in paragraph (a) of Section 8 or compensation as provided in paragraph (b) of Section 8, the employee, in accordance with Commission Rules, may file a petition for an emergency hearing by an Arbitrator on the issue of whether or not he is entitled to receive payment of such compensation or services as provided therein. Such petition shall have priority over all other petitions and shall be heard by the Arbitrator and Commission with all convenient speed.

Such petition shall contain the following information and shall be served on the employer at least 15 days before it is filed:

(i) the date and approximate time of accident;

(ii) the approximate location of the accident;

(iii) a description of the accident;

(iv) the nature of the injury incurred by the employee;

(v) the identity of the person, if known, to whom the accident was reported and the date on which it was reported;

(vi) the name and title of the person, if known, representing the employer with whom the employee conferred in any effort to obtain compensation pursuant to paragraph (b) of Section 8 of this Act or medical, surgical or hospital services pursuant to paragraph (a) of Section 8 of this Act and the date of such conference;

(vii) a statement that the employer has refused to pay compensation pursuant to paragraph (b) of Section 8 of this Act or for medical, surgical or hospital services pursuant to paragraph (a) of Section 8 of this Act;

(viii) the name and address, if known, of each witness to the accident and of each other person upon whom the employee will rely to support his allegations;

(ix) the dates of treatment related to the accident by medical practitioners, and the names and addresses of such practitioners, including the dates of treatment related to the accident at any hospitals and the names and addresses of such hospitals, and a signed authorization permitting the employer to examine all medical records of all practitioners and hospitals named pursuant to this paragraph;

(x) a copy of a signed report by a medical practitioner, relating to the employee's current inability to return to work because of the injuries incurred as a result of the accident or such other documents or affidavits which show that the employee is entitled to receive compensation pursuant to paragraph (b) of Section 8 of this Act or medical, surgical or hospital services pursuant to paragraph (a) of Section 8 of this Act. Such reports, documents or affidavits shall state, if possible, the history of the accident given by the employee, and describe the injury and medical diagnosis, the medical services for such injury which the employee has received and is receiving, the physical activities which the employee cannot currently perform as a result of any impairment or disability due to such injury, and the prognosis for recovery;

(xi) complete copies of any reports, records, documents and affidavits in the possession of the employee on which the employee will rely to support his allegations, provided that the employer shall pay the reasonable cost of reproduction thereof;

(xii) a list of any reports, records, documents and affidavits which the employee has demanded by subpoena and on which he intends to rely to support his allegations;

(xiii) a certification signed by the employee or his representative that the employer has received the petition with the required information 15 days before filing.

Fifteen days after receipt by the employer of the petition with the required information the employee may file said petition and required information and shall serve notice of the filing upon the employer.

The employer may file a motion addressed to the sufficiency of the petition. If an objection has been filed to the sufficiency of the petition, the arbitrator shall rule on the objection within 2 working days. If such an objection is filed, the time for filing the final decision of the Commission as provided in this paragraph shall be tolled until the arbitrator has determined that the petition is sufficient.

The employer shall, within 15 days after receipt of the notice that such petition is filed, file with the Commission and serve on the employee or his representative a written response to each claim set forth in the petition, including the legal and factual basis for each disputed allegation and the following information: (i) complete copies of any reports, records, documents and affidavits in the possession of the employer on which the employer intends to rely in support of his response, (ii) a list of any reports, records, documents and affidavits which the employer has demanded by subpoena and on which the employer intends to rely in support of his response, (iii) the name and address of each witness on whom the employer will rely to support his response, and (iv) the names and addresses of any medical practitioners selected by the employer pursuant to Section 12 of this Act and the time and place of any examination scheduled to be made pursuant to such Section.

Any employer who does not timely file and serve a written response without good cause may not introduce any evidence to dispute any claim of the employee but may cross examine the employee or any witness brought by the employee and otherwise be heard.

No document or other evidence not previously identified by either party with the petition or written response, or by any other means before the hearing, may be introduced into evidence without good cause. If, at the hearing, material information is discovered which was not previously disclosed, the Arbitrator may extend the time for closing proof on the motion of a party for a reasonable period of time which may be more than 30 days. No evidence may be introduced pursuant to this paragraph as to permanent disability. No award may be entered for permanent disability pursuant to this paragraph. Either party may introduce into evidence the testimony taken by deposition of any medical practitioner.

The Commission shall adopt rules, regulations and procedures whereby the final decision of the Commission is filed not later than 90 days from the date the petition for review is filed but in no event later than 180 days from the date the petition for an emergency hearing is filed with the Industrial Commission.

All service required pursuant to this paragraph (b-1) must be by personal service or by certified mail and with evidence of receipt. In addition for the purposes of this paragraph, all service on the employer must be at the premises where the accident occurred if the premises are owned or operated by the employer. Otherwise service must be at the employee's principal place of employment by the employer. If service on the employer is not possible at either of the above, then service shall be at the employer's principal place of business. After initial service in each case, service shall be made on the employer's attorney or designated representative.

(c) (1) At a reasonable time in advance of and in connection with the hearing under Section 19(e) or 19(h), the Commission may on its own motion order an impartial physical or mental examination of a petitioner whose mental or physical condition is in issue, when in the Commission's discretion it appears that such an examination will materially aid in the just determination of the case. The examination shall be made by a member or members of a panel of physicians chosen for their special qualifications by the Illinois State Medical Society. The Commission shall establish procedures by which a physician shall be selected from such list.

(2) Should the Commission at any time during the hearing find that compelling considerations make it advisable to have an examination and report at that time, the commission may in its discretion so order.

(3) A copy of the report of examination shall be given to the Commission and to the attorneys for the parties.

(4) Either party or the Commission may call the examining physician or physicians to testify. Any physician so called shall be subject to cross-examination.

(5) The examination shall be made, and the physician or physicians, if called, shall testify, without cost to the parties. The Commission shall determine the compensation and the pay of the physician or physicians. The compensation for this service shall not exceed the usual and customary amount for such service.

(6) The fees and payment thereof of all attorneys and physicians for services authorized by the Commission under this Act shall, upon request of either the employer or the employee or the beneficiary affected, be subject to the review and decision of the Commission.

(d) If any employee shall persist in insanitary or injurious practices which tend to either imperil or retard his recovery or shall refuse to submit to such medical, surgical, or hospital treatment as is reasonably essential to promote his recovery, the Commission may, in its discretion, reduce or suspend the compensation of any such injured employee. However, when an employer and employee so agree in

writing, the foregoing provision shall not be construed to authorize the reduction or suspension of compensation of an employee who is relying in good faith, on treatment by prayer or spiritual means alone, in accordance with the tenets and practice of a recognized church or religious denomination, by a duly accredited practitioner thereof.

(e) This paragraph shall apply to all hearings before the Commission. Such hearings may be held in its office or elsewhere as the Commission may deem advisable. The taking of testimony on such hearings may be had before any member of the Commission. If a petition for review and agreed statement of facts or transcript of evidence is filed, as provided herein, the Commission shall promptly review the decision of the Arbitrator and all questions of law or fact which appear from the statement of facts or transcript of evidence.

In all cases in which the hearing before the arbitrator is held after December 18, 1989, no additional evidence shall be introduced by the parties before the Commission on review of the decision of the Arbitrator. In reviewing decisions of an arbitrator the Commission shall award such temporary compensation, permanent compensation and other payments as are due under this Act. The Commission shall file in its office its decision thereon, and shall immediately send to each party or his attorney a copy of such decision and a notification of the time when it was filed. Decisions shall be filed within 60 days after the Statement of Exceptions and Supporting Brief and Response thereto are required to be filed or oral argument whichever is later.

In the event either party requests oral argument, such argument shall be had before a panel of 3 members of the Commission (or before all available members pursuant to the determination of 5 members of the Commission that such argument be held before all available members of the Commission) pursuant to the rules and regulations of the Commission. A panel of 3 members, which shall be comprised of not more than one representative citizen of the employing class and not more than one representative citizen of the employee class, shall hear the argument; provided that if all the issues in dispute are solely the nature and extent of the permanent partial disability, if any, a majority of the panel may deny the request for such argument and such argument shall not be held; and provided further that 5 members of the Commission may determine that the argument be held before all available members of the Commission. A decision of the Commission shall be approved by a majority of Commissioners present at such hearing if any; provided, if no such hearing is held, a decision of the Commission shall be approved by a majority of a panel of 3 members of the Commission as described in this Section. The Commission shall give 10 days' notice to the parties or their attorneys of the time and place of such taking of testimony and of such argument.

In any case the Commission in its decision may find specially upon any question or questions of law or fact which shall be submitted in writing by either party whether ultimate or otherwise; provided that on issues other than nature and extent of the disability, if any, the Commission in its decision shall find specially upon any question or questions of law or fact, whether ultimate or otherwise, which are submitted in writing by either party; provided further that not more than 5 such questions may be submitted by either party. Any party may, within 20 days after receipt of notice of the Commission's decision, or within such further time, not exceeding 30 days, as the Commission may grant, file with the Commission either an agreed statement of the facts appearing upon the hearing, or, if such party shall so elect, a correct transcript of evidence of the additional proceedings presented before the Commission, in which report the party may embody a correct statement of such other proceedings in the case as such party may desire to have reviewed, such statement of facts or transcript of evidence to be authenticated by the signature of the parties or their attorneys, and in the event that they do not agree, then the authentication of such transcript of evidence shall be by the signature of any member of the Commission.

If a reporter does not for any reason furnish a transcript of the proceedings before the Arbitrator in any case for use on a hearing for review before the Commission, within the limitations of time as fixed in this Section, the Commission may, in its discretion, order a trial de novo before the Commission in such case upon application of either party. The applications for adjustment of claim and other documents in the nature of pleadings filed by either party, together with the decisions of the Arbitrator and of the Commission and the statement of facts or transcript of evidence hereinbefore provided for in paragraphs (b) and (c) shall be the record of the proceedings of the Commission, and shall be subject to review as hereinafter provided.

At the request of either party or on its own motion, the Commission shall set forth in writing the reasons for the decision, including findings of fact and conclusions of law separately stated. The Commission shall by rule adopt a format for written decisions for the Commission and arbitrators. The written decisions shall be concise and shall succinctly state the facts and reasons for the decision. The Commission may adopt in whole or in part, the decision of the arbitrator as the decision of the

Commission. When the Commission does so adopt the decision of the arbitrator, it shall do so by order. Whenever the Commission adopts part of the arbitrator's decision, but not all, it shall include in the order the reasons for not adopting all of the arbitrator's decision. When a majority of a panel, after deliberation, has arrived at its decision, the decision shall be filed as provided in this Section without unnecessary delay, and without regard to the fact that a member of the panel has expressed an intention to dissent. Any member of the panel may file a dissent. Any dissent shall be filed no later than 10 days after the decision of the majority has been filed.

Decisions rendered by the Commission and dissents, if any, shall be published together by the Commission. The conclusions of law set out in such decisions shall be regarded as precedents by arbitrators for the purpose of achieving a more uniform administration of this Act.

(f) The decision of the Commission acting within its powers, according to the provisions of paragraph (e) of this Section shall, in the absence of fraud, be conclusive unless reviewed as in this paragraph hereinafter provided. However, the Arbitrator or the Commission may on his or its own motion, or on the motion of either party, correct any clerical error or errors in computation within 15 days after the date of receipt of any award by such Arbitrator or any decision on review of the Commission and shall have the power to recall the original award on arbitration or decision on review, and issue in lieu thereof such corrected award or decision. Where such correction is made the time for review herein specified shall begin to run from the date of the receipt of the corrected award or decision.

(1) Except in cases of claims against the State of Illinois, in which case the decision of the Commission shall not be subject to judicial review, the Circuit Court of the county where any of the parties defendant may be found, or if none of the parties defendant can be found in this State then the Circuit Court of the county where the accident occurred, shall by summons to the Commission have power to review all questions of law and fact presented by such record.

A proceeding for review shall be commenced within 20 days of the receipt of notice of the decision of the Commission. The summons shall be issued by the clerk of such court upon written request returnable on a designated return day, not less than 10 or more than 60 days from the date of issuance thereof, and the written request shall contain the last known address of other parties in interest and their attorneys of record who are to be served by summons. Service upon any member of the Commission or the Secretary or the Assistant Secretary thereof shall be service upon the Commission, and service upon other parties in interest and their attorneys of record shall be by summons, and such service shall be made upon the Commission and other parties in interest by mailing notices of the commencement of the proceedings and the return day of the summons to the office of the Commission and to the last known place of residence of other parties in interest or their attorney or attorneys of record. The clerk of the court issuing the summons shall on the day of issue mail notice of the commencement of the proceedings which shall be done by mailing a copy of the summons to the office of the Commission, and a copy of the summons to the other parties in interest or their attorney or attorneys of record and the clerk of the court shall make certificate that he has so sent said notices in pursuance of this Section, which shall be evidence of service on the Commission and other parties in interest.

The Commission shall not be required to certify the record of their proceedings to the Circuit Court, unless the party commencing the proceedings for review in the Circuit Court as above provided, shall pay to the Commission the sum of 80¢; per page of testimony taken before the Commission, and 35¢; per page of all other matters contained in such record, except as otherwise provided by Section 20 of this Act. Payment for photostatic copies of exhibit shall be extra. It shall be the duty of the Commission upon such payment, or failure to pay as permitted under Section 20 of this Act, to prepare a true and correct typewritten copy of such testimony and a true and correct copy of all other matters contained in such record and certified to by the Secretary or Assistant Secretary thereof.

In its decision on review the Commission shall determine in each particular case the amount of the probable cost of the record to be filed as a part of the summons in that case and no request for a summons may be filed and no summons shall issue unless the party seeking to review the decision of the Commission shall exhibit to the clerk of the Circuit Court proof of payment by filing a receipt showing payment or an affidavit of the attorney setting forth that payment has been made of the sums so determined to the Secretary or Assistant Secretary of the Commission, except as otherwise provided by Section 20 of this Act.

(2) No such summons shall issue unless the one against whom the Commission shall have rendered an award for the payment of money shall upon the filing of his written request for such summons file with the clerk of the court a bond conditioned that if he shall not successfully prosecute the review, he will pay the award and the costs of the proceedings in the courts. The amount of the bond shall be fixed by any member of the Commission and the surety or sureties of the bond shall be

approved by the clerk of the court. The acceptance of the bond by the clerk of the court shall constitute evidence of his approval of the bond.

Every county, city, town, township, incorporated village, school district, body politic or municipal corporation against whom the Commission shall have rendered an award for the payment of money shall not be required to file a bond to secure the payment of the award and the costs of the proceedings in the court to authorize the court to issue such summons.

The court may confirm or set aside the decision of the Commission. If the decision is set aside and the facts found in the proceedings before the Commission are sufficient, the court may enter such decision as is justified by law, or may remand the cause to the Commission for further proceedings and may state the questions requiring further hearing, and give such other instructions as may be proper. Appeals shall be taken to the Industrial Commission Division of the Appellate Court in accordance with Supreme Court Rules 22(g) and 303. Appeals shall be taken from the Industrial Commission Division of the Appellate Court to the Supreme Court in accordance with Supreme Court Rule 315.

It shall be the duty of the clerk of any court rendering a decision affecting or affirming an award of the Commission to promptly furnish the Commission with a copy of such decision, without charge.

The decision of a majority of the members of the panel of the Commission, shall be considered the decision of the Commission.

(g) Except in the case of a claim against the State of Illinois, either party may present a certified copy of the award of the Arbitrator, or a certified copy of the decision of the Commission when the same has become final, when no proceedings for review are pending, providing for the payment of compensation according to this Act, to the Circuit Court of the county in which such accident occurred or either of the parties are residents, whereupon the court shall enter a judgment in accordance therewith. In a case where the employer refuses to pay compensation according to such final award or such final decision upon which such judgment is entered the court shall in entering judgment thereon, tax as costs against him the reasonable costs and attorney fees in the arbitration proceedings and in the court entering the judgment for the person in whose favor the judgment is entered, which judgment and costs taxed as therein provided shall, until and unless set aside, have the same effect as though duly entered in an action duly tried and determined by the court, and shall with like effect, be entered and docketed. The Circuit Court shall have power at any time upon application to make any such judgment conform to any modification required by any subsequent decision of the Supreme Court upon appeal, or as the result of any subsequent proceedings for review, as provided in this Act.

Judgment shall not be entered until 15 days' notice of the time and place of the application for the entry of judgment shall be served upon the employer by filing such notice with the Commission, which Commission shall, in case it has on file the address of the employer or the name and address of its agent upon whom notices may be served, immediately send a copy of the notice to the employer or such designated agent.

(h) An agreement or award under this Act providing for compensation in installments, may at any time within 18 months after such agreement or award be reviewed by the Commission at the request of either the employer or the employee, on the ground that the disability of the employee has subsequently recurred, increased, diminished or ended.

However, as to accidents occurring subsequent to July 1, 1955, which are covered by any agreement or award under this Act providing for compensation in installments made as a result of such accident, such agreement or award may at any time within 30 months after such agreement or award be reviewed by the Commission at the request of either the employer or the employee on the ground that the disability of the employee has subsequently recurred, increased, diminished or ended.

On such review, compensation payments may be re-established, increased, diminished or ended. The Commission shall give 15 days' notice to the parties of the hearing for review. Any employee, upon any petition for such review being filed by the employer, shall be entitled to one day's notice for each 100 miles necessary to be traveled by him in attending the hearing of the Commission upon the petition, and 3 days in addition thereto. Such employee shall, at the discretion of the Commission, also be entitled to 5 cents per mile necessarily traveled by him within the State of Illinois in attending such hearing, not to exceed a distance of 300 miles, to be taxed by the Commission as costs and deposited with the petition of the employer.

When compensation which is payable in accordance with an award or settlement contract approved by the Commission, is ordered paid in a lump sum by the Commission, no review shall be had as in this paragraph mentioned.

(i) Each party, upon taking any proceedings or steps whatsoever before any Arbitrator, Commission or

court, shall file with the Commission his address, or the name and address of any agent upon whom all notices to be given to such party shall be served, either personally or by registered mail, addressed to such party or agent at the last address so filed with the Commission. In the event such party has not filed his address, or the name and address of an agent as above provided, service of any notice may be had by filing such notice with the Commission.

(j) Whenever in any proceeding testimony has been taken or a final decision has been rendered and after the taking of such testimony or after such decision has become final, the injured employee dies, then in any subsequent proceedings brought by the personal representative or beneficiaries of the deceased employee, such testimony in the former proceeding may be introduced with the same force and effect as though the witness having so testified were present in person in such subsequent proceedings and such final decision, if any, shall be taken as final adjudication of any of the issues which are the same in both proceedings.

(k) In case where there has been any unreasonable or vexatious delay of payment or intentional underpayment of compensation, or proceedings have been instituted or carried on by the one liable to pay the compensation, which do not present a real controversy, but are merely frivolous or for delay, then the Commission may award compensation additional to that otherwise payable under this Act equal to 50% of the amount payable at the time of such award. Failure to pay compensation in accordance with the provisions of Section 8, paragraph (b) of this Act, shall be considered unreasonable delay. When determining whether this subsection (k) shall apply, the Commission shall consider whether an arbitrator has determined that the claim is not compensable or whether the employer has made payments under Section 8(j).

(l) If the employee has made demand for payment of benefits under Section 8(a) or 8(b), the employer shall have 14 days after receipt of the demand to set forth, in writing, the reason for the delay. Failure by the employer to respond shall give rise to a rebuttable presumption of delay. If the employer or its insurance carrier has failed, neglected, refused, or delayed the payment of benefits under Section 8(a) or Section 8(b) and the Arbitrator or Commission awards benefits under Section 8(a) or 8(b), the employee shall receive additional compensation in the sum of $30 per day for each day that the benefits have been so withheld, refused, or delayed, up to $16,425, as well as the costs of litigation, including attorney's fees. ~~In case the employer or his insurance carrier shall without good and just cause fail, neglect, refuse or unreasonably delay the payment of weekly compensation benefits due to an injured employee during the period of temporary total disability the arbitrator or the Commission shall allow to the employee additional compensation in the sum of $10 per day for each day that a weekly compensation payment has been so withheld or refused, provided that such additional compensation shall not exceed the sum of $2,500. A delay in payment of 14 days or more shall create a rebuttable presumption of unreasonable delay.~~

(m) If the commission finds that an accidental injury was directly and proximately caused by the employer's wilful violation of a health and safety standard under the Health and Safety Act in force at the time of the accident, the arbitrator or the Commission shall allow to the injured employee or his dependents, as the case may be, additional compensation equal to 25% of the amount which otherwise would be payable under the provisions of this Act exclusive of this paragraph. The additional compensation herein provided shall be allowed by an appropriate increase in the applicable weekly compensation rate.

(n) After June 30, 1984, decisions of the Industrial Commission reviewing an award of an arbitrator of the Commission shall draw interest at a rate equal to the yield on indebtedness issued by the United States Government with a 26-week maturity next previously auctioned on the day on which the decision is filed. Said rate of interest shall be set forth in the Arbitrator's Decision. Interest shall be drawn from the date of the arbitrator's award on all accrued compensation due the employee through the day prior to the date of payments. However, when an employee appeals an award of an Arbitrator or the Commission, and the appeal results in no change or a decrease in the award, interest shall not further accrue from the date of such appeal.

The employer or his insurance carrier may tender the payments due under the award to stop the further accrual of interest on such award notwithstanding the prosecution by either party of review, certiorari, appeal to the Supreme Court or other steps to reverse, vacate or modify the award.

(o) By the 15th day of each month each insurer providing coverage for losses under this Act shall notify each insured employer of any compensable claim incurred during the preceding month and the amounts paid or reserved on the claim including a summary of the claim and a brief statement of the reasons for compensability. A cumulative report of all claims incurred during a calendar year or continued from the previous year shall be furnished to the insured employer by the insurer within 30 days after the end of that calendar year.

The insured employer may challenge, in proceeding before the Commission, payments made by the insurer without arbitration and payments made after a case is determined to be noncompensable. If the Commission finds that the case was not compensable, the insurer shall purge its records as to that employer of any loss or expense associated with the claim, reimburse the employer for attorneys' fees arising from the challenge and for any payment required of the employer to the Rate Adjustment Fund or the Second Injury Fund, and may not reflect the loss or expense for rate making purposes. The employee shall not be required to refund the challenged payment. The decision of the Commission may be reviewed in the same manner as in arbitrated cases. No challenge may be initiated under this paragraph more than 3 years after the payment is made. An employer may waive the right of challenge under this paragraph on a case by case basis.

(p) After filing an application for adjustment of claim but prior to the hearing on arbitration the parties may voluntarily agree to submit such application for adjustment of claim for decision by an arbitrator under this subsection (p) where such application for adjustment of claim raises only a dispute over temporary total disability, permanent partial disability or medical expenses. Such agreement shall be in writing in such form as provided by the Commission. Applications for adjustment of claim submitted for decision by an arbitrator under this subsection (p) shall proceed according to rule as established by the Commission. The Commission shall promulgate rules including, but not limited to, rules to ensure that the parties are adequately informed of their rights under this subsection (p) and of the voluntary nature of proceedings under this subsection (p). The findings of fact made by an arbitrator acting within his or her powers under this subsection (p) in the absence of fraud shall be conclusive. However, the arbitrator may on his own motion, or the motion of either party, correct any clerical errors or errors in computation within 15 days after the date of receipt of such award of the arbitrator and shall have the power to recall the original award on arbitration, and issue in lieu thereof such corrected award. The decision of the arbitrator under this subsection (p) shall be considered the decision of the Commission and proceedings for review of questions of law arising from the decision may be commenced by either party pursuant to subsection (f) of Section 19. The Advisory Board established under Section 13.1 shall compile a list of certified Commission arbitrators, each of whom shall be approved by at least 7 members of the Advisory Board. The chairman shall select 5 persons from such list to serve as arbitrators under this subsection (p). By agreement, the parties shall select one arbitrator from among the 5 persons selected by the chairman except that if the parties do not agree on an arbitrator from among the 5 persons, the parties may, by agreement, select an arbitrator of the American Arbitration Association, whose fee shall be paid by the State in accordance with rules promulgated by the Commission. Arbitration under this subsection (p) shall be voluntary.

(Source: P.A. 86-998; 87-435; 87-799.)

Section 10. The Workers' Occupational Diseases Act is amended by changing Sections 1 and 19 as follows:

(820 ILCS 310/1) (from Ch. 48, par. 172.36)

Sec. 1. This Act shall be known and may be cited as the "Workers' Occupational Diseases Act".

(a) The term "employer" as used in this Act shall be construed to be:

1. The State and each county, city, town, township, incorporated village, school district, body politic, or municipal corporation therein.

2. Every person, firm, public or private corporation, including hospitals, public service, eleemosynary, religious or charitable corporations or associations, who has any person in service or under any contract for hire, express or implied, oral or written.

3. Where an employer operating under and subject to the provisions of this Act loans an employee to another such employer and such loaned employee sustains a compensable occupational disease in the employment of such borrowing employer and where such borrowing employer does not provide or pay the benefits or payments due such employee, such loaning employer shall be liable to provide or pay all benefits or payments due such employee under this Act and as to such employee the liability of such loaning and borrowing employers shall be joint and several, provided that such loaning employer shall in the absence of agreement to the contrary be entitled to receive from such borrowing employer full reimbursement for all sums paid or incurred pursuant to this paragraph together with reasonable attorneys' fees and expenses in any hearings before the Industrial Commission or in any action to secure such reimbursement. Where any benefit is provided or paid by such loaning employer, the employee shall have the duty of rendering reasonable co-operation in any hearings, trials or proceedings in the case, including such proceedings for reimbursement.

Where an employee files an Application for Adjustment of Claim with the Industrial Commission alleging that his or her claim is covered by the provisions of the preceding paragraph, and joining both

the alleged loaning and borrowing employers, they and each of them, upon written demand by the employee and within 7 days after receipt of such demand, shall have the duty of filing with the Industrial Commission a written admission or denial of the allegation that the claim is covered by the provisions of the preceding paragraph and in default of such filing or if any such denial be ultimately determined not to have been bona fide then the provisions of Paragraph K of Section 19 of this Act shall apply.

An employer whose business or enterprise or a substantial part thereof consists of hiring, procuring or furnishing employees to or for other employers operating under and subject to the provisions of this Act for the performance of the work of such other employers and who pays such employees their salary or wage notwithstanding that they are doing the work of such other employers shall be deemed a loaning employer within the meaning and provisions of this Section.

(b) The term "employee" as used in this Act, shall be construed to mean:

1. Every person in the service of the State, county, city, town, township, incorporated village or school district, body politic or municipal corporation therein, whether by election, appointment or contract of hire, express or implied, oral or written, including any official of the State, or of any county, city, town, township, incorporated village, school district, body politic or municipal corporation therein and except any duly appointed member of the fire department in any city whose population exceeds 500,000 according to the last Federal or State census, and except any member of a fire insurance patrol maintained by a board of underwriters in this State. One employed by a contractor who has contracted with the State, or a county, city, town, township, incorporated village, school district, body politic or municipal corporation therein, through its representatives, shall not be considered as an employee of the State, county, city, town, township, incorporated village, school district, body politic or municipal corporation which made the contract.

2. Every person in the service of another under any contract of hire, express or implied, oral or written, who contracts an occupational disease while working in the State of Illinois, or who contracts an occupational disease while working outside of the State of Illinois but where the contract of hire is made within the State of Illinois, and any person whose employment is principally localized within the State of Illinois, regardless of the place where the disease was contracted or place where the contract of hire was made, including aliens, and minors who, for the purpose of this Act, except Section 3 hereof, shall be considered the same and have the same power to contract, receive payments and give quittances therefor, as adult employees. An employee or his or her dependents under this Act who shall have a cause of action by reason of an occupational disease, disablement or death arising out of and in the course of his or her employment may elect or pursue his or her remedy in the State where the disease was contracted, or in the State where the contract of hire is made, or in the State where the employment is principally localized.

(c) "Commission" means the Industrial Commission created by the Workers' Compensation Act, approved July 9, 1951, as amended.

(d) In this Act the term "Occupational Disease" means a disease arising out of and in the course of the employment or which has become aggravated and rendered disabling as a result of the exposure of the employment. Such aggravation shall arise out of a risk peculiar to or increased by the employment and not common to the general public. For purposes of this Act, a disease arises out of the employment if the disease occurred as a result of a terrorist act. For purposes of this Section, "terrorist act" means a violent act committed by one or more individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government.

A disease shall be deemed to arise out of the employment if there is apparent to the rational mind, upon consideration of all the circumstances, a causal connection between the conditions under which the work is performed and the occupational disease. The disease need not to have been foreseen or expected but after its contraction it must appear to have had its origin or aggravation in a risk connected with the employment and to have flowed from that source as a rational consequence.

An employee shall be conclusively deemed to have been exposed to the hazards of an occupational disease when, for any length of time however short, he or she is employed in an occupation or process in which the hazard of the disease exists; provided however, that in a claim of exposure to atomic radiation, the fact of such exposure must be verified by the records of the central registry of radiation exposure maintained by the Department of Public Health or by some other recognized governmental agency maintaining records of such exposures whenever and to the extent that the records are on file with the Department of Public Health or the agency.

The employer liable for the compensation in this Act provided shall be the employer in whose employment the employee was last exposed to the hazard of the occupational disease claimed upon regardless of the length of time of such last exposure, except, in cases of silicosis or asbestosis, the only employer liable shall be the last employer in whose employment the employee was last exposed during a

period of 60 days or more after the effective date of this Act, to the hazard of such occupational disease, and, in such cases, an exposure during a period of less than 60 days, after the effective date of this Act, shall not be deemed a last exposure. If a miner who is suffering or suffered from pneumoconiosis was employed for 10 years or more in one or more coal mines there shall, effective July 1, 1973 be a rebuttable presumption that his or her pneumoconiosis arose out of such employment.

If a deceased miner was employed for 10 years or more in one or more coal mines and died from a respirable disease there shall, effective July 1, 1973, be a rebuttable presumption that his or her death was due to pneumoconiosis.

The insurance carrier liable shall be the carrier whose policy was in effect covering the employer liable on the last day of the exposure rendering such employer liable in accordance with the provisions of this Act.

(e) "Disablement" means an impairment or partial impairment, temporary or permanent, in the function of the body or any of the members of the body, or the event of becoming disabled from earning full wages at the work in which the employee was engaged when last exposed to the hazards of the occupational disease by the employer from whom he or she claims compensation, or equal wages in other suitable employment; and "disability" means the state of being so incapacitated.

(f) No compensation shall be payable for or on account of any occupational disease unless disablement, as herein defined, occurs within two years after the last day of the last exposure to the hazards of the disease, except in cases of occupational disease caused by berylliosis or by the inhalation of silica dust or asbestos dust and, in such cases, within 3 years after the last day of the last exposure to the hazards of such disease and except in the case of occupational disease caused by exposure to radiological materials or equipment, and in such case, within 25 years after the last day of last exposure to the hazards of such disease.

(Source: P.A. 81-992.)

(820 ILCS 310/19) (from Ch. 48, par. 172.54)

Sec. 19. Any disputed questions of law or fact shall be determined as herein provided.

(a) It shall be the duty of the Commission upon notification that the parties have failed to reach an agreement to designate an Arbitrator.

(1) The application for adjustment of claim filed with the Commission shall state:

A. The approximate date of the last day of the last exposure and the approximate date of the disablement.

B. The general nature and character of the illness or disease claimed.

C. The name and address of the employer by whom employed on the last day of the last exposure and if employed by any other employer after such last exposure and before disablement the name and address of such other employer or employers.

D. In case of death, the date and place of death.

(2) Amendments to applications for adjustment of claim which relate to the same disablement or disablement resulting in death originally claimed upon may be allowed by the Commissioner or an Arbitrator thereof, in their discretion, and in the exercise of such discretion, they may in proper cases order a trial de novo; such amendment shall relate back to the date of the filing of the original application so amended.

(3) Whenever any claimant misconceives his remedy and files an application for adjustment of claim under this Act and it is subsequently discovered, at any time before final disposition of such cause, that the claim for disability or death which was the basis for such application should properly have been made under the Workers' Compensation Act, then the provisions of Section 19 paragraph (a-1) of the Workers' Compensation Act having reference to such application shall apply.

Whenever any claimant misconceives his remedy and files an application for adjustment of claim under the Workers' Compensation Act and it is subsequently discovered, at any time before final disposition of such cause that the claim for injury or death which was the basis for such application should properly have been made under this Act, then the application so filed under the Workers' Compensation Act may be amended in form, substance or both to assert claim for such disability or death under this Act and it shall be deemed to have been so filed as amended on the date of the original filing thereof, and such compensation may be awarded as is warranted by the whole evidence pursuant to the provisions of this Act. When such amendment is submitted, further or additional evidence may be heard by the Arbitrator or Commission when deemed necessary; provided, that nothing in this Section contained shall be construed to be or permit a waiver of any provisions of this Act with reference to notice, but notice if given shall be deemed to be a notice under the provisions of this Act if given within the time required herein.

(b) The Arbitrator shall make such inquiries and investigations as he shall deem necessary and may examine and inspect all books, papers, records, places, or premises relating to the questions in dispute and hear such proper evidence as the parties may submit.

The hearings before the Arbitrator shall be held in the vicinity where the last exposure occurred, after 10 days' notice of the time and place of such hearing shall have been given to each of the parties or their attorneys of record.

The Arbitrator may find that the disabling condition is temporary and has not yet reached a permanent condition and may order the payment of compensation up to the date of the hearing, which award shall be reviewable and enforceable in the same manner as other awards, and in no instance be a bar to a further hearing and determination of a further amount of temporary total compensation or of compensation for permanent disability, but shall be conclusive as to all other questions except the nature and extent of such disability.

The decision of the Arbitrator shall be filed with the Commission which Commission shall immediately send to each party or his attorney a copy of such decision, together with a notification of the time when it was filed. Beginning January 1, 2005 ~~1981~~, all decisions of the Arbitrator shall set forth in writing findings of fact and conclusions of law, separately stated , if requested by either party. Unless a petition for review is filed by either party within 30 days after the receipt by such party of the copy of the decision and notification of time when filed, and unless such party petitioning for a review shall within 35 days after the receipt by him of the copy of the decision, file with the Commission either an agreed statement of the facts appearing upon the hearing before the Arbitrator, or if such party shall so elect a correct transcript of evidence of the proceedings at such hearings, then the decision shall become the decision of the Commission and in the absence of fraud shall be conclusive. The Petition for Review shall contain a statement of the petitioning party's specific exceptions to the decision of the arbitrator. The jurisdiction of the Commission to review the decision of the arbitrator shall not be limited to the exceptions stated in the Petition for Review. The Commission, or any member thereof, may grant further time not exceeding 30 days, in which to file such agreed statement or transcript of evidence. Such agreed statement of facts or correct transcript of evidence, as the case may be, shall be authenticated by the signatures of the parties or their attorneys, and in the event they do not agree as to the correctness of the transcript of evidence it shall be authenticated by the signature of the Arbitrator designated by the Commission.

Whether the employee is working or not, if the employee is not receiving or has not received medical, surgical, or hospital services or other services or compensation as provided in paragraph (a) of Section 8 of the Workers' Compensation Act, or compensation as provided in paragraph (b) of Section 8 of the Workers' Compensation Act, the employee may at any time petition for an expedited hearing by an Arbitrator on the issue of whether or not he or she is entitled to receive payment of the services or compensation. The hearing shall have priority over all other petitions and shall be heard by the Arbitrator and Commission with all convenient speed. The employee shall give notice of a request for an expedited hearing under this paragraph. A copy of the application for adjustment of claim shall be attached to the notice. The Commission shall adopt rules and procedures under which the final decision under this paragraph is filed not later than 180 days from the date of the first hearing.

(b-1) If the employee is not receiving, pursuant to Section 7, medical, surgical or hospital services of the type provided for in paragraph (a) of Section 8 of the Workers' Compensation Act or compensation of the type provided for in paragraph (b) of Section 8 of the Workers' Compensation Act, the employee, in accordance with Commission Rules, may file a petition for an emergency hearing by an Arbitrator on the issue of whether or not he is entitled to receive payment of such compensation or services as provided therein. Such petition shall have priority over all other petitions and shall be heard by the Arbitrator and Commission with all convenient speed.

Such petition shall contain the following information and shall be served on the employer at least 15 days before it is filed:

(i) the date and approximate time of the last exposure;

(ii) the approximate location of the last exposure;

(iii) a description of the last exposure;

(iv) the nature of the disability incurred by the employee;

(v) the identity of the person, if known, to whom the disability was reported and the date on which it was reported;

(vi) the name and title of the person, if known, representing the employer with whom the employee conferred in any effort to obtain pursuant to Section 7 compensation of the type provided for in paragraph (b) of Section 8 of the Workers' Compensation Act or medical, surgical or hospital services of the type provided for in paragraph (a) of Section 8 of the Workers' Compensation

Act and the date of such conference;

(vii) a statement that the employer has refused to pay compensation pursuant to Section 7 of the type provided for in paragraph (b) of Section 8 of the Workers' Compensation Act or for medical, surgical or hospital services pursuant to Section 7 of the type provided for in paragraph (a) of Section 8 of the Workers' Compensation Act;

(viii) the name and address, if known, of each witness to the last exposure and of each other person upon whom the employee will rely to support his allegations;

(ix) the dates of treatment related to the disability by medical practitioners, and the names and addresses of such practitioners, including the dates of treatment related to the disability at any hospitals and the names and addresses of such hospitals, and a signed authorization permitting the employer to examine all medical records of all practitioners and hospitals named pursuant to this paragraph;

(x) a copy of a signed report by a medical practitioner, relating to the employee's current inability to return to work because of the disability incurred as a result of the exposure or such other documents or affidavits which show that the employee is entitled to receive pursuant to Section 7 compensation of the type provided for in paragraph (b) of Section 8 of the Workers' Compensation Act or medical, surgical or hospital services of the type provided for in paragraph (a) of Section 8 of the Workers' Compensation Act. Such reports, documents or affidavits shall state, if possible, the history of the exposure given by the employee, and describe the disability and medical diagnosis, the medical services for such disability which the employee has received and is receiving, the physical activities which the employee cannot currently perform as a result of such disability, and the prognosis for recovery;

(xi) complete copies of any reports, records, documents and affidavits in the possession of the employee on which the employee will rely to support his allegations, provided that the employer shall pay the reasonable cost of reproduction thereof;

(xii) a list of any reports, records, documents and affidavits which the employee has demanded by subpoena and on which he intends to rely to support his allegations;

(xiii) a certification signed by the employee or his representative that the employer has received the petition with the required information 15 days before filing.

Fifteen days after receipt by the employer of the petition with the required information the employee may file said petition and required information and shall serve notice of the filing upon the employer. The employer may file a motion addressed to the sufficiency of the petition. If an objection has been filed to the sufficiency of the petition, the arbitrator shall rule on the objection within 2 working days. If such an objection is filed, the time for filing the final decision of the Commission as provided in this paragraph shall be tolled until the arbitrator has determined that the petition is sufficient.

The employer shall, within 15 days after receipt of the notice that such petition is filed, file with the Commission and serve on the employee or his representative a written response to each claim set forth in the petition, including the legal and factual basis for each disputed allegation and the following information: (i) complete copies of any reports, records, documents and affidavits in the possession of the employer on which the employer intends to rely in support of his response, (ii) a list of any reports, records, documents and affidavits which the employer has demanded by subpoena and on which the employer intends to rely in support of his response, (iii) the name and address of each witness on whom the employer will rely to support his response, and (iv) the names and addresses of any medical practitioners selected by the employer pursuant to Section 12 of this Act and the time and place of any examination scheduled to be made pursuant to such Section.

Any employer who does not timely file and serve a written response without good cause may not introduce any evidence to dispute any claim of the employee but may cross examine the employee or any witness brought by the employee and otherwise be heard.

No document or other evidence not previously identified by either party with the petition or written response, or by any other means before the hearing, may be introduced into evidence without good cause. If, at the hearing, material information is discovered which was not previously disclosed, the Arbitrator may extend the time for closing proof on the motion of a party for a reasonable period of time which may be more than 30 days. No evidence may be introduced pursuant to this paragraph as to permanent disability. No award may be entered for permanent disability pursuant to this paragraph. Either party may introduce into evidence the testimony taken by deposition of any medical practitioner.

The Commission shall adopt rules, regulations and procedures whereby the final decision of the Commission is filed not later than 90 days from the date the petition for review is filed but in no event later than 180 days from the date the petition for an emergency hearing is filed with the Industrial Commission.

All service required pursuant to this paragraph (b-1) must be by personal service or by certified mail and with evidence of receipt. In addition, for the purposes of this paragraph, all service on the employer must be at the premises where the accident occurred if the premises are owned or operated by the employer. Otherwise service must be at the employee's principal place of employment by the employer. If service on the employer is not possible at either of the above, then service shall be at the employer's principal place of business. After initial service in each case, service shall be made on the employer's attorney or designated representative.

(c) (1) At a reasonable time in advance of and in connection with the hearing under Section 19(e) or 19(h), the Commission may on its own motion order an impartial physical or mental examination of a petitioner whose mental or physical condition is in issue, when in the Commission's discretion it appears that such an examination will materially aid in the just determination of the case. The examination shall be made by a member or members of a panel of physicians chosen for their special qualifications by the Illinois State Medical Society. The Commission shall establish procedures by which a physician shall be selected from such list.

(2) Should the Commission at any time during the hearing find that compelling considerations make it advisable to have an examination and report at that time, the Commission may in its discretion so order.

(3) A copy of the report of examination shall be given to the Commission and to the attorneys for the parties.

(4) Either party or the Commission may call the examining physician or physicians to testify. Any physician so called shall be subject to cross-examination.

(5) The examination shall be made, and the physician or physicians, if called, shall testify, without cost to the parties. The Commission shall determine the compensation and the pay of the physician or physicians. The compensation for this service shall not exceed the usual and customary amount for such service.

The fees and payment thereof of all attorneys and physicians for services authorized by the Commission under this Act shall, upon request of either the employer or the employee or the beneficiary affected, be subject to the review and decision of the Commission.

(d) If any employee shall persist in insanitary or injurious practices which tend to either imperil or retard his recovery or shall refuse to submit to such medical, surgical, or hospital treatment as is reasonably essential to promote his recovery, the Commission may, in its discretion, reduce or suspend the compensation of any such employee; provided, that when an employer and employee so agree in writing, the foregoing provision shall not be construed to authorize the reduction or suspension of compensation of an employee who is relying in good faith, on treatment by prayer or spiritual means alone, in accordance with the tenets and practice of a recognized church or religious denomination, by a duly accredited practitioner thereof.

(e) This paragraph shall apply to all hearings before the Commission. Such hearings may be held in its office or elsewhere as the Commission may deem advisable. The taking of testimony on such hearings may be had before any member of the Commission. If a petition for review and agreed statement of facts or transcript of evidence is filed, as provided herein, the Commission shall promptly review the decision of the Arbitrator and all questions of law or fact which appear from the statement of facts or transcripts of evidence. In all cases in which the hearing before the arbitrator is held after the effective date of this amendatory Act of 1989, no additional evidence shall be introduced by the parties before the Commission on review of the decision of the Arbitrator. The Commission shall file in its office its decision thereon, and shall immediately send to each party or his attorney a copy of such decision and a notification of the time when it was filed. Decisions shall be filed within 60 days after the Statement of Exceptions and Supporting Brief and Response thereto are required to be filed or oral argument whichever is later.

In the event either party requests oral argument, such argument shall be had before a panel of 3 members of the Commission (or before all available members pursuant to the determination of 5 members of the Commission that such argument be held before all available members of the Commission) pursuant to the rules and regulations of the Commission. A panel of 3 members, which shall be comprised of not more than one representative citizen of the employing class and not more than one representative citizen of the employee class, shall hear the argument; provided that if all the issues in dispute are solely the nature and extent of the permanent partial disability, if any, a majority of the panel may deny the request for such argument and such argument shall not be held; and provided further that 5 members of the Commission may determine that the argument be held before all available members of the Commission. A decision of the Commission shall be approved by a majority of Commissioners present at such hearing if any; provided, if no such hearing is held, a decision of the Commission shall be approved by a majority of a panel of 3 members of the Commission as described in this Section. The

Commission shall give 10 days' notice to the parties or their attorneys of the time and place of such taking of testimony and of such argument.

In any case the Commission in its decision may in its discretion find specially upon any question or questions of law or facts which shall be submitted in writing by either party whether ultimate or otherwise; provided that on issues other than nature and extent of the disablement, if any, the Commission in its decision shall find specially upon any question or questions of law or fact, whether ultimate or otherwise, which are submitted in writing by either party; provided further that not more than 5 such questions may be submitted by either party. Any party may, within 20 days after receipt of notice of the Commission's decision, or within such further time, not exceeding 30 days, as the Commission may grant, file with the Commission either an agreed statement of the facts appearing upon the hearing, or, if such party shall so elect, a correct transcript of evidence of the additional proceedings presented before the Commission in which report the party may embody a correct statement of such other proceedings in the case as such party may desire to have reviewed, such statement of facts or transcript of evidence to be authenticated by the signature of the parties or their attorneys, and in the event that they do not agree, then the authentication of such transcript of evidence shall be by the signature of any member of the Commission.

If a reporter does not for any reason furnish a transcript of the proceedings before the Arbitrator in any case for use on a hearing for review before the Commission, within the limitations of time as fixed in this Section, the Commission may, in its discretion, order a trial de novo before the Commission in such case upon application of either party. The applications for adjustment of claim and other documents in the nature of pleadings filed by either party, together with the decisions of the Arbitrator and of the Commission and the statement of facts or transcript of evidence hereinbefore provided for in paragraphs (b) and (c) shall be the record of the proceedings of the Commission, and shall be subject to review as hereinafter provided.

At the request of either party or on its own motion, the Commission shall set forth in writing the reasons for the decision, including findings of fact and conclusions of law, separately stated. The Commission shall by rule adopt a format for written decisions for the Commission and arbitrators. The written decisions shall be concise and shall succinctly state the facts and reasons for the decision. The Commission may adopt in whole or in part, the decision of the arbitrator as the decision of the Commission. When the Commission does so adopt the decision of the arbitrator, it shall do so by order. Whenever the Commission adopts part of the arbitrator's decision, but not all, it shall include in the order the reasons for not adopting all of the arbitrator's decision. When a majority of a panel, after deliberation, has arrived at its decision, the decision shall be filed as provided in this Section without unnecessary delay, and without regard to the fact that a member of the panel has expressed an intention to dissent. Any member of the panel may file a dissent. Any dissent shall be filed no later than 10 days after the decision of the majority has been filed.

Decisions rendered by the Commission after the effective date of this amendatory Act of 1980 and dissents, if any, shall be published together by the Commission. The conclusions of law set out in such decisions shall be regarded as precedents by arbitrators, for the purpose of achieving a more uniform administration of this Act.

(f) The decision of the Commission acting within its powers, according to the provisions of paragraph (e) of this Section shall, in the absence of fraud, be conclusive unless reviewed as in this paragraph hereinafter provided. However, the Arbitrator or the Commission may on his or its own motion, or on the motion of either party, correct any clerical error or errors in computation within 15 days after the date of receipt of any award by such Arbitrator or any decision on review of the Commission, and shall have the power to recall the original award on arbitration or decision on review, and issue in lieu thereof such corrected award or decision. Where such correction is made the time for review herein specified shall begin to run from the date of the receipt of the corrected award or decision.

(1) Except in cases of claims against the State of Illinois, in which case the decision of the Commission shall not be subject to judicial review, the Circuit Court of the county where any of the parties defendant may be found, or if none of the parties defendant be found in this State then the Circuit Court of the county where any of the exposure occurred, shall by summons to the Commission have power to review all questions of law and fact presented by such record.

A proceeding for review shall be commenced within 20 days of the receipt of notice of the decision of the Commission. The summons shall be issued by the clerk of such court upon written request returnable on a designated return day, not less than 10 or more than 60 days from the date of issuance thereof, and the written request shall contain the last known address of other parties in interest and their attorneys of record who are to be served by summons. Service upon any member of the Commission or the Secretary or the Assistant Secretary thereof shall be service upon the

Commission, and service upon other parties in interest and their attorneys of record shall be by summons, and such service shall be made upon the Commission and other parties in interest by mailing notices of the commencement of the proceedings and the return day of the summons to the office of the Commission and to the last known place of residence of other parties in interest or their attorney or attorneys of record. The clerk of the court issuing the summons shall on the day of issue mail notice of the commencement of the proceedings which shall be done by mailing a copy of the summons to the office of the Commission, and a copy of the summons to the other parties in interest or their attorney or attorneys of record and the clerk of the court shall make certificate that he has so sent such notices in pursuance of this Section, which shall be evidence of service on the Commission and other parties in interest.

The Commission shall not be required to certify the record of their proceedings in the Circuit Court unless the party commencing the proceedings for review in the Circuit Court as above provided, shall pay to the Commission the sum of 80 cents per page of testimony taken before the Commission, and 35 cents per page of all other matters contained in such record, except as otherwise provided by Section 20 of this Act. Payment for photostatic copies of exhibit shall be extra. It shall be the duty of the Commission upon such payment, or failure to pay as permitted under Section 20 of this Act, to prepare a true and correct typewritten copy of such testimony and a true and correct copy of all other matters contained in such record and certified to by the Secretary or Assistant Secretary thereof.

In its decision on review the Commission shall determine in each particular case the amount of the probable cost of the record to be filed as a return to the summons in that case and no request for a summons may be filed and no summons shall issue unless the party seeking to review the decision of the Commission shall exhibit to the clerk of the Circuit Court proof of payment by filing a receipt showing payment or an affidavit of the attorney setting forth that payment has been made of the sums so determined to the Secretary or Assistant Secretary of the Commission.

(2) No such summons shall issue unless the one against whom the Commission shall have rendered an award for the payment of money shall upon the filing of his written request for such summons file with the clerk of the court a bond conditioned that if he shall not successfully prosecute the review, he will pay the award and the costs of the proceedings in the court. The amount of the bond shall be fixed by any member of the Commission and the surety or sureties of the bond shall be approved by the clerk of the court. The acceptance of the bond by the clerk of the court shall constitute evidence of his approval of the bond.

Every county, city, town, township, incorporated village, school district, body politic or municipal corporation having a population of 500,000 or more against whom the Commission shall have rendered an award for the payment of money shall not be required to file a bond to secure the payment of the award and the costs of the proceedings in the court to authorize the court to issue such summons.

The court may confirm or set aside the decision of the Commission. If the decision is set aside and the facts found in the proceedings before the Commission are sufficient, the court may enter such decision as is justified by law, or may remand the cause to the Commission for further proceedings and may state the questions requiring further hearing, and give such other instructions as may be proper. Appeals shall be taken to the Industrial Commission Division of the Appellate Court in accordance with Supreme Court Rules 22(g) and 303. Appeals shall be taken from the Industrial Commission Division of the Appellate Court to the Supreme Court in accordance with Supreme Court Rule 315.

It shall be the duty of the clerk of any court rendering a decision affecting or affirming an award of the Commission to promptly furnish the Commission with a copy of such decision, without charge.

The decision of a majority of the members of the panel of the Commission, shall be considered the decision of the Commission.

(g) Except in the case of a claim against the State of Illinois, either party may present a certified copy of the award of the Arbitrator, or a certified copy of the decision of the Commission when the same has become final, when no proceedings for review are pending, providing for the payment of compensation according to this Act, to the Circuit Court of the county in which such exposure occurred or either of the parties are residents, whereupon the court shall enter a judgment in accordance therewith. In case where the employer refuses to pay compensation according to such final award or such final decision upon which such judgment is entered, the court shall in entering judgment thereon, tax as costs against him the reasonable costs and attorney fees in the arbitration proceedings and in the court entering the judgment for the person in whose favor the judgment is entered, which judgment and costs taxed as herein provided shall, until and unless set aside, have the same effect as though duly entered in an action duly

tried and determined by the court, and shall with like effect, be entered and docketed. The Circuit Court shall have power at any time upon application to make any such judgment conform to any modification required by any subsequent decision of the Supreme Court upon appeal, or as the result of any subsequent proceedings for review, as provided in this Act.

Judgment shall not be entered until 15 days' notice of the time and place of the application for the entry of judgment shall be served upon the employer by filing such notice with the Commission, which Commission shall, in case it has on file the address of the employer or the name and address of its agent upon whom notices may be served, immediately send a copy of the notice to the employer or such designated agent.

(h) An agreement or award under this Act providing for compensation in installments, may at any time within 18 months after such agreement or award be reviewed by the Commission at the request of either the employer or the employee on the ground that the disability of the employee has subsequently recurred, increased, diminished or ended.

However, as to disablements occurring subsequently to July 1, 1955, which are covered by any agreement or award under this Act providing for compensation in installments made as a result of such disablement, such agreement or award may at any time within 30 months after such agreement or award be reviewed by the Commission at the request of either the employer or the employee on the ground that the disability of the employee has subsequently recurred, increased, diminished or ended.

On such review compensation payments may be re-established, increased, diminished or ended. The Commission shall give 15 days' notice to the parties of the hearing for review. Any employee, upon any petition for such review being filed by the employer, shall be entitled to one day's notice for each 100 miles necessary to be traveled by him in attending the hearing of the Commission upon the petition, and 3 days in addition thereto. Such employee shall, at the discretion of the Commission, also be entitled to 5 cents per mile necessarily traveled by him within the State of Illinois in attending such hearing, not to exceed a distance of 300 miles, to be taxed by the Commission as costs and deposited with the petition of the employer.

When compensation which is payable in accordance with an award or settlement contract approved by the Commission, is ordered paid in a lump sum by the Commission, no review shall be had as in this paragraph mentioned.

(i) Each party, upon taking any proceedings or steps whatsoever before any Arbitrator, Commission or court, shall file with the Commission his address, or the name and address of any agent upon whom all notices to be given to such party shall be served, either personally or by registered mail, addressed to such party or agent at the last address so filed with the Commission. In the event such party has not filed his address, or the name and address of an agent as above provided, service of any notice may be had by filing such notice with the Commission.

(j) Whenever in any proceeding testimony has been taken or a final decision has been rendered, and after the taking of such testimony or after such decision has become final, the employee dies, then in any subsequent proceeding brought by the personal representative or beneficiaries of the deceased employee, such testimony in the former proceeding may be introduced with the same force and effect as though the witness having so testified were present in person in such subsequent proceedings and such final decision, if any, shall be taken as final adjudication of any of the issues which are the same in both proceedings.

(k) In any case where there has been any unreasonable or vexatious delay of payment or intentional underpayment of compensation, or proceedings have been instituted or carried on by one liable to pay the compensation, which do not present a real controversy, but are merely frivolous or for delay, then the Commission may award compensation additional to that otherwise payable under this Act equal to 50% of the amount payable at the time of such award. Failure to pay compensation in accordance with the provisions of Section 8, paragraph (b) of this Act, shall be considered unreasonable delay. <u>When determining whether this subsection (k) shall apply, the Commission shall consider whether an arbitrator has determined that the claim is not compensable or whether the employer has made payments under Section 8(j) of the Workers' Compensation Act.</u>

<u>(k-1) If the employee has made demand for payment of benefits under Section 8(a) or 8(b) of the Workers' Compensation Act, the employer shall have 14 days after receipt of the demand to set forth, in writing, the reason for the delay. Failure by the employer to respond shall give rise to a rebuttable presumption of delay. If the employer or its insurance carrier has failed, neglected, refused, or delayed the payment of benefits under Section 8(a) or Section 8(b) of the Workers' Compensation Act and the Arbitrator or Commission awards benefits under Section 8(a) or 8(b) of the Workers' Compensation Act, the employee shall receive additional compensation in the sum of $30 per day for each day that the benefits have been so withheld, refused, or delayed, up to $16,425, as well as the costs of litigation,</u>

including attorney's fees.

(l) By the 15th day of each month each insurer providing coverage for losses under this Act shall notify each insured employer of any compensable claim incurred during the preceding month and the amounts paid or reserved on the claim including a summary of the claim and a brief statement of the reasons for compensability. A cumulative report of all claims incurred during a calendar year or continued from the previous year shall be furnished to the insured employer by the insurer within 30 days after the end of that calendar year.

The insured employer may challenge, in proceeding before the Commission, payments made by the insurer without arbitration and payments made after a case is determined to be noncompensable. If the Commission finds that the case was not compensable, the insurer shall purge its records as to that employer of any loss or expense associated with the claim, reimburse the employer for attorneys fee arising from the challenge and for any payment required of the employer to the Rate Adjustment Fund or the Second Injury Fund, and may not effect the loss or expense for rate making purposes. The employee shall not be required to refund the challenged payment. The decision of the Commission may be reviewed in the same manner as in arbitrated cases. No challenge may be initiated under this paragraph more than 3 years after the payment is made. An employer may waive the right of challenge under this paragraph on a case by case basis.

(m) After filing an application for adjustment of claim but prior to the hearing on arbitration the parties may voluntarily agree to submit such application for adjustment of claim for decision by an arbitrator under this subsection (m) where such application for adjustment of claim raises only a dispute over temporary total disability, permanent partial disability or medical expenses. Such agreement shall be in writing in such form as provided by the Commission. Applications for adjustment of claim submitted for decision by an arbitrator under this subsection (m) shall proceed according to rule as established by the Commission. The Commission shall promulgate rules including, but not limited to, rules to ensure that the parties are adequately informed of their rights under this subsection (m) and of the voluntary nature of proceedings under this subsection (m). The findings of fact made by an arbitrator acting within his or her powers under this subsection (m) in the absence of fraud shall be conclusive. However, the arbitrator may on his own motion, or the motion of either party, correct any clerical errors or errors in computation within 15 days after the date of receipt of such award of the arbitrator and shall have the power to recall the original award on arbitration, and issue in lieu thereof such corrected award. The decision of the arbitrator under this subsection (m) shall be considered the decision of the Commission and proceedings for review of questions of law arising from the decision may be commenced by either party pursuant to subsection (f) of Section 19. The Advisory Board established under Section 13.1 of the Workers' Compensation Act shall compile a list of certified Commission arbitrators, each of whom shall be approved by at least 7 members of the Advisory Board. The chairman shall select 5 persons from such list to serve as arbitrators under this subsection (m). By agreement, the parties shall select one arbitrator from among the 5 persons selected by the chairman except, that if the parties do not agree on an arbitrator from among the 5 persons, the parties may, by agreement, select an arbitrator of the American Arbitration Association, whose fee shall be paid by the State in accordance with rules promulgated by the Commission. Arbitration under this subsection (m) shall be voluntary.
(Source: P.A. 86-998; 87-435.)

Section 95. Applicability. The amendatory changes to subsections (a) and (b) of Section 8, Section 10, and subsection (l) of Section 19 of the Workers' Compensation Act and subsection (k-1) of Section 19 of the Workers' Occupational Diseases Act apply to accidental injuries or diseases that occur on or after January 1, 2005.

Section 98. Inseverability. The provisions of this Act are mutually dependent and inseverable. If any provision or its application to any person or circumstance is held invalid, then this entire Act is invalid.

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

And on that motion, a call of the roll was had resulting as follows:

Yeas 32; Nays 26; Present 1.

The following voted in the affirmative:

Clayborne Halvorson Meeks Trotter

Collins	Harmon	Munoz	Viverito
Crotty	Hendon	Obama	Walsh
Cullerton	Hunter	Ronen	Welch
del Valle	Jacobs	Sandoval	Mr. President
DeLeo	Lightford	Schoenberg	
Demuzio	Link	Shadid	
Forby	Maloney	Silverstein	
Garrett	Martinez	Sullivan, J.	

The following voted in the negative:

Althoff	Haine	Radogno	Soden
Bomke	Jones, J.	Rauschenberger	Syverson
Brady	Jones, W.	Righter	Watson
Burzynski	Lauzen	Risinger	Winkel
Cronin	Luechtefeld	Roskam	Wojcik
Dillard	Peterson	Rutherford	
Geo-Karis	Petka	Sieben	

The following voted present:

Sullivan, D.

The motion prevailed.
And the amendment was adopted, and ordered printed.
There being no further amendments, the bill, as amended, was ordered to a third reading.

On motion of Senator del Valle, **House Bill No. 929** was recalled from the order of third reading to the order of second reading.

Senator del Valle offered the following amendment and moved its adoption:

AMENDMENT NO. 1

AMENDMENT NO. __1__. Amend House Bill 929 by replacing everything after the enacting clause with the following:

"Section 5. The State Employees Group Insurance Act of 1971 is amended by changing Sections 6.5 and 6.6 as follows:

(5 ILCS 375/6.5)

(Section scheduled to be repealed on July 1, 2004)

Sec. 6.5. Health benefits for TRS benefit recipients and TRS dependent beneficiaries.

(a) Purpose. It is the purpose of this amendatory Act of 1995 to transfer the administration of the program of health benefits established for benefit recipients and their dependent beneficiaries under Article 16 of the Illinois Pension Code to the Department of Central Management Services.

(b) Transition provisions. The Board of Trustees of the Teachers' Retirement System shall continue to administer the health benefit program established under Article 16 of the Illinois Pension Code through December 31, 1995. Beginning January 1, 1996, the Department of Central Management Services shall be responsible for administering a program of health benefits for TRS benefit recipients and TRS dependent beneficiaries under this Section. The Department of Central Management Services and the Teachers' Retirement System shall cooperate in this endeavor and shall coordinate their activities so as to ensure a smooth transition and uninterrupted health benefit coverage.

(c) Eligibility. All persons who were enrolled in the Article 16 program at the time of the transfer shall be eligible to participate in the program established under this Section without any interruption or delay in coverage or limitation as to pre-existing medical conditions. Eligibility to participate shall be determined by the Teachers' Retirement System. Eligibility information shall be communicated to the Department of Central Management Services in a format acceptable to the Department.

A TRS dependent beneficiary who is an unmarried child age 19 or over and mentally or physically disabled ~~handicapped~~ does not become ineligible to participate by reason of (i) becoming ineligible to be claimed as a dependent for Illinois or federal income tax purposes or (ii) receiving earned income, so long as those earnings are insufficient for the child to be fully self-sufficient.

(d) Coverage. The level of health benefits provided under this Section shall be similar to the level of benefits provided by the program previously established under Article 16 of the Illinois Pension Code.

Group life insurance benefits are not included in the benefits to be provided to TRS benefit recipients and TRS dependent beneficiaries under this Act.

The program of health benefits under this Section may include any or all of the benefit limitations, including but not limited to a reduction in benefits based on eligibility for federal medicare benefits, that are provided under subsection (a) of Section 6 of this Act for other health benefit programs under this Act.

(e) Insurance rates and premiums. The Director shall determine the insurance rates and premiums for TRS benefit recipients and TRS dependent beneficiaries, and shall present to the Teachers' Retirement System of the State of Illinois, by April 15 of each calendar year, the rate-setting methodology (including but not limited to utilization levels and costs) used to determine the amount of the health care premiums.

For Fiscal Year 1996, the premium shall be equal to the premium actually charged in Fiscal Year 1995; in subsequent years, the premium shall never be lower than the premium charged in Fiscal Year 1995.

For Fiscal Year 2003, the premium shall not exceed 110% of the premium actually charged in Fiscal Year 2002.

For Fiscal Year 2004, the premium shall not exceed 112% of the premium actually charged in Fiscal Year 2003.

For Fiscal Year 2005, the premium shall not exceed a weighted average of 106.6% of the premium actually charged in Fiscal Year 2004.

For Fiscal Year 2006, the premium shall not exceed a weighted average of 109.1% of the premium actually charged in Fiscal Year 2005.

For Fiscal Year 2007, the premium shall not exceed a weighted average of 103.9% of the premium actually charged in Fiscal Year 2006.

For Fiscal Year 2008 and thereafter, the premium in each fiscal year shall not exceed 105% of the premium actually charged in the previous fiscal year.

Rates and premiums may be based in part on age and eligibility for federal medicare coverage. However, the cost of participation for a TRS dependent beneficiary who is an unmarried child age 19 or over and mentally or physically disabled ~~handicapped~~ shall not exceed the cost for a TRS dependent beneficiary who is an unmarried child under age 19 and participates in the same major medical or managed care program.

The cost of health benefits under the program shall be paid as follows:

(1) For a TRS benefit recipient selecting a managed care program, up to 75% of the total insurance rate shall be paid from the Teacher Health Insurance Security Fund. Effective with Fiscal Year 2007 and thereafter, for a TRS benefit recipient selecting a managed care program, 75% of the total insurance rate shall be paid from the Teacher Health Insurance Security Fund.

(2) For a TRS benefit recipient selecting the major medical coverage program, up to 50% of the total insurance rate shall be paid from the Teacher Health Insurance Security Fund if a managed care program is accessible, as determined by the Teachers' Retirement System. Effective with Fiscal Year 2007 and thereafter, for a TRS benefit recipient selecting the major medical coverage program, 50% of the total insurance rate shall be paid from the Teacher Health Insurance Security Fund if a managed care program is accessible, as determined by the Department of Central Management Services.

(3) For a TRS benefit recipient selecting the major medical coverage program, up to 75% of the total insurance rate shall be paid from the Teacher Health Insurance Security Fund if a managed care program is not accessible, as determined by the Teachers' Retirement System. Effective with Fiscal Year 2007 and thereafter, for a TRS benefit recipient selecting the major medical coverage program, 75% of the total insurance rate shall be paid from the Teacher Health Insurance Security Fund if a managed care program is not accessible, as determined by the Department of Central Management Services.

(3.1) For a TRS dependent beneficiary who is Medicare primary and enrolled in a managed care plan, or the major medical coverage program if a managed care plan is not available, 25% of the total insurance rate shall be paid from the Teacher Health Security Fund as determined by the Department of Central Management Services. For the purpose of this item (3.1), the term "TRS dependent beneficiary who is Medicare primary" means a TRS dependent beneficiary who is participating in Medicare Parts A and B.

(4) Except as otherwise provided in item (3.1), the ~~The~~ balance of the rate of insurance, including

the entire premium of any coverage

for TRS dependent beneficiaries that has been elected, shall be paid by deductions authorized by the TRS benefit recipient to be withheld from his or her monthly annuity or benefit payment from the Teachers' Retirement System; except that (i) if the balance of the cost of coverage exceeds the amount of the monthly annuity or benefit payment, the difference shall be paid directly to the Teachers' Retirement System by the TRS benefit recipient, and (ii) all or part of the balance of the cost of coverage may, at the school board's option, be paid to the Teachers' Retirement System by the school board of the school district from which the TRS benefit recipient retired, in accordance with Section 10-22.3b of the School Code. The Teachers' Retirement System shall promptly deposit all moneys withheld by or paid to it under this subdivision (e)(4) into the Teacher Health Insurance Security Fund. These moneys shall not be considered assets of the Retirement System.

(f) Financing. Beginning July 1, 1995, all revenues arising from the administration of the health benefit programs established under Article 16 of the Illinois Pension Code or this Section shall be deposited into the Teacher Health Insurance Security Fund, which is hereby created as a nonappropriated trust fund to be held outside the State Treasury, with the State Treasurer as custodian. Any interest earned on moneys in the Teacher Health Insurance Security Fund shall be deposited into the Fund.

Moneys in the Teacher Health Insurance Security Fund shall be used only to pay the costs of the health benefit program established under this Section, including associated administrative costs, and the costs associated with the health benefit program established under Article 16 of the Illinois Pension Code, as authorized in this Section. Beginning July 1, 1995, the Department of Central Management Services may make expenditures from the Teacher Health Insurance Security Fund for those costs.

After other funds authorized for the payment of the costs of the health benefit program established under Article 16 of the Illinois Pension Code are exhausted and until January 1, 1996 (or such later date as may be agreed upon by the Director of Central Management Services and the Secretary of the Teachers' Retirement System), the Secretary of the Teachers' Retirement System may make expenditures from the Teacher Health Insurance Security Fund as necessary to pay up to 75% of the cost of providing health coverage to eligible benefit recipients (as defined in Sections 16-153.1 and 16-153.3 of the Illinois Pension Code) who are enrolled in the Article 16 health benefit program and to facilitate the transfer of administration of the health benefit program to the Department of Central Management Services.

(g) Contract for benefits. The Director shall by contract, self-insurance, or otherwise make available the program of health benefits for TRS benefit recipients and their TRS dependent beneficiaries that is provided for in this Section. The contract or other arrangement for the provision of these health benefits shall be on terms deemed by the Director to be in the best interest of the State of Illinois and the TRS benefit recipients based on, but not limited to, such criteria as administrative cost, service capabilities of the carrier or other contractor, and the costs of the benefits.

(g-5) Committee. A Teacher Retirement Insurance Program Committee shall be established, to consist of 10 persons appointed by the Governor.

The Committee shall convene at least 4 times each year, and shall consider and make recommendations on issues affecting the program of health benefits provided under this Section. Recommendations of the Committee shall be based on a consensus of the members of the Committee.

If the Teacher Health Insurance Security Fund experiences a deficit balance based upon the contribution and subsidy rates established in this Section and Section 6.6 for Fiscal Year 2008 or thereafter, the Committee shall make recommendations for adjustments to the funding sources established under these Sections.

(h) Continuation ~~and termination~~ of program. It is the intention of the General Assembly that the program of health benefits provided under this Section be maintained on an ongoing, affordable basis ~~. through June 30, 2004. The program of health benefits provided under this Section is terminated on July 1, 2004.~~

The program of health benefits provided under this Section may be amended by the State and is not intended to be a pension or retirement benefit subject to protection under Article XIII, Section 5 of the Illinois Constitution.

(i) Repeal. (Blank). ~~This Section is repealed on July 1, 2004.~~

(Source: P.A. 92-505, eff. 12-20-01; 92-862, eff. 1-3-03; revised 1-10-03.)

(5 ILCS 375/6.6)

(Section scheduled to be repealed on July 1, 2004)

Sec. 6.6. Contributions to the Teacher Health Insurance Security Fund.

(a) Beginning July 1, 1995, all active contributors of the Teachers' Retirement System (established under Article 16 of the Illinois Pension Code) who are not employees of a department as defined in Section 3 of this Act shall make contributions toward the cost of annuitant and survivor health benefits.

These contributions shall be at the following rates: until January 1, 2002, 0.5% of salary; beginning January 1, 2002, 0.65% of salary; beginning July 1, 2003, 0.75% of salary; beginning July 1, 2005, 0.80% of salary; beginning July 1, 2007, a percentage of salary to be determined by the Department of Central Management Services by rule, which in each fiscal year shall not exceed 105% of the percentage of salary actually required to be paid in the previous fiscal year.

These contributions shall be deducted by the employer and paid to the System as service agent for the Department of Central Management Services. The System may use the same processes for collecting the contributions required by this subsection that it uses to collect contributions received from school districts and other covered employers under Sections 16-154 and 16-155 of the Illinois Pension Code.

An employer may agree to pick up or pay the contributions required under this subsection on behalf of the teacher; such contributions shall be deemed to have to have been paid by the teacher. Beginning January 1, 2002, if the employer does not directly pay the required member contribution, then the employer shall reduce the member's salary by an amount equal to the required contribution and shall then pay the contribution on behalf of the member. This reduction shall not change the amounts reported as creditable earnings to the Teachers' Retirement System.

A person who purchases optional service credit under Article 16 of the Illinois Pension Code for a period after June 30, 1995 must also make a contribution under this subsection for that optional credit, at the rate provided in subsection (a), based on the salary used in computing the optional service credit, plus interest on this employee contribution. This contribution shall be collected by the System as service agent for the Department of Central Management Services. The contribution required under this subsection for the optional service credit must be paid in full before any annuity based on that credit begins.

(a-5) Beginning January 1, 2002, every employer of a teacher (other than an employer that is a department as defined in Section 3 of this Act) shall pay an employer contribution toward the cost of annuitant and survivor health benefits. These contributions shall be computed as follows:

(1) Beginning January 1, 2002 through June 30, 2003, the employer contribution shall be equal to 0.4% of each teacher's salary.

(2) Beginning July 1, 2003, the employer contribution shall be equal to 0.5% of each teacher's salary.

(3) Beginning July 1, 2005, the employer contribution shall be equal to 0.6% of each teacher's salary.

(4) Beginning July 1, 2007, the employer contribution shall be a percentage of each teacher's salary to be determined by the Department of Central Management Services by rule, which in each fiscal year shall not exceed 105% of the percentage of each teacher's salary actually required to be paid in the previous fiscal year.

These contributions shall be paid by the employer to the System as service agent for the Department of Central Management Services. The System may use the same processes for collecting the contributions required by this subsection that it uses to collect contributions received from school districts and other covered employers under the Illinois Pension Code.

The school district or other employing unit may pay these employer contributions out of any source of funding available for that purpose and shall forward the contributions to the System on the schedule established for the payment of member contributions.

(b) The Teachers' Retirement System shall promptly deposit all moneys collected under subsections (a) and (a-5) of this Section into the Teacher Health Insurance Security Fund created in Section 6.5 of this Act. The moneys collected under this Section shall be used only for the purposes authorized in Section 6.5 of this Act and shall not be considered to be assets of the Teachers' Retirement System. Contributions made under this Section are not transferable to other pension funds or retirement systems and are not refundable upon termination of service.

(c) On or before November 15 of each year, the Board of Trustees of the Teachers' Retirement System shall certify to the Governor, the Director of Central Management Services, and the State Comptroller its estimate of the total amount of contributions to be paid under subsection (a) of this Section 6.6 for the next fiscal year. The amount certified shall be decreased or increased each year by the amount that the actual active teacher contributions either fell short of or exceeded the estimate used by the Board in making the certification for the previous fiscal year. The certification shall include a detailed explanation of the methods and information that the Board relied upon in preparing its estimate. As soon as possible after the effective date of this amendatory Act of the 92nd General Assembly, the Board shall recalculate and recertify its certifications for fiscal years 2002 and 2003.

(d) Beginning in fiscal year 1996, on the first day of each month, or as soon thereafter as may be practical, the State Treasurer and the State Comptroller shall transfer from the General Revenue Fund to

the Teacher Health Insurance Security Fund 1/12 of the annual amount appropriated for that fiscal year to the State Comptroller for deposit into the Teacher Health Insurance Security Fund under Section 1.3 of the State Pension Funds Continuing Appropriation Act.

(e) Except where otherwise specified in this Section, the definitions that apply to Article 16 of the Illinois Pension Code apply to this Section.

(f) (Blank). ~~This Section is repealed on July 1, 2004.~~

(Source: P.A. 92-505, eff. 12-20-01.)

Section 10. The State Pension Funds Continuing Appropriation Act is amended by changing Section 1.3 as follows:

(40 ILCS 15/1.3)

Sec. 1.3. Appropriations for the Teacher Health Insurance Security Fund. Beginning in State fiscal year 1996, there is hereby appropriated, on a continuing annual basis, from the General Revenue Fund to the State Comptroller for deposit into the Teacher Health Insurance Security Fund, an amount equal to the amount certified by the Board of Trustees of the Teachers' Retirement System of Illinois under subsection (c) of Section 6.6 of the State Employees Group Insurance Act of 1971 as the estimated total amount of contributions to be paid under subsection (a) of that Section 6.6 in that fiscal year.

In addition to any other amounts that may be appropriated for this purpose, in State fiscal years 2005 through 2007, there is hereby appropriated, on a continuing annual basis, from the General Revenue Fund to the State Comptroller for deposit into the Teacher Health Insurance Security Fund, an amount equal to $13,000,000 in each fiscal year.

The moneys appropriated under this Section 1.3 shall be deposited into the Teacher Health Insurance Security Fund and used only for the purposes authorized in Section 6.5 of the State Employees Group Insurance Act of 1971.

(Source: P.A. 89-25, eff. 6-21-95.)

Section 15. The School Code is amended by changing Sections 2-3.11, 21-1a, 21-1b, 21-2, 21-7.1, 21-9, 21-12, 21-14, 21-16, 21-17, 21-18, and 21-23 as follows:

(105 ILCS 5/2-3.11) (from Ch. 122, par. 2-3.11)

Sec. 2-3.11. Report to Governor and General Assembly. To report to the Governor and General Assembly annually on or before January 14 the condition of the schools of the State for the preceding year, ending on June 30.

Such annual report shall contain reports of the State Teacher Certification Board; the schools of the State charitable institutions; reports on driver education, special education, and transportation; and for such year the annual statistical reports of the State Board of Education, including the number and kinds of school districts; number of school attendance centers; number of men and women teachers; enrollment by grades; total enrollment; total days attendance; total days absence; average daily attendance; number of elementary and secondary school graduates; assessed valuation; tax levies and tax rates for various purposes; amount of teachers' orders, anticipation warrants, and bonds outstanding; and number of men and women teachers and total enrollment of private schools. The report shall give for all school districts receipts from all sources and expenditures for all purposes for each fund; the total operating expense, ~~and~~ the per capita cost , and instructional expenditures; federal and state aids and reimbursements; new school buildings, and recognized schools; together with such other information and suggestions as the State Board of Education may deem important in relation to the schools and school laws and the means of promoting education throughout the state.

In this Section, "instructional expenditures" means the annual expenditures of school districts properly attributable to expenditure functions defined in rules of the State Board of Education as: 1100 (Regular Education); 1200-1220 (Special Education); 1250 (Ed. Deprived/Remedial); 1400 (Vocational Programs); 1600 (Summer School); 1650 (Gifted); 1800 (Bilingual Programs); 1900 (Truant Alternative); 2110 (Attendance and Social Work Services); 2120 (Guidance Services); 2130 (Health Services); 2140 (Psychological Services); 2150 (Speech Pathology and Audiology Services); 2190 (Other Support Services Pupils); 2210 (Improvement of Instruction); 2220 (Educational Media Services); 2230 (Assessment and Testing); 2540 (Operation and Maintenance of Plant Services); 2550 (Pupil Transportation Service); 2560 (Food Service); 4110 (Payments for Regular Programs); 4120 (Payments for Special Education Programs); 4130 (Payments for Adult Education Programs); 4140 (Payments for Vocational Education Programs); 4170 (Payments for Community College Programs); 4190 (Other payments to in-state government units); and 4200 (Other payments to out of state government units).

(Source: P.A. 84-1308; 84-1424.)

(105 ILCS 5/21-1a) (from Ch. 122, par. 21-1a)

Sec. 21-1a. Tests required for certification and teacher preparation.

(a) After July 1, 1988, in addition to all other requirements, early childhood, elementary, special, high school, school service personnel, or, except as provided in Section 34-6, administrative certificates shall be issued to persons who have satisfactorily passed a test of basic skills and subject matter knowledge. A person who holds a valid and comparable out-of-state certificate, however, is not required to take a test of basic skills and is not required to take a test of subject matter knowledge, provided that the person has successfully passed a test of subject matter knowledge in another State or territory of the United States that is directly related in content to the specific subject area of certification. The tests of basic skills and subject matter knowledge shall be the tests which from time to time are designated by the State Board of Education in consultation with the State Teacher Certification Board and may be tests prepared by an educational testing organization or tests designed by the State Board of Education in consultation with the State Teacher Certification Board. The areas to be covered by the test of basic skills shall include the basic skills of reading, writing, grammar and mathematics. The test of subject matter knowledge shall assess content knowledge in the specific subject field. The tests shall be designed to be racially neutral to assure that no person in taking the tests is thereby discriminated against on the basis of race, color, national origin or other factors unrelated to the person's ability to perform as a certificated employee. The score required to pass the tests of basic skills and subject matter knowledge shall be fixed by the State Board of Education in consultation with the State Teacher Certification Board. The tests shall be held not fewer than 3 times a year at such time and place as may be designated by the State Board of Education in consultation with the State Teacher Certification Board.

(b) Except as provided in Section 34-6, the provisions of subsection (a) of this Section shall apply equally in any school district subject to Article 34, provided that the State Board of Education shall determine which certificates issued under Sections 34-8.1 and 34-83 prior to July 1, 1988 are comparable to any early childhood certificate, elementary school certificate, special certificate, high school certificate, school service personnel certificate or administrative certificate issued under this Article as of July 1, 1988.

(c) A person who holds an early childhood, elementary, special, high school or school service personnel certificate issued under this Article on or at any time before July 1, 1988, including a person who has been issued any such certificate pursuant to Section 21-11.1 or in exchange for a comparable certificate theretofore issued under Section 34-8.1 or Section 34-83, shall not be required to take or pass the tests in order to thereafter have such certificate renewed.

(d) The State Board of Education in consultation with the State Teacher Certification Board shall conduct a pilot administration of the tests by administering the test to students completing teacher education programs in the 1986-87 school year for the purpose of determining the effect and impact of testing candidates for certification.

Beginning with the 2002-2003 academic year, a student may not enroll in a teacher preparation program at a recognized teacher training institution until he or she has passed the basic skills test.

Beginning with the 2004-2005 academic year, a preservice education teacher may not student teach until he or she has passed the subject matter test in the discipline in which he or she will student teach.

(e) The rules and regulations developed to implement the required test of basic skills and subject matter knowledge shall include the requirements of subsections (a), (b), and (c) and shall include specific regulations to govern test selection; test validation and determination of a passing score; administration of the tests; frequency of administration; applicant fees; frequency of applicants' taking the tests; the years for which a score is valid; and, waiving certain additional tests for additional certificates to individuals who have satisfactorily passed the test of basic skills and subject matter knowledge as required in subsection (a). The State Board of Education shall provide, by rule, specific policies that assure uniformity in the difficulty level of each form of the basic skills test and each subject matter knowledge test from test-to-test and year-to-year. The State Board of Education shall also set a passing score for the tests.

(f) The State Teacher Certification Board may issue a nonrenewable temporary certificate between July 1, 1988 and August 31, 1988 to individuals who have taken the tests of basic skills and subject matter knowledge prescribed by this Section but have not received such test scores by August 31, 1988. Such temporary certificates shall expire on December 31, 1988.

(g) Beginning February 15, 2000, the State Board of Education, in consultation with the State Teacher Certification Board, shall implement and administer a new system of certification for teachers in the State of Illinois. The State Board of Education, in consultation with the State Teacher Certification Board, shall design and implement a system of examinations and various other criteria which shall be required prior to the issuance of Initial Teaching Certificates and Standard Teaching Certificates. These

examinations and indicators shall be based on national and State professional teaching standards, as determined by the State Board of Education, in consultation with the State Teacher Certification Board. The State Board of Education may adopt any and all regulations necessary to implement and administer this Section.

(h) The State Board of Education shall report to the Illinois General Assembly and the Governor with recommendations for further changes and improvements to the teacher certification system no later than July 1, 1999 and on an annual basis until July 1, 2001.

(Source: P.A. 91-102, eff. 7-12-99; 92-734, eff. 7-25-02.)

(105 ILCS 5/21-1b) (from Ch. 122, par. 21-1b)

Sec. 21-1b. Subject endorsement on certificates. All certificates initially issued under this Article after June 30, 1986, shall be specifically endorsed by the State Board of Education for each subject the holder of the certificate is legally qualified to teach, such endorsements to be made in accordance with standards promulgated by the State Board of Education in consultation with the State Teacher Certification Board. All certificates which are issued under this Article prior to July 1, 1986 may, by application to the State Board of Education, be specifically endorsed for each subject the holder is legally qualified to teach. Endorsements issued under this Section shall not apply to substitute teacher's certificates issued under Section 21-9 of this Code.

Commencing July 1, 1999, each application for endorsement of an existing teaching certificate shall be accompanied by a $30 nonrefundable fee. There is hereby created a Teacher Certificate Fee Revolving Fund as a special fund within the State Treasury. The proceeds of each $30 fee shall be paid into the Teacher Certificate Fee Revolving Fund; and the moneys in that Fund shall be appropriated and used to provide the technology and other resources necessary for the timely and efficient processing of certification requests.

The State Board of Education and each regional office of education are authorized to charge a service or convenience fee for the use of credit cards for the payment of certification fees. This service or convenience fee may not exceed the amount required by the credit card processing company or vendor that has entered into a contract with the State Board or regional office of education for this purpose, and the fee must be paid to that company or vendor.

(Source: P.A. 91-102, eff. 7-12-99.)

(105 ILCS 5/21-2) (from Ch. 122, par. 21-2)

Sec. 21-2. Grades of certificates.

(a) All certificates issued under this Article shall be State certificates valid, except as limited in Section 21-1, in every school district coming under the provisions of this Act and shall be limited in time and designated as follows: Provisional vocational certificate, temporary provisional vocational certificate, early childhood certificate, elementary school certificate, special certificate, secondary certificate, school service personnel certificate, administrative certificate, provisional certificate, and substitute certificate. The requirement of student teaching under close and competent supervision for obtaining a teaching certificate may be waived by the State Teacher Certification Board upon presentation to the Board by the teacher of evidence of 5 years successful teaching experience on a valid certificate and graduation from a recognized institution of higher learning with a bachelor's degree.

(b) Initial Teaching Certificate. Persons who (1) have completed an approved teacher preparation program, (2) are recommended by an approved teacher preparation program, (3) have successfully completed the Initial Teaching Certification examinations required by the State Board of Education, and (4) have met all other criteria established by the State Board of Education in consultation with the State Teacher Certification Board, shall be issued an Initial Teaching Certificate valid for 4 years of teaching, as defined in Section 21-14 of this Code. Initial Teaching Certificates shall be issued for categories corresponding to Early Childhood, Elementary, Secondary, and Special K-12, with special certification designations for Special Education, Bilingual Education, fundamental learning areas (including Language Arts, Reading, Mathematics, Science, Social Science, Physical Development and Health, Fine Arts, and Foreign Language), and other areas designated by the State Board of Education, in consultation with the State Teacher Certification Board. Notwithstanding any other provision of this Article, an Initial Teaching Certificate shall be automatically extended for one year for all persons who (i) have been issued an Initial Teaching Certificate that expires on June 30, 2004 and (ii) have not met, prior to July 1, 2004, the Standard Certificate requirements under paragraph (c) of this Section. An application and fee shall not be required for this extension.

(b-5) A person who holds an out-of-state certificate and who is otherwise eligible for a comparable Illinois certificate may be issued an Initial Certificate if that person has not completed 4 years of teaching. Upon completion of 4 years of teaching, the person is eligible for a Standard Certificate. Beginning July 1, 2004, an out-of-state candidate who has already earned a second-tier certificate in

another state is not subject to any Standard Certificate eligibility requirements stated in paragraph (2) of subsection (c) of this Section other than completion of the 4 years of teaching. An out-of-state candidate who has completed less than 4 years of teaching and does not hold a second-tier certificate from another state must meet the requirements stated in paragraph (2) of subsection (c) of this Section, proportionately reduced by the amount of time remaining to complete the 4 years of teaching.

(c) Standard Certificate.

(1) Persons who (i) have completed 4 years of teaching, as defined in Section 21-14 of this Code, with an Initial Certificate or an Initial Alternative Teaching Certificate and have met all other criteria established by the State Board of Education in consultation with the State Teacher Certification Board, (ii) have completed 4 years of teaching on a valid equivalent certificate in another State or territory of the United States, or have completed 4 years of teaching in a nonpublic Illinois elementary or secondary school with an Initial Certificate or an Initial Alternative Teaching Certificate, and have met all other criteria established by the State Board of Education, in consultation with the State Teacher Certification Board, or (iii) were issued teaching certificates prior to February 15, 2000 and are renewing those certificates after February 15, 2000, shall be issued a Standard Certificate valid for 5 years, which may be renewed thereafter every 5 years by the State Teacher Certification Board based on proof of continuing education or professional development. Beginning July 1, 2003, persons who have completed 4 years of teaching, as described in clauses (i) and (ii) of this paragraph (1), have successfully completed the requirements of paragraphs (2) through (4) of this subsection (c), and have met all other criteria established by the State Board of Education, in consultation with the State Teacher Certification Board, shall be issued Standard Certificates. Notwithstanding any other provisions of this Section, beginning July 1, 2004, persons who hold valid out-of-state certificates and have completed 4 years of teaching on a valid equivalent certificate in another State or territory of the United States shall be issued comparable Standard Certificates. Beginning July 1, 2004, persons who hold valid out-of-state certificates as described in subsection (b-5) of this Section are subject to the requirements of paragraphs (2) through (4) of this subsection (c), as required in subsection (b-5) of this Section, in order to receive a Standard Certificate. Standard Certificates shall be issued for categories corresponding to Early Childhood, Elementary, Secondary, and Special K-12, with special certification designations for Special Education, Bilingual Education, fundamental learning areas (including Language Arts, Reading, Mathematics, Science, Social Science, Physical Development and Health, Fine Arts, and Foreign Language), and other areas designated by the State Board of Education, in consultation with the State Teacher Certification Board.

(2) This paragraph (2) applies only to those persons required to successfully complete the requirements of this paragraph under paragraph (1) of this subsection (c). In order to receive a Standard Teaching Certificate, a person must satisfy one of the following requirements~~, which the person must identify, in writing, as the requirement that the person has chosen to satisfy to the responsible local professional development committee established pursuant to subsection (f) of Section 21-14 of this Code~~:

(A) Completion of a program of induction and mentoring for new teachers that is based upon a specific plan approved by the State Board of Education, in consultation with the State Teacher Certification Board. Nothing in this Section, however, prohibits an induction or mentoring program from operating prior to approval. Holders of Initial Certificates issued before September 1, 2007 must complete, at a minimum, an approved one-year induction and mentoring program. Holders of Initial Certificates issued on or after September 1, 2007 must complete an approved 2-year induction and mentoring program. The plan must describe the role of mentor teachers, the criteria and process for their selection, and how all the following components are to be provided:

(i) Assignment of a formally trained mentor teacher to each new teacher for a specified period of time, which shall be established by the employing school or school district ~~but shall be at least 2 school years in duration~~, provided that a mentor teacher may not directly or indirectly participate in the evaluation of a new teacher pursuant to Article 24A of this Code or the evaluation procedure of the school.

(ii) Formal mentoring for each new teacher.

(iii) Support for each new teacher in relation to the Illinois Professional Teaching Standards, the content-area standards applicable to the new teacher's area of certification, and any applicable local school improvement and professional development plans.

(iv) Professional development specifically designed to foster the growth of each new teacher's knowledge and skills.

(v) Formative assessment that is based on the Illinois Professional Teaching Standards and designed to provide feedback to the new teacher and opportunities for reflection on

his or her performance, which must not be used directly or indirectly in any evaluation of a new teacher pursuant to Article 24A of this Code or the evaluation procedure of the school and which must include the activities specified in clauses (B)(i), (B)(ii), and (B)(iii) of this paragraph (2).

(vi) Assignment of responsibility for coordination of the induction and mentoring program within each school district participating in the program.

(B) Successful completion of 4 semester hours of graduate-level coursework on the assessment of one's own performance in relation to the Illinois Professional Teaching Standards. The coursework must be approved by the State Board of Education, in consultation with the State Teacher Certification Board; must be offered either by an institution of higher education, by such an institution in partnership with a teachers' association or union or with a regional office of education, or by another entity authorized to issue college credit; and must include demonstration of performance through all of the following activities for each of the Illinois Professional Teaching Standards:

(i) Observation, by the course instructor or another experienced teacher, of the new teacher's classroom practice (the observation may be recorded for later viewing) for the purpose of identifying and describing how the new teacher made content meaningful for students; how the teacher motivated individuals and the group and created an environment conducive to positive social interactions, active learning, and self-motivation; what instructional strategies the teacher used to encourage students' development of critical thinking, problem solving, and performance; how the teacher communicated using written, verbal, nonverbal, and visual communication techniques; and how the teacher maintained standards of professional conduct and provided leadership to improve students' learning.

(ii) Review and analysis, by the course instructor or another experienced teacher, of written documentation (i.e., lesson plans, assignments, assessment instruments, and samples of students' work) prepared by the new teacher for at least 2 lessons. The documentation must provide evidence of classroom performance related to Illinois Professional Teaching Standards 1 through 9, with an emphasis on how the teacher used his or her understanding of students, assessment data, and subject matter to decide on learning goals; how the teacher designed or selected activities and instructional materials and aligned instruction to the relevant Illinois Learning Standards; how the teacher adapted or modified curriculum to meet individual students' needs; and how the teacher sequenced instruction and designed or selected student assessment strategies.

(iii) Demonstration of professional expertise on the part of the new teacher in reflecting on his or her practice, which was observed under clause (B)(i) of this paragraph (2) and documented under clause (B)(ii) of this paragraph (2), in terms of teaching strengths, weaknesses, and implications for improvement according to the Illinois Professional Teaching Standards.

(C) Successful completion of a minimum of 4 semester hours of graduate-level coursework addressing preparation to meet the requirements for certification by the National Board for Professional Teaching Standards (NBPTS). The coursework must be approved by the State Board of Education, in consultation with the State Teacher Certification Board, and must be offered either by an institution of higher education, by such an institution in partnership with a teachers' association or union or with a regional office of education, or by another entity authorized to issue college credit. The course must address the 5 NBPTS Core Propositions and relevant standards through such means as the following:

(i) Observation, by the course instructor or another experienced teacher, of the new teacher's classroom practice (the observation may be recorded for later viewing) for the purpose of identifying and describing how the new teacher made content meaningful for students; how the teacher motivated individuals and the group and created an environment conducive to positive social interactions, active learning, and self-motivation; what instructional strategies the teacher used to encourage students' development of critical thinking, problem solving, and performance; how the teacher communicated using written, verbal, nonverbal, and visual communication techniques; and how the teacher maintained standards of professional conduct and provided leadership to improve students' learning.

(ii) Review and analysis, by the course instructor or another experienced teacher, of written documentation (i.e., lesson plans, assignments, assessment instruments, and samples of students' work) prepared by the new teacher for at least 2 lessons. The documentation must provide evidence of classroom performance, including how the teacher used his or her understanding of students, assessment data, and subject matter to decide on learning goals; how the teacher designed or selected activities and instructional materials and aligned instruction to the relevant Illinois Learning Standards; how the teacher adapted or modified curriculum to meet individual students' needs; and how the teacher sequenced instruction and designed or selected student assessment

strategies.

(iii) Demonstration of professional expertise on the part of the new teacher in reflecting on his or her practice, which was observed under clause (C)(i) of this paragraph (2) and documented under clause (C)(ii) of this paragraph (2), in terms of teaching strengths, weaknesses, and implications for improvement.

(C-5) Satisfactory completion of a minimum of 12 semester hours of graduate credit towards an advanced degree in an education-related field from an accredited institution of higher education.

(D) Receipt of an advanced degree from an accredited institution of higher education in an education-related field that is earned by a person either while he or she holds an Initial Teaching Certificate or prior to his or her receipt of that certificate ~~, provided that at least 8 semester hours of the coursework completed count toward a degree, certificate, or endorsement in a teaching field~~.

(E) Accumulation of 60 continuing professional development units (CPDUs), earned by completing selected activities that comply with paragraphs (3) and (4) of this subsection (c). However, for an individual who holds an Initial Teaching Certificate on the effective date of this amendatory Act of the 92nd General Assembly, the number of CPDUs shall be reduced to reflect the teaching time remaining on the Initial Teaching Certificate.

(F) Completion of a nationally normed, performance-based assessment, if made available by the State Board of Education in consultation with the State Teacher Certification Board, provided that the cost to the person shall not exceed the cost of the coursework described in clause (B) of this paragraph (2).

(G) Completion of requirements for meeting the Illinois criteria for becoming "highly qualified" (for purposes of the No Child Left Behind Act of 2001, Public Law 107-110) in an additional teaching area.

(H) Receipt of a minimum 12-hour, post-baccalaureate, education-related professional development certificate issued by an Illinois institution of higher education and developed in accordance with rules adopted by the State Board of Education in consultation with the State Teacher Certification Board.

(I) Completion of the National Board for Professional Teaching Standards (NBPTS) process.

(J) Receipt of a subsequent Illinois certificate or endorsement pursuant to Article 21 of this Code.

(3) This paragraph (3) applies only to those persons required to successfully complete the requirements of this paragraph under paragraph (1) of this subsection (c). Persons who seek to satisfy the requirements of clause (E) of paragraph (2) of this subsection (c) through accumulation of CPDUs may earn credit ~~At least one-half the CPDUs a person must accrue in order to qualify for a Standard Teaching Certificate must be earned~~ through completion of coursework, workshops, seminars, conferences, and other similar training events that are pre-approved by the State Board of Education, in consultation with the State Teacher Certification Board, for the purpose of reflection on teaching practices in order to address all of the Illinois Professional Teaching Standards necessary to obtain a Standard Teaching Certificate. These activities must meet all of the following requirements:

(A) Each activity must be designed to advance a person's knowledge and skills in relation to one or more of the Illinois Professional Teaching Standards or in relation to the content-area standards applicable to the teacher's field of certification.

(B) Taken together, the activities completed must address each of the Illinois Professional Teaching Standards as provided in clauses (B)(i), (B)(ii), and (B)(iii) of paragraph (2) of this subsection (c).

(C) Each activity must be provided by an entity approved by the State Board of Education, in consultation with the State Teacher Certification Board, for this purpose.

(D) Each activity, integral to its successful completion, must require participants to demonstrate the degree to which they have acquired new knowledge or skills, such as through performance, through preparation of a written product, through assembling samples of students' or teachers' work, or by some other means that is appropriate to the subject matter of the activity.

(E) One CPDU shall be available for each hour of direct participation by a holder of an Initial Teaching Certificate in a qualifying activity. An activity may be attributed to more than one of the Illinois Professional Teaching Standards, but credit for any activity shall be counted only once.

(4) This paragraph (4) applies only to those persons required to successfully complete the requirements of this paragraph under paragraph (1) of this subsection (c). Persons who seek to satisfy the requirements of clause (E) of paragraph (2) of this subsection (c) through accumulation of CPDUs may earn credit from the following, provided that each activity is designed to advance a person's knowledge and skills in relation to one or more of the Illinois Professional Teaching Standards or in relation to the content-area standards applicable to the person's field or fields of certification ~~The balance of the CPDUs a person must accrue in order to qualify for a Standard Teaching Certificate, in combination with those~~

~~earned pursuant to paragraph (3) of this subsection (c), may be chosen from among the following, provided that an activity listed in clause (C) of this paragraph (4) shall be creditable only if its provider is approved for this purpose by the State Board of Education, in consultation with the State Teacher Certification Board~~:

(A) Collaboration and partnership activities related to improving a person's knowledge and skills as a teacher, including all of the following:

(i) Peer review and coaching.

(ii) Mentoring in a formal mentoring program, including service as a consulting teacher participating in a remediation process formulated under Section 24A-5 of this Code.

(iii) Facilitating parent education programs directly related to student achievement for a school, school district, or regional office of education.

(iv) Participating in business, school, or community partnerships directly related to student achievement.

(B) Teaching college or university courses in areas relevant to a teacher's field of certification, provided that the teaching may only be counted once during the course of 4 years.

(C) Conferences, workshops, institutes, seminars, and symposiums related to improving a person's knowledge and skills as a teacher, including all of the following:

(i) Completing non-university credit directly related to student achievement, the Illinois Professional Teaching Standards, or content-area standards.

(ii) Participating in or presenting at workshops, seminars, conferences, institutes, and symposiums.

(iii) (Blank). ~~Training as external reviewers for the State Board of Education.~~

(iv) Training as reviewers of university teacher preparation programs.

An activity listed in this clause (C) is creditable only if its provider is approved for this purpose by the State Board of Education, in consultation with the State Teacher Certification Board.

(D) Other educational experiences related to improving a person's knowledge and skills as a teacher, including all of the following:

(i) Participating in action research and inquiry projects.

(ii) Observing programs or teaching in schools, related businesses, or industry that is systematic, purposeful, and relevant to a teacher's field of certification.

(iii) Participating in study groups related to student achievement, the Illinois Professional Teaching Standards, or content-area standards.

(iv) Participating in work/learn programs or internships.

(v) Developing a portfolio of students' and teacher's work.

(E) Professional leadership experiences related to improving a person's knowledge and skills as a teacher, including all of the following:

(i) Participating in curriculum development or assessment activities at the school, school district, regional office of education, State, or national level.

(ii) Participating in team or department leadership in a school or school district.

(iii) (Blank). ~~Participating on external or internal school or school district review teams.~~

(iv) Publishing educational articles, columns, or books relevant to a teacher's field of certification.

(v) Participating in non-strike related activities of a professional association or labor organization that are related to professional development.

(5) A person must complete the requirements ~~his or her chosen requirement under paragraph (2)~~ of this subsection (c) before the expiration of his or her Initial Teaching Certificate and must submit assurance ~~evidence~~ of having done so to the regional superintendent of schools or a local professional development committee authorized by the regional superintendent to submit recommendations to him or her for this purpose. ~~Within 30 days after receipt of a person's evidence of completion, the local professional development committee shall forward the evidence of completion to the responsible regional superintendent of schools along with the local professional development committee's recommendation, based on that evidence, as to whether the person is eligible to receive a Standard Teaching Certificate. The local professional development committee shall provide a copy of this recommendation to the affected person.~~

Within 30 days after receipt, the ~~The~~ regional superintendent of schools shall review the assurance ~~evidence~~ of completion submitted by a person and, based upon compliance with all of the requirements for receipt of a Standard Teaching Certificate, shall forward to the State Board of Education a recommendation for issuance of the Standard Certificate or non-issuance. The regional superintendent of schools shall notify the affected person if the recommendation is for non-issuance of the Standard

Certificate. A person who is considered not to be eligible for a Standard Certificate and who has received the notice of non-issuance may appeal this determination to the Regional Professional Development Review Committee (RPDRC). The recommendation of the regional superintendent and the RPDRC, along with all supporting materials, must then be forwarded to the State Board of Education for a final determination ~~of the recommendation forwarded~~.

Upon review of a regional superintendent of school's recommendations, the State Board of Education shall issue Standard Teaching Certificates to those who qualify and shall notify a person, in writing, of a decision denying a Standard Teaching Certificate. Any decision denying issuance of a Standard Teaching Certificate to a person may be appealed to the State Teacher Certification Board.

(6) The State Board of Education, in consultation with the State Teacher Certification Board, may adopt rules to implement this subsection (c) and may periodically evaluate any of the methods of qualifying for a Standard Teaching Certificate described in this subsection (c).

(7) The changes made to paragraphs (1) through (5) of this subsection (c) by this amendatory Act of the 93rd General Assembly shall apply to those persons who hold or are eligible to hold an Initial Certificate on or after the effective date of this amendatory Act of the 93rd General Assembly and shall be given effect upon their application for a Standard Certificate.

(8) Beginning July 1, 2004, persons who hold a Standard Certificate and have acquired one master's degree in an education-related field are eligible for certificate renewal upon completion of two-thirds of the continuing education units specified in subdivision (C) of paragraph (3) of subsection (e) of Section 21-14 of this Code or of the continuing professional development units specified in subdivision (E) of paragraph (3) of subsection (e) of Section 21-14 of this Code. Persons who hold a Standard Certificate and have acquired a second master's degree, an education specialist, or a doctorate in an education-related field or hold a Master Certificate are eligible for certificate renewal upon completion of one-third of the continuing education units specified in subdivision (C) of paragraph (3) of subsection (e) of Section 21-14 of this Code or of the continuing professional development units specified in subdivision (E) of paragraph (3) of subsection (e) of Section 21-14 of this Code.

(d) Master Certificate. Persons who have successfully achieved National Board certification through the National Board for Professional Teaching Standards shall be issued a Master Certificate, valid for 10 years and renewable thereafter every 10 years through compliance with requirements set forth by the State Board of Education, in consultation with the State Teacher Certification Board. However, each teacher who holds a Master Certificate shall be eligible for a teaching position in this State in the areas for which he or she holds a Master Certificate without satisfying any other requirements of this Code, except for those requirements pertaining to criminal background checks. A holder of a Master Certificate in an area of science or social science is eligible to teach in any of the subject areas within those fields, including those taught at the advanced level, as defined by the State Board of Education in consultation with the State Teacher Certification Board. A teacher who holds a Master Certificate shall be deemed to meet State certification renewal requirements in the area or areas for which he or she holds a Master Certificate for the 10-year term of the teacher's Master Certificate.

(Source: P.A. 91-102, eff. 7-12-99; 91-606, eff. 8-16-99; 91-609, eff. 1-1-00; 92-16, eff. 6-28-01; 92-796, eff. 8-10-02.)

(105 ILCS 5/21-7.1) (from Ch. 122, par. 21-7.1)

Sec. 21-7.1. Administrative certificate.

(a) After July 1, 1999, an administrative certificate valid for 5 years of supervising and administering in the public common schools (unless changed under subsection (a-5) of this Section) may be issued to persons who have graduated from a regionally accredited institution of higher learning with a master's degree and who have been recommended by a recognized institution of higher learning as having completed a program of preparation for one or more of these endorsements. Such programs of academic and professional preparation required for endorsement shall be administered by the institution in accordance with standards set forth by the State Superintendent of Education in consultation with the State Teacher Certification Board.

(a-5) Beginning July 1, 2003, if an administrative certificate holder holds a Standard Teaching Certificate, the validity period of the administrative certificate shall be changed, if necessary, so that the validity period of the administrative certificate coincides with the validity period of the Standard Teaching Certificate. Beginning July 1, 2003, if an administrative certificate holder holds a Master Teaching Certificate, the validity period of the administrative certificate shall be changed so that the validity period of the administrative certificate coincides with the validity period of the Master Teaching Certificate.

(b) No administrative certificate shall be issued for the first time after June 30, 1987 and no endorsement provided for by this Section shall be made or affixed to an administrative certificate for the

first time after June 30, 1987 unless the person to whom such administrative certificate is to be issued or to whose administrative certificate such endorsement is to be affixed has been required to demonstrate as a part of a program of academic or professional preparation for such certification or endorsement: (i) an understanding of the knowledge called for in establishing productive parent-school relationships and of the procedures fostering the involvement which such relationships demand; and (ii) an understanding of the knowledge required for establishing a high quality school climate and promoting good classroom organization and management, including rules of conduct and instructional procedures appropriate to accomplishing the tasks of schooling; and (iii) a demonstration of the knowledge and skills called for in providing instructional leadership. The standards for demonstrating an understanding of such knowledge shall be set forth by the State Board of Education in consultation with the State Teacher Certification Board, and shall be administered by the recognized institutions of higher learning as part of the programs of academic and professional preparation required for certification and endorsement under this Section. As used in this subsection: "establishing productive parent-school relationships" means the ability to maintain effective communication between parents and school personnel, to encourage parental involvement in schooling, and to motivate school personnel to engage parents in encouraging student achievement, including the development of programs and policies which serve to accomplish this purpose; and "establishing a high quality school climate" means the ability to promote academic achievement, to maintain discipline, to recognize substance abuse problems among students and utilize appropriate law enforcement and other community resources to address these problems, to support teachers and students in their education endeavors, to establish learning objectives and to provide instructional leadership, including the development of policies and programs which serve to accomplish this purpose; and "providing instructional leadership" means the ability to effectively evaluate school personnel, to possess general communication and interpersonal skills, and to establish and maintain appropriate classroom learning environments. The provisions of this subsection shall not apply to or affect the initial issuance or making on or before June 30, 1987 of any administrative certificate or endorsement provided for under this Section, nor shall such provisions apply to or affect the renewal after June 30, 1987 of any such certificate or endorsement initially issued or made on or before June 30, 1987.

(c) Administrative certificates shall be renewed every 5 years with the first renewal being 5 years following the initial receipt of an administrative certificate, unless the validity period for the administrative certificate has been changed under subsection (a-5) of this Section, in which case the certificate shall be renewed at the same time that the Standard or Master Teaching Certificate is renewed.

(c-5) Before July 1, 2003, renewal requirements for administrators whose positions require certification shall be based upon evidence of continuing professional education which promotes the following goals: (1) improving administrators' knowledge of instructional practices and administrative procedures; (2) maintaining the basic level of competence required for initial certification; and (3) improving the mastery of skills and knowledge regarding the improvement of teaching performance in clinical settings and assessment of the levels of student performance in their schools. Evidence of continuing professional education must include verification of biennial attendance in a program developed by the Illinois Administrators' Academy and verification of annual participation in a school district approved activity which contributes to continuing professional education.

(c-10) Beginning July 1, 2003, except as otherwise provided in subsection (c-15) of this Section, persons holding administrative certificates must follow the certificate renewal procedure set forth in this subsection (c-10), provided that those persons holding administrative certificates on June 30, 2003 who are renewing those certificates on or after July 1, 2003 shall be issued new administrative certificates valid for 5 years (unless changed under subsection (a-5) of this Section), which may be renewed thereafter as set forth in this subsection (c-10).

~~(1)~~ A person holding an administrative certificate and employed in a position requiring administrative certification, including a regional superintendent of schools, must satisfy ~~develop an administrative certificate renewal plan for satisfying~~ the continuing professional development requirements of this Section ~~required~~ to renew his or her administrative certificate. The continuing professional development ~~An administrative certificate renewal plan must include a minimum of 3 individual improvement goals developed by the certificate holder and~~ must include without limitation the following continuing professional development purposes:

(1) ~~(A)~~ To improve the administrator's knowledge of instructional practices and administrative procedures in accordance with the Illinois Professional School Leader Standards.

(2) ~~(B)~~ To maintain the basic level of competence required for initial certification.

(3) ~~(C)~~ To improve the administrator's mastery of skills and knowledge regarding the

improvement of teaching performance in clinical settings and assessment of the levels of student performance in the schools.

~~An administrative certificate renewal plan must include a description of how the improvement goals are to be achieved and an explanation of the selected continuing professional development activities to be completed, each of which must meet one or more of the continuing professional development purposes specified in this paragraph (1).~~

The continuing professional development ~~(2) In addition to the requirements in paragraph (1) of this subsection (c-10), the administrative certificate renewal plan~~ must include the following in order for the certificate to be renewed:

(A) Participation in continuing professional development activities, which must total a minimum of 100 hours of continuing professional development. ~~and which must meet all of the following requirements: (i)~~ The participation must consist of a minimum of 5 activities per validity period of the certificate , and the certificate holder must maintain documentation of completion of each activity.

~~(ii) The activities must address the goals in the certificate holder's professional development plan.~~

~~(iii) The activities must be aligned with the Illinois Professional School Leader Standards.~~

~~(iv) A portion of the activities must address the certificate holder's school improvement plan at either the district or school level.~~

~~(v) The participation must include a communication, dissemination, or application component.~~

~~(vi) There must be documentation of completion of each activity.~~

(B) Participation every year in an Illinois Administrators' Academy course, which participation must total a minimum of 30 ~~36~~ continuing professional development hours during the period of the certificate's validity and which must include completion ~~all of the following: (i) Completion~~ of applicable required coursework, including completion of a communication, dissemination, or application component, as defined by the State Board of Education.

~~(ii) Completion of a communication, dissemination, or application component.~~

~~(iii) Documentation of completion of each activity.~~

~~(3) Each administrator who is subject to the requirements of this subsection (c-10) but who is not serving as a district or regional superintendent, a director of a cooperative program or special education program, or a director of a State-operated school must submit his or her administrative certificate renewal plan for review to the superintendent of the employing school district or to the director of the cooperative or special education program or State-operated school (or to the superintendent's or director's designee). Each district or regional superintendent, director of a cooperative program or special education program, or director of a State-operated school must submit his or her administrative certificate renewal plan for review to a review panel comprised of peers established by the regional superintendent of schools for the geographic area where the certificate holder is employed as an administrator.~~

~~(4) If the certificate holder's plan does not conform to the requirements of this subsection (c-10), the reviewer or review panel must notify the certificate holder, who must revise the administrative certificate renewal plan. A certificate holder who is not a regional superintendent of schools may appeal that determination to the regional superintendent of schools for the geographic area where the certificate holder is employed as an administrator. A certificate holder who is a regional superintendent of schools may appeal that determination to the State Superintendent of Education. The regional superintendent of schools or the State Superintendent of Education (or the regional superintendent's or State Superintendent's designee) shall facilitate any modification of the plan, if necessary, to make it acceptable.~~

~~(5) A certificate holder may modify his or her administrative certificate renewal plan at any time during the validity period of the administrative certificate through the process outlined in paragraphs (3) and (4) of this subsection (c-10).~~

~~(6) Evidence of completion of the activities in the administrative certificate renewal plan must be submitted to the responsible reviewer or review panel. Before the expiration of the administrative certificate, the certificate holder must request from the responsible reviewer or review panel a signed verification form developed by the State Board of Education confirming that the certificate holder has met the requirements for renewal contained in this Section. A certificate holder who is not a regional superintendent of schools must submit this form to the responsible regional superintendent of schools (or his or her designee) at the time of application for renewal of the certificate. A certificate holder who is a regional superintendent of schools must submit this form for validation to the State Superintendent of Education (or his or her designee) at the time of application for renewal of the certificate.~~

The certificate holder must complete a verification form developed by the State Board of Education and certify that 100 hours of continuing professional development activities and 5 Administrators' Academy courses have been completed. ~~(7)~~ The regional superintendent of schools shall review and validate the verification form

for a certificate holder. Based on compliance with all of the requirements for renewal, the regional superintendent of schools shall forward a recommendation for renewal or non-renewal to the State Superintendent of Education and shall notify the certificate holder of the recommendation. The State Superintendent of Education shall review the recommendation to renew or non-renew and shall notify, in writing, the certificate holder of a decision denying renewal of his or her certificate. Any decision regarding non-renewal of an administrative certificate may be appealed to the State Teacher Certification Board.

The State Board of Education, in consultation with the State Teacher Certification Board, shall adopt rules to implement this subsection (c-10).

The regional superintendent of schools shall monitor the process for renewal of administrative certificates established in this subsection (c-10).

(c-15) This subsection (c-15) applies to the first period of an administrative certificate's validity during which the holder becomes subject to the requirements of subsection (c-10) of this Section if the certificate has less than 5 years' validity or has less than 5 years' validity remaining when the certificate holder becomes subject to the requirements of subsection (c-10) of this Section. With respect to this period, the 100 hours of continuing professional development and 5 activities per validity period specified in clause (A) of ~~paragraph (2) of~~ subsection (c-10) of this Section shall instead be deemed to mean 20 hours of continuing professional development and one activity per year of the certificate's validity or remaining validity and the 30 ~~36~~ continuing professional development hours specified in clause (B) of ~~paragraph (2) of~~ subsection (c-10) of this Section shall instead be deemed to mean completion of at least one course per year of the certificate's validity or remaining validity. Certificate holders who evaluate certified staff must complete a 2-day teacher evaluation course, in addition to the 30 continuing professional development hours. ~~If the certificate has 3 or fewer years of validity or 3 or fewer years of validity remaining, the certificate holder is not subject to the requirements for submission and approval of plans for continuing professional development described in paragraphs (1) through (4) of subsection (c-10) of this Section with respect to that period of the certificate's validity.~~

(c-20) The State Board of Education, in consultation with the State Teacher Certification Board, shall develop procedures for implementing this Section and shall administer the renewal of administrative certificates. Failure to submit satisfactory evidence of continuing professional education which contributes to promoting the goals of this Section shall result in a loss of administrative certification.

(d) Any limited or life supervisory certificate issued prior to July 1, 1968 shall continue to be valid for all administrative and supervisory positions in the public schools for which it is valid as of that date as long as its holder meets the requirements for registration or renewal as set forth in the statutes or until revoked according to law.

(e) The administrative or supervisory positions for which the certificate shall be valid shall be determined by one or more of 3 endorsements: general supervisory, general administrative and superintendent.

Subject to the provisions of Section 21-1a, endorsements shall be made under conditions set forth in this Section. The State Board of Education shall, in consultation with the State Teacher Certification Board, adopt rules pursuant to the Illinois Administrative Procedure Act, establishing requirements for obtaining administrative certificates where the minimum administrative or supervisory requirements surpass those set forth in this Section.

The State Teacher Certification Board shall file with the State Board of Education a written recommendation when considering additional administrative or supervisory requirements. All additional requirements shall be based upon the requisite knowledge necessary to perform those tasks required by the certificate. The State Board of Education shall in consultation with the State Teacher Certification Board, establish standards within its rules which shall include the academic and professional requirements necessary for certification. These standards shall at a minimum contain, but not be limited to, those used by the State Board of Education in determining whether additional knowledge will be required. Additionally, the State Board of Education shall in consultation with the State Teacher Certification Board, establish provisions within its rules whereby any member of the educational community or the public may file a formal written recommendation or inquiry regarding requirements.

(1) Until July 1, 2003, the general supervisory endorsement shall be affixed to the

administrative certificate of any holder who has at least 16 semester hours of graduate credit in professional education including 8 semester hours of graduate credit in curriculum and research and

who has at least 2 years of full-time teaching experience or school service personnel experience in public schools, schools under the supervision of the Department of Corrections, schools under the administration of the Department of Rehabilitation Services, or nonpublic schools meeting the standards established by the State Superintendent of Education or comparable out-of-state recognition standards approved by the State Superintendent of Education.

Such endorsement shall be required for supervisors, curriculum directors and for such similar and related positions as determined by the State Superintendent of Education in consultation with the State Teacher Certification Board.

(2) The general administrative endorsement shall be affixed to the administrative certificate of any holder who has at least 20 semester hours of graduate credit in educational administration and supervision and who has at least 2 years of full-time teaching experience or school service personnel experience in public schools, schools under the supervision of the Department of Corrections, schools under the administration of the Department of Rehabilitation Services, or nonpublic schools meeting the standards established by the State Superintendent of Education or comparable out-of-state recognition standards approved by the State Superintendent of Education.

Such endorsement shall be required for principal, assistant principal, assistant or associate superintendent, junior college dean and for related or similar positions as determined by the State Superintendent of Education in consultation with the State Teacher Certification Board.

Notwithstanding any other provisions of this Act, after January 1, 1990 and until January 1, 1991, any teacher employed by a district subject to Article 34 shall be entitled to receive an administrative certificate with a general administrative endorsement affixed thereto if he or she: (i) had at least 3 years of experience as a certified teacher for such district prior to August 1, 1985; (ii) obtained a Master's degree prior to August 1, 1985; (iii) completed at least 20 hours of graduate credit in education courses (including at least 12 hours in educational administration and supervision) prior to September 1, 1987; and (iv) has received a rating of superior for at least each of the last 5 years. Any person who obtains an administrative certificate with a general administrative endorsement affixed thereto under this paragraph shall not be qualified to serve in any administrative position except assistant principal.

(3) The chief school business official endorsement shall be affixed to the administrative certificate of any holder who qualifies by having a Master's degree, two years of administrative experience in school business management, and a minimum of 20 semester hours of graduate credit in a program established by the State Superintendent of Education in consultation with the State Teacher Certification Board for the preparation of school business administrators. Such endorsement shall also be affixed to the administrative certificate of any holder who qualifies by having a Master's Degree in Business Administration, Finance or Accounting from a regionally accredited institution of higher education.

After June 30, 1977, such endorsement shall be required for any individual first employed as a chief school business official.

(4) The superintendent endorsement shall be affixed to the administrative certificate of any holder who has completed 30 semester hours of graduate credit beyond the master's degree in a program for the preparation of superintendents of schools including 16 semester hours of graduate credit in professional education and who has at least 2 years experience as an administrator or supervisor in the public schools or the State Board of Education or education service regions or in nonpublic schools meeting the standards established by the State Superintendent of Education or comparable out-of-state recognition standards approved by the State Superintendent of Education and holds general supervisory or general administrative endorsement, or who has had 2 years of experience as a supervisor or administrator while holding an all-grade supervisory certificate or a certificate comparable in validity and educational and experience requirements.

After June 30, 1968, such endorsement shall be required for a superintendent of schools, except as provided in the second paragraph of this Section and in Section 34-6.

Any person appointed to the position of superintendent between the effective date of this Act and June 30, 1993 in a school district organized pursuant to Article 32 with an enrollment of at least 20,000 pupils shall be exempt from the provisions of this paragraph (4) until June 30, 1996.

(f) All official interpretations or acts of issuing or denying administrative certificates or endorsements by the State Teacher's Certification Board, State Board of Education or the State Superintendent of Education, from the passage of P.A. 81-1208 on November 8, 1979 through September 24, 1981 are hereby declared valid and legal acts in all respects and further that the purported repeal of the provisions of this Section by P.A. 81-1208 and P.A. 81-1509 is declared null and void.

(Source: P.A. 91-102, eff. 7-12-99; 92-796, eff. 8-10-02.)

(105 ILCS 5/21-9) (from Ch. 122, par. 21-9)

Sec. 21-9. Substitute certificates and substitute teaching.

(a) A substitute teacher's certificate may be issued for teaching in all grades of the common schools. Such certificate may be issued upon request of the regional superintendent of schools of any region in which the teacher is to teach. A substitute teacher's certificate is valid for teaching in the public schools of any county. Such certificate may be issued to persons who either (a) hold a certificate valid for teaching in the common schools as shown on the face of the certificate, (b) hold a bachelor of arts degree from an institution of higher learning accredited by the North Central Association or other comparable regional accrediting association or have been graduated from a recognized institution of higher learning with a bachelor's degree, or (c) have had 2 years of teaching experience and meet such other rules and regulations as may be adopted by the State Board of Education in consultation with the State Teacher Certification Board. Such certificate shall expire on June 30 in the fourth year from date of issue. Substitute teacher's certificates are not subject to endorsement as described in Section 21-1b of this Code.

(b) A teacher holding a substitute teacher's certificate may teach only in the place of a certified teacher who is under contract with the employing board and may teach only when no appropriate fully certified teacher is available to teach in a substitute capacity. A teacher holding an early childhood certificate, an elementary certificate, a high school certificate, or a special certificate may also substitute teach in grades K-12 but only in the place of a certified teacher who is under contract with the employing board. A substitute teacher may teach only for a period not to exceed 90 paid school days or 450 paid school hours in any one school district in any one school term. However, ~~for the 2001-2002, 2002-2003, and 2003-2004 school years,~~ a teacher holding an early childhood, elementary, high school, or special certificate may substitute teach for a period not to exceed 120 paid school days or 600 paid school hours in any one school district in any one school term. Where such teaching is partly on a daily and partly on an hourly basis, a school day shall be considered as 5 hours. The teaching limitations imposed by this subsection upon teachers holding substitute certificates shall not apply in any school district operating under Article 34.

(Source: P.A. 91-102, eff. 7-12-99; 92-184, eff. 7-27-01.)

(105 ILCS 5/21-12) (from Ch. 122, par. 21-12)

Sec. 21-12. Printing; Seal; Signature; Credentials. All certificates shall be printed by and bear the signatures of the chairman and of the secretary of the State Teacher Certification Board. Each certificate shall show the integrally printed seal of the State Teacher Certification Board. All college credentials offered as the basis of a certificate shall be presented to the secretary of the State Teacher Certification Board for inspection and approval.

Commencing July 1, 1999, each application for a certificate or evaluation of credentials shall be accompanied by an evaluation fee of $30 payable to the State Superintendent of Education, which is not refundable, except that no application or evaluation fee shall be required for a Master Certificate issued pursuant to subsection (d) of Section 21-2 of this Code. The proceeds of each $30 fee shall be paid into the Teacher Certificate Fee Revolving Fund, created under Section 21-1b of this Code; and the moneys in that Fund shall be appropriated and used to provide the technology and other resources necessary for the timely and efficient processing of certification requests.

The State Board of Education and each regional office of education are authorized to charge a service or convenience fee for the use of credit cards for the payment of certification fees. This service or convenience fee may not exceed the amount required by the credit card processing company or vendor that has entered into a contract with the State Board or regional office of education for this purpose, and the fee must be paid to that company or vendor.

When evaluation verifies the requirements for a valid certificate, the applicant shall be issued an entitlement card that may be presented to a regional superintendent of schools for issuance of a certificate.

The applicant shall be notified of any deficiencies.

(Source: P.A. 91-102, eff. 7-12-99; 91-357, eff. 7-29-99.)

(105 ILCS 5/21-14) (from Ch. 122, par. 21-14)

Sec. 21-14. Registration and renewal of certificates.

(a) A limited four-year certificate or a certificate issued after July 1, 1955, shall be renewable at its expiration or within 60 days thereafter by the county superintendent of schools having supervision and control over the school where the teacher is teaching upon certified evidence of meeting the requirements for renewal as required by this Act and prescribed by the State Board of Education in consultation with the State Teacher Certification Board. An elementary supervisory certificate shall not be renewed at the end of the first four-year period covered by the certificate unless the holder thereof has

filed certified evidence with the State Teacher Certification Board that he has a master's degree or that he has earned 8 semester hours of credit in the field of educational administration and supervision in a recognized institution of higher learning. The holder shall continue to earn 8 semester hours of credit each four-year period until such time as he has earned a master's degree.

All certificates not renewed or registered as herein provided shall lapse after a period of 5 years from the expiration of the last year of registration. Such certificates may be reinstated for a one year period upon payment of all accumulated registration fees. Such reinstated certificates shall only be renewed: (1) by earning 5 semester hours of credit in a recognized institution of higher learning in the field of professional education or in courses related to the holder's contractual teaching duties; or (2) by presenting evidence of holding a valid regular certificate of some other type. Any certificate may be voluntarily surrendered by the certificate holder. A voluntarily surrendered certificate shall be treated as a revoked certificate.

(b) When those teaching certificates issued before February 15, 2000 are renewed for the first time after February 15, 2000, all such teaching certificates shall be exchanged for Standard Teaching Certificates as provided in subsection (c) of Section 21-2. All Initial and Standard Teaching Certificates, including those issued to persons who previously held teaching certificates issued before February 15, 2000, shall be renewable under the conditions set forth in this subsection (b).

Initial Teaching Certificates ~~are nonrenewable and~~ are valid for 4 years of teaching , as provided in subsection (b) of Section 21-2 of this Code, and are renewable every 4 years until the person completes 4 years of teaching. If the holder of an Initial Certificate has completed 4 years of teaching but has not completed the requirements set forth in paragraph (2) of subsection (c) of Section 21-2 of this Code, then the Initial Certificate may be reinstated for one year, during which the requirements must be met. A holder of an Initial certificate who has not completed 4 years of teaching may continuously register the certificate for additional 4-year periods without penalty. Initial Certificates that are not registered shall lapse consistent with subsection (a) of this Section and may be reinstated only in accordance with subsection (a). Standard Teaching Certificates are renewable every 5 years as provided in subsection (c) of Section 21-2 and subsection (c) of this Section. For purposes of this Section, "teaching" is defined as employment and performance of services in an Illinois public or State-operated elementary school, secondary school, or cooperative or joint agreement with a governing body or board of control, in a certificated teaching position, or a charter school operating in compliance with the Charter Schools Law.

(c) In compliance with subsection (c) of Section 21-2 of this Code, which provides that a Standard Teaching Certificate may be renewed by the State Teacher Certification Board based upon proof of continuing professional development, the State Board of Education and the State Teacher Certification Board shall jointly:

(1) establish a procedure for renewing Standard Teaching Certificates, which shall include but not be limited to annual timelines for the renewal process and the components set forth in subsections (d) through (k) of this Section;

(2) establish the standards for certificate renewal;

(3) approve or disapprove the providers of continuing professional development activities;

(4) determine the maximum credit for each category of continuing professional development activities, based upon recommendations submitted by a continuing professional development activity task force, which shall consist of 6 staff members from the State Board of Education, appointed by the State Superintendent of Education, and 6 teacher representatives, 3 of whom are selected by the Illinois Education Association and 3 of whom are selected by the Illinois Federation of Teachers;

(5) designate the type and amount of documentation required to show that continuing professional development activities have been completed; and

(6) provide, on a timely basis to all Illinois teachers, certificate holders, regional superintendents of schools, school districts, and others with an interest in continuing professional development, information about the standards and requirements established pursuant to this subsection (c).

(d) Any Standard Teaching Certificate held by an individual employed and performing services in an Illinois public or State-operated elementary school, secondary school, or cooperative or joint agreement with a governing body or board of control in a certificated teaching position or a charter school in compliance with the Charter Schools Law must be maintained Valid and Active through certificate renewal activities specified in the certificate renewal procedure established pursuant to subsection (c) of this Section, provided that a holder of a Valid and Active certificate who is only employed on either a part-time basis or day-to-day basis as a substitute teacher shall pay only the required registration fee to renew his or her certificate and maintain it as Valid and Active. All other Standard Teaching Certificates

held may be maintained as Valid and Exempt through the registration process provided for in the certificate renewal procedure established pursuant to subsection (c) of this Section. A Valid and Exempt certificate must be immediately activated, through procedures developed jointly by the State Board of Education and the State Teacher Certification Board, upon the certificate holder becoming employed and performing services in an Illinois public or State-operated elementary school, secondary school, or cooperative or joint agreement with a governing body or board of control in a certificated teaching position or a charter school operating in compliance with the Charter Schools Law. A holder of a Valid and Exempt certificate may activate his or her certificate through procedures provided for in the certificate renewal procedure established pursuant to subsection (c) of this Section.

(e)(1) A Standard Teaching Certificate that has been maintained as Valid and Active for the 5 years of the certificate's validity shall be renewed as Valid and Active upon the certificate holder: (i) completing an advanced degree from an approved institution in an education-related field; (ii) completing at least 8 semester hours of coursework as described in subdivision (B) of paragraph (3) of this subsection (e); (iii) earning at least 24 continuing education units as described in subdivision (C) of paragraph (3) of this subsection (e); (iv) completing the National Board for Professional Teaching Standards process as described in subdivision (D) of paragraph (3) of this subsection (e); or (v) earning 120 continuing professional development units ("CPDU") as described in subdivision (E) of paragraph (3) of this subsection (e). The maximum continuing professional development units for each continuing professional development activity identified in subdivisions (F) through (J) of paragraph (3) of this subsection (e) shall be jointly determined by the State Board of Education and the State Teacher Certification Board. If, however, the certificate holder has maintained the certificate as Valid and Exempt for a portion of the 5-year period of validity, the number of continuing professional development units needed to renew the certificate as Valid and Active shall be proportionately reduced by the amount of time the certificate was Valid and Exempt. Furthermore, if a certificate holder is employed and performs teaching services on a part-time basis for all or a portion of the certificate's 5-year period of validity, the number of continuing professional development units needed to renew the certificate as Valid and Active shall be reduced by 50% for the amount of time the certificate holder has been employed and performed teaching services on a part-time basis. Part-time shall be defined as less than 50% of the school day or school term.

Notwithstanding any other requirements to the contrary, if a Standard Teaching Certificate has been maintained as Valid and Active for the 5 years of the certificate's validity and the certificate holder has completed his or her certificate renewal plan before July 1, 2002, the certificate shall be renewed as Valid and Active.

(2) Beginning July 1, 2004, in order to satisfy the requirements for continuing professional development provided for in subsection (c) of Section 21-2 of this Code, each ~~Each~~ Valid and Active Standard Teaching Certificate holder shall complete professional development activities ~~develop a certificate renewal plan for satisfying the continuing professional development requirement provided for in subsection (c) of Section 21-2 of this Code. Certificate holders with multiple certificates shall develop a certificate renewal plan that addresses only~~ that address the certificate or those certificates that are required of his or her certificated teaching position, if the certificate holder is employed and performing services in an Illinois public or State-operated elementary school, secondary school, or cooperative or joint agreement with a governing body or board of control, or that certificate or those certificates most closely related to his or her teaching position, if the certificate holder is employed in a charter school. Except as otherwise provided in this subsection (e), the certificate holder's activities must address ~~a certificate renewal plan shall include a minimum of 3 individual improvement goals developed by the certificate holder and shall reflect~~ purposes (A), (B), ~~and~~ (C) , or (D) and must ~~may~~ reflect purpose (E) ~~(D)~~ of the following continuing professional development purposes:

(A) Advance both the certificate holder's knowledge and skills as a teacher consistent with the Illinois Professional Teaching Standards and the Illinois Content Area Standards in the certificate holder's areas of certification, endorsement, or teaching assignment in order to keep the certificate holder current in those areas.

(B) Develop the certificate holder's knowledge and skills in areas determined to be critical for all Illinois teachers, as defined by the State Board of Education, known as "State priorities".

(C) Address the knowledge, skills, and goals of the certificate holder's local school improvement plan, if the teacher is employed in an Illinois public or State-operated elementary school, secondary school, or cooperative or joint agreement with a governing body or board of control.

(D) Expand the certificate holder's knowledge and skills in an additional teaching field or toward the acquisition of another teaching certificate, endorsement, or relevant education

degree.

(E) Address the needs of serving students with disabilities, including adapting and modifying the general curriculum related to the Illinois Learning Standards to meet the needs of students with disabilities and serving such students in the least restrictive environment. Teachers who hold certificates endorsed for special education must devote at least 50% of their continuing professional development activities to this purpose. Teachers holding other certificates must devote at least 20% of their activities to this purpose.

~~A certificate renewal plan must include a description of how these goals are to be achieved and an explanation of selected continuing professional development activities to be completed, each of which must meet one or more of the continuing professional development purposes specified in this paragraph (2). The plan shall identify potential activities and include projected timelines for those activities that will assure completion of the plan before the expiration of the 5 year validity of the Standard Teaching Certificate. Except as otherwise provided in this subsection (e), at least 50% of continuing professional development units must relate to purposes (A) and (B) set forth in this paragraph (2): the advancement of a certificate holder's knowledge and skills as a teacher consistent with the Illinois Professional Teaching Standards and the Illinois Content Area Standards in the certificate holder's areas of certification, endorsement, or teaching assignment in order to keep the certificate holder current in those areas and the development of a certificate holder's knowledge and skills in the State priorities that exist at the time the certificate renewal plan is developed.~~

A speech-language pathologist or audiologist who is licensed under the Illinois Speech-Language Pathology and Audiology Practice Act and who has met the continuing education requirements of that Act and the rules promulgated under that Act shall be deemed to have satisfied the continuing professional development requirements established by the State Board of Education and the Teacher Certification Board to renew a Standard Certificate.

(3) Continuing professional development activities ~~included in a certificate renewal plan~~ may include, but are not limited to, the following activities:

(A) completion of an advanced degree from an approved institution in an education-related field;

(B) at least 8 semester hours of coursework in an approved education-related program, of which at least 2 semester hours relate to the continuing professional development purpose set forth in purpose (A) of paragraph (2) of this subsection (e), completion of which means no ~~provided that such a plan need not include any~~ other continuing professional development activities are required ~~nor reflect or contain activities related to the other continuing professional development purposes set forth in paragraph (2) of this subsection (e)~~;

(C) continuing education units that satisfy the continuing professional development purposes set forth in paragraph (2) of this subsection (e), with each continuing education unit equal to 5 clock hours, provided that a plan that includes at least 24 continuing education units (or 120 clock/contact hours) need not include any other continuing professional development activities;

(D) completion of the National Board for ~~of~~ Professional Teaching Standards ("NBPTS") process for certification or recertification, completion of which means no ~~provided that a plan that includes completion of the NBPTS process need not include any~~ other continuing professional development activities are required ~~nor reflect or contain activities related to the continuing professional development purposes set forth in paragraph (2) of subsection (e) of this Section~~;

(E) completion of 120 continuing professional development units that satisfy the continuing professional development purposes set forth in paragraph (2) of this subsection (e) and may include without limitation the activities identified in subdivisions (F) through (J) of this paragraph (3);

(F) collaboration and partnership activities related to improving the teacher's knowledge and skills as a teacher, including the following:

(i) participating on collaborative planning and professional improvement teams and committees;

(ii) peer review and coaching;

(iii) mentoring in a formal mentoring program, including service as a consulting teacher participating in a remediation process formulated under Section 24A-5 of this Code;

(iv) participating in site-based management or decision making teams, relevant committees, boards, or task forces directly related to school improvement plans;

(v) coordinating community resources in schools, if the project is a specific goal of the school improvement plan;

(vi) facilitating parent education programs for a school, school district, or

regional office of education directly related to student achievement or school improvement plans;

(vii) participating in business, school, or community partnerships directly related to student achievement or school improvement plans; or

(viii) supervising a student teacher or teacher education candidate in clinical supervision, provided that the supervision may only be counted once during the course of 5 years;

(G) college or university coursework related to improving the teacher's knowledge and skills as a teacher as follows:

(i) completing undergraduate or graduate credit earned from a regionally accredited institution in coursework relevant to the certificate area being renewed, including coursework that incorporates induction activities and development of a portfolio of both student and teacher work that provides experience in reflective practices, provided the coursework meets Illinois Professional Teaching Standards or Illinois Content Area Standards and supports the essential characteristics of quality professional development; or

(ii) teaching college or university courses in areas relevant to the certificate area being renewed, provided that the teaching may only be counted once during the course of 5 years;

(H) conferences, workshops, institutes, seminars, and symposiums related to improving the teacher's knowledge and skills as a teacher, subject to disapproval of the activity or event by the State Teacher Certification Board acting jointly with the State Board of Education, including the following:

(i) completing non-university credit directly related to student achievement, school improvement plans, or State priorities;

(ii) participating in or presenting at workshops, seminars, conferences, institutes, and symposiums;

(iii) training as external reviewers for Quality Assurance; or

(iv) training as reviewers of university teacher preparation programs. ~~;~~

A teacher, however, may not receive credit for conferences, workshops, institutes, seminars, or symposiums that are designed for entertainment, promotional, or commercial purposes or that are solely inspirational or motivational. The State Superintendent of Education and regional superintendents of schools are authorized to review the activities and events provided or to be provided under this subdivision (H) and to investigate complaints regarding those activities and events, and either the State Superintendent of Education or a regional superintendent of schools may recommend that the State Teacher Certification Board and the State Board of Education jointly disapprove those activities and events considered to be inconsistent with this subdivision (H);

(I) other educational experiences related to improving the teacher's knowledge and skills as a teacher, including the following:

(i) participating in action research and inquiry projects;

(ii) observing programs or teaching in schools, related businesses, or industry that is systematic, purposeful, and relevant to certificate renewal;

(iii) traveling related to one's ~~ones~~ teaching assignment, directly related to student achievement or school improvement plans and approved by the regional superintendent of schools or his or her designee at least 30 days prior to the travel experience, provided that the traveling shall not include time spent commuting to destinations where the learning experience will occur;

(iv) participating in study groups related to student achievement or school improvement plans;

(v) serving on a statewide education-related committee, including but not limited to the State Teacher Certification Board, State Board of Education strategic agenda teams, or the State Advisory Council on Education of Children with Disabilities;

(vi) participating in work/learn programs or internships; or

(vii) developing a portfolio of student and teacher work;

(J) professional leadership experiences related to improving the teacher's knowledge and skills as a teacher, including the following:

(i) participating in curriculum development or assessment activities at the school, school district, regional office of education, State, or national level;

(ii) participating in team or department leadership in a school or school district;

(iii) participating on external or internal school or school district review teams;

(iv) publishing educational articles, columns, or books relevant to the certificate area being renewed; or

(v) participating in non-strike related professional association or labor

organization service or activities related to professional development; ~~-~~

(K) receipt of a subsequent Illinois certificate or endorsement pursuant to this Article; or

(L) completion of requirements for meeting the Illinois criteria for becoming "highly qualified" (for purposes of the No Child Left Behind Act of 2001, Public Law 107-110) in an additional teaching area.

(M) Successful completion of 4 semester hours of graduate-level coursework on the assessment of one's own performance in relation to the Illinois Teaching Standards, as described in clause (B) of paragraph (2) of subsection (c) of Section 21-2 of this Code.

(N) Successful completion of a minimum of 4 semester hours of graduate-level coursework addressing preparation to meet the requirements for certification by the National Board for Professional Teaching Standards, as described in clause (C) of paragraph (2) of subsection (c) of Section 21-2 of this Code.

(4) A person must complete the requirements of this subsection (e) before the expiration of his or her Standard Teaching Certificate and must submit assurance to the regional superintendent of schools or, if applicable, a local professional development committee authorized by the regional superintendent to submit recommendations to him or her for this purpose. The statement of assurance shall contain a list of the activities completed, the provider offering each activity, the number of credits earned for each activity, and the purposes to which each activity is attributed. The certificate holder shall maintain the evidence of completion of each activity for at least one certificate renewal cycle. The certificate holder shall affirm under penalty of perjury that he or she has completed the activities listed and will maintain the required evidence of completion. The State Board of Education or the regional superintendent of schools for each region shall conduct random audits of assurance statements and supporting documentation. ~~A certificate renewal plan must initially be approved by the certificate holder's local professional development committee, as provided for in subsection (f) of this Section. If the local professional development committee does not approve the certificate renewal plan, the certificate holder may appeal that determination to the regional professional development review committee, as provided for in paragraph (2) of subsection (g) of this Section. If the regional professional development review committee disagrees with the local professional development committee's determination, the certificate renewal plan shall be deemed approved and the certificate holder may begin satisfying the continuing professional development activities set forth in the plan. If the regional professional development review committee agrees with the local professional development committee's determination, the certificate renewal plan shall be deemed disapproved and shall be returned to the certificate holder to develop a revised certificate renewal plan. In all cases, the regional professional development review committee shall immediately notify both the local professional development committee and the certificate holder of its determination.~~

(5) (Blank). ~~A certificate holder who wishes to modify the continuing professional development activities or goals in his or her certificate renewal plan must submit the proposed modifications to his or her local professional development committee for approval prior to engaging in the proposed activities. If the local professional development committee does not approve the proposed modification, the certificate holder may appeal that determination to the regional professional development review committee, as set forth in paragraph (4) of this subsection (e).~~

(6) (Blank). ~~When a certificate holder changes assignments or school districts during the course of completing a certificate renewal plan, the professional development and continuing education credit earned pursuant to the plan shall transfer to the new assignment or school district and count toward the total requirements. This certificate renewal plan must be reviewed by the appropriate local professional development committee and may be modified to reflect the certificate holder's new work assignment or the school improvement plan of the new school district or school building.~~

(f) Notwithstanding any other provisions of this Code, a school district is authorized to enter into an agreement with the exclusive bargaining representative, if any, to form a local professional development committee (LPDC). The membership and terms of members of the LPDC may be determined by the agreement. Provisions regarding LPDCs contained in a collective bargaining agreement in existence on the effective date of this amendatory Act of the 93rd General Assembly between a school district and the exclusive bargaining representative shall remain in full force and effect for the term of the agreement, unless terminated by mutual agreement. The LPDC shall make recommendations to the regional superintendent of schools on renewal of teaching certificates. The regional superintendent of schools for each region ~~each school district, charter school, and cooperative or joint agreement with a governing body or board of control that employs certificated staff, shall establish and implement, in conjunction with its exclusive representative, if any, one or more local professional development committees, as set forth in this subsection (f), which~~ shall perform the following functions:

(1) review recommendations for ~~and approve~~ certificate renewal , if any, received from LPDCs

~~plans and any modifications made to these plans, including transferred plans;~~

(2) (blank); ~~maintain a file of approved certificate renewal plans;~~

(3) (blank); ~~monitor certificate holders' progress in completing approved certificate renewal plans, provided that a local professional development committee shall not be required to maintain materials submitted by certificate holders to demonstrate their progress in completing their certificate renewal plans after the committee has reviewed the materials and the credits have been awarded;~~

(4) (blank); ~~assist in the development of professional development plans based upon needs identified in certificate renewal plans;~~

(5) determine whether certificate holders have met the requirements for ~~of their~~ certificate renewal ~~plans~~ and notify certificate holders if the decision is not to renew the certificate ~~of its determination~~;

(6) provide a certificate holder with the opportunity to appeal a recommendation made by a LPDC, if any, not to renew the certificate to the regional professional development review committee ~~address the committee when it has determined that the certificate holder has not met the requirements of his or her certificate renewal plan~~;

(7) issue and forward recommendations for renewal or nonrenewal of certificate holders' Standard Teaching Certificates to the State Teacher Certification Board ~~appropriate regional superintendent of schools, based upon whether certificate holders have met the requirements of their approved certificate renewal plans, with 30 day written notice of its recommendation provided to the certificate holder prior to forwarding the recommendation to the regional superintendent of schools, provided that if the local professional development committee's recommendation is for certificate nonrenewal, the written notice provided to the certificate holder shall include a return receipt~~; and

(8) (blank). ~~reconsider its recommendation of certificate nonrenewal, upon request of the certificate holder within 30 days of receipt of written notification that the local professional development committee will make such a recommendation, and forward to the regional superintendent of schools its recommendation within 30 days of receipt of the certificate holder's request.~~

~~Each local professional development committee shall consist of at least 3 classroom teachers; one superintendent or chief administrator of the school district, charter school, or cooperative or joint agreement or his or her designee; and one at-large member who shall be either (i) a parent, (ii) a member of the business community, (iii) a community member, or (iv) an administrator, with preference given to an individual chosen from among those persons listed in items (i), (ii), and (iii) in order to secure representation of an interest not already represented on the committee. Except in a school district in a city having a population exceeding 500,000, a local professional development committee shall be responsible for no more than 200 certificate renewal plans annually unless otherwise mutually agreed upon by the school district, charter school, or governing body or board of control of a cooperative or joint agreement and its exclusive representative, if any. If mutually agreed upon by the school district, charter school, or governing body or board of control of a cooperative or joint agreement and its exclusive representative, if any, additional members may be added to a local professional development committee, provided that a majority of members are classroom teachers. Except in a school district in a city having a population exceeding 500,000, if additional members are added to a local professional development committee, the maximum number of certificate renewal plans for which the committee shall annually be responsible may be increased by 50 plans for each additional member, unless otherwise mutually agreed upon by the school district, charter school, or governing body or board of control of a cooperative or joint agreement and its exclusive representative, if any. The school district, charter school, or governing body or board of control of a cooperative or joint agreement and its exclusive representative, if any, shall determine the term of service of the members of a local professional development committee. All individuals selected to serve on local professional development committees must be known to demonstrate the best practices in teaching or their respective field of practice.~~

~~The exclusive representative, if any, shall select the classroom teacher members of the local professional development committee. If no exclusive representative exists, then the classroom teacher members of a local professional development committee shall be selected by the classroom teachers that come within the local professional development committee's authority. The school district, charter school, or governing body or board of control of a cooperative or joint agreement shall select the 2 non-classroom teacher members (the superintendent or chief administrator of the school district, charter school, or cooperative or joint agreement or his or her designee and the at-large member) of a local professional development committee. Vacancies in positions on a local professional development committee shall be filled in the same manner as the original selections. The members of a local professional development committee shall select a chairperson. Local professional development committee meetings shall be scheduled so as not to interfere with committee members' regularly~~

~~scheduled teaching duties, except when otherwise permitted by the policies of or agreed to or approved by the school district, charter school, or governing body or board of control of a cooperative or joint agreement, or its designee.~~

~~The board of education or governing board shall convene the first meeting of the local professional development committee. All actions taken by the local professional development committee shall require that a majority of committee members be present, and no committee action may be taken unless 50% or more of those present are teacher members.~~

~~The State Board of Education and the State Teacher Certification Board shall jointly provide local professional development committee members with a training manual, and the members shall certify that they have received and read the manual.~~

~~Notwithstanding any other provisions of this subsection (f), for a teacher employed and performing services in a nonpublic or State operated elementary or secondary school, all references to a local professional development committee shall mean the regional superintendent of schools of the regional office of education for the geographic area where the teaching is done.~~

(g)(1) Each regional superintendent of schools shall review and concur or nonconcur with each recommendation for renewal or nonrenewal of a Standard Teaching Certificate he or she receives from a local professional development committee, if any, or, if a certificate holder appeals the recommendation to the regional professional development review committee, the recommendation for renewal or nonrenewal he or she receives from a regional professional development review committee and, within 14 days of receipt of the recommendation, shall provide the State Teacher Certification Board with verification of the following, if applicable:

(A) the certificate holder has satisfactorily completed professional development and continuing education activities set forth in paragraph (3) of subsection (e) of this Section; ~~a certificate renewal plan was filed and approved by the appropriate local professional development committee;~~

(B) the certificate holder has submitted the statement of assurance required under paragraph (4) of subsection (e) of this Section, and this statement has been attached to the application for renewal; ~~the professional development and continuing education activities set forth in the approved certificate renewal plan have been satisfactorily completed;~~

(C) the local professional development committee, if any, has recommended the renewal of the certificate holder's Standard Teaching Certificate and forwarded the recommendation~~, along with all supporting documentation as jointly required by the State Board of Education and the State Teacher Certification Board,~~ to the regional superintendent of schools;

(D) the certificate holder has appealed his or her local professional development committee's recommendation of nonrenewal, if any, to the regional professional development review committee and the result of that appeal;

(E) the regional superintendent of schools has concurred or nonconcurred with the local professional development committee's or regional professional development review committee's recommendation, if any, to renew or nonrenew the certificate holder's Standard Teaching Certificate and made a recommendation to that effect; and

(F) the established registration fee for the Standard Teaching Certificate has been paid.

If ~~At the same time the regional superintendent of schools provides the State Teacher Certification Board with~~ the notice required by this subsection (g) includes a recommendation of certificate nonrenewal, then, at the same time the regional superintendent of schools provides the State Teacher Certification Board with the notice, he or she shall also notify the certificate holder in writing, by certified mail, return receipt requested, that this notice has been provided to the State Teacher Certification Board ~~, provided that if the notice provided by the regional superintendent of schools to the State Teacher Certification Board includes a recommendation of certificate nonrenewal, the written notice provided to the certificate holder shall be by certified mail, return receipt requested~~.

(2) Each certificate holder shall have the right to appeal his or her local professional development committee's recommendation of nonrenewal, if any, to the regional professional development review committee, within 14 days of receipt of notice that the recommendation has been sent to the regional superintendent of schools. Each regional superintendent of schools shall establish a regional professional development review committee or committees for the purpose of advising the regional superintendent of schools, upon request, and handling certificate holder appeals. This committee shall consist of at least 4 classroom teachers, one non-administrative certificated educational employee, 2 administrators, and one at-large member who shall be either (i) a parent, (ii) a member of the business community, (iii) a community member, or (iv) an administrator, with preference given to an individual chosen from among those persons listed in items (i), (ii), and (iii) in order to secure representation of an interest not already

represented on the committee. The teacher and non-administrative certificated educational employee members of the review committee shall be selected by their exclusive representative, if any, and the administrators and at-large member shall be selected by the regional superintendent of schools. A regional superintendent of schools may add additional members to the committee, provided that the same proportion of teachers to administrators and at-large members on the committee is maintained. Any additional teacher and non-administrative certificated educational employee members shall be selected by their exclusive representative, if any. Vacancies in positions on a regional professional development review committee shall be filled in the same manner as the original selections. Committee members shall serve staggered 3-year terms. All individuals selected to serve on regional professional development review committees must be known to demonstrate the best practices in teaching or their respective field of practice.

~~The exclusive representative responsible for choosing the individuals that serve on a regional professional development review committee shall notify each school district, charter school, or governing body or board of control of a cooperative or joint agreement employing the individuals chosen to serve and provide their names to the appropriate regional superintendent of schools. Regional professional development review committee meetings shall be scheduled so as not to interfere with the committee members' regularly scheduled teaching duties, except when otherwise permitted by the policies of or agreed to or approved by the school district, charter school, or governing body or board of control of a cooperative or joint agreement, or its designee, provided that the school district, charter school, or governing body or board of control shall not unreasonably withhold permission for a committee member to attend regional professional development review committee meetings.~~

~~In a city having a population exceeding 500,000 that does not have a regional office of education, one or more separate regional professional development review committees shall be established as mutually agreed upon by the board of education of the school district organized under Article 34 of this Code and the exclusive representative. The composition of each committee shall be the same as for a regional professional development review committee, except that members of the committee shall be jointly appointed by the board of education and the exclusive representative. All other provisions of this Section concerning regional professional development review committees shall apply to these committees.~~

~~The regional professional development review committee may require information in addition to that received from a certificate holder's local professional development committee or request that the certificate holder appear before it, shall either concur or nonconcur with a local professional development committee's recommendation of nonrenewal, and shall forward to the regional superintendent of schools its recommendation of renewal or nonrenewal. All actions taken by the regional professional development review committee shall require a quorum and be by a simple majority of those present and voting. A record of all votes shall be maintained. The committee shall have 45 days from receipt of a certificate holder's appeal to make its recommendation to the regional superintendent of schools.~~

~~The State Board of Education and the State Teacher Certification Board shall jointly provide regional professional development review committee members with a training manual, and the members shall be required to attend one training seminar sponsored jointly by the State Board of Education and the State Teacher Certification Board.~~

(h)(1) The State Teacher Certification Board shall review the regional superintendent of schools' recommendations to renew or nonrenew Standard Teaching Certificates and notify certificate holders in writing whether their certificates have been renewed or nonrenewed within 90 days of receipt of the recommendations, unless a certificate holder has appealed a regional superintendent of schools' recommendation of nonrenewal, as provided in paragraph (2) of this subsection (h). The State Teacher Certification Board shall verify that the certificate holder has met the renewal criteria set forth in paragraph (1) of subsection (g) of this Section.

(2) Each certificate holder shall have the right to appeal a regional superintendent of school's recommendation to nonrenew his or her Standard Teaching Certificate to the State Teacher Certification Board, within 14 days of receipt of notice that the decision has been sent to the State Teacher Certification Board, which shall hold an appeal hearing within 60 days of receipt of the appeal. When such an appeal is taken, the certificate holder's Standard Teaching Certificate shall continue to be valid until the appeal is finally determined. The State Teacher Certification Board shall review the regional superintendent of school's recommendation, the regional professional development review committee's recommendation, if any, and the local professional development committee's recommendation, if any, and all relevant documentation to verify whether the certificate holder has met the renewal criteria set forth in paragraph (1) of subsection (g) of this Section. The State Teacher Certification Board may request that the certificate holder appear before it. All actions taken by the State Teacher Certification

Board shall require a quorum and be by a simple majority of those present and voting. A record of all votes shall be maintained. The State Teacher Certification Board shall notify the certificate holder in writing, within 7 days of completing the review, whether his or her Standard Teaching Certificate has been renewed or nonrenewed, provided that if the State Teacher Certification Board determines to nonrenew a certificate, the written notice provided to the certificate holder shall be by certified mail, return receipt requested. All certificate renewal or nonrenewal decisions of the State Teacher Certification Board are final and subject to administrative review, as set forth in Section 21-24 of this Code.

(i) Holders of Master Teaching Certificates shall meet the same requirements and follow the same procedures as holders of Standard Teaching Certificates, except that their renewal cycle shall be as set forth in subsection (d) of Section 21-2 of this Code and their renewal requirements shall be subject to paragraph (8) of subsection (c) of Section 21-2 of this Code.

A holder of a teaching certificate endorsed as a speech-language pathologist who has been granted the Certificate of Clinical Competence by the American Speech-Language Hearing Association may renew his or her Standard Teaching Certificate pursuant to the 10-year renewal cycle set forth in subsection (d) of Section 21-2 of this Code.

(j) Holders of Valid and Exempt Standard and Master Teaching Certificates who are not employed and performing services in an Illinois public or State-operated elementary school, secondary school, or cooperative or joint agreement with a governing body or board of control, in a certificated teaching position, may voluntarily activate their certificates through ~~by developing and submitting a certificate renewal plan to~~ the regional superintendent of schools of the regional office of education for the geographic area where their teaching is done~~, who, or whose designee, shall approve the plan and serve as the certificate holder's local professional development committee~~. These certificate holders shall follow the same renewal criteria and procedures as all other Standard and Master Teaching Certificate holders, except that their continuing professional development activities need not ~~plans shall not be required to~~ reflect or address the knowledge, skills, and goals of a local school improvement plan.

(k) (Blank). ~~Each school district, charter school, or cooperative or joint agreement shall be paid an annual amount of not less than $1,000, as determined by a formula based on the number of Standard Teaching and Master Teaching Certificate holders, subject to renewal and established by rule, not to exceed $1,000,000 annually for all school districts, charter schools, and cooperatives or joint agreements, for administrative costs associated with conducting the meetings of the local professional development committee, as determined in consultation with the committee. Each regional office of education shall receive $2,000 annually to pay school districts, charter schools, or cooperatives or joint agreements for costs, as defined by rule, incurred in staff attendance at regional professional development review committee meetings and the training seminar required under paragraph (2) of subsection (g) of this Section.~~

(l) (Blank). ~~The State Board of Education and the State Teacher Certification Board shall jointly contract with an independent party to conduct a comprehensive evaluation of the certificate renewal system pursuant to this Section. The first report of this evaluation shall be presented to the General Assembly on January 1, 2005 and on January 1 of every third year thereafter.~~

(m) The changes made to this Section by this amendatory Act of the 93rd General Assembly that affect renewal of Standard and Master Certificates shall apply to those persons who hold Standard or Master Certificates on or after the effective date of this amendatory Act of the 93rd General Assembly and shall be given effect upon renewal of those certificates.

(Source: P.A. 92-510, eff. 6-1-02; 92-796, eff. 8-10-02; 93-81, eff. 7-2-03.)

(105 ILCS 5/21-16) (from Ch. 122, par. 21-16)

Sec. 21-16. Fees - Requirement for registration.

(a) Until February 15, 2000, every applicant when issued a certificate shall pay to the regional superintendent of schools a fee of $1, which shall be paid into the institute fund. Every certificate issued under the provisions of this Act shall be registered annually or, at the option of the holder of the certificate, once every 3 years. The regional superintendent of schools having supervision and control over the school where the teaching is done shall register the certificate before the holder begins to teach, otherwise it shall be registered in any county in the State of Illinois; and one fee of $4 per year for registration or renewal of one or more certificates which have been issued to the same holder shall be paid into the institute fund.

Until February 15, 2000, requirements for registration of any certificate limited in time shall include evidence of professional growth defined as successful teaching experience since last registration of certificate, attendance at professional meetings, membership in professional organizations, additional credits earned in recognized teacher-training institutions, travel specifically for educational experience,

reading of professional books and periodicals, filing all reports as required by the regional superintendent of schools and the State Superintendent of Education or such other professional experience or combination of experiences as are presented by the teacher and are approved by the State Superintendent of Education in consultation with the State Teacher Certification Board. A duplicate certificate may be issued to the holder of a valid life certificate or valid certificate limited in time by the State Superintendent of Education; however, it shall only be issued upon request of a regional superintendent of schools and upon payment to the regional superintendent of schools who requests such duplicate a fee of $4.

(b) Beginning February 15, 2000, all persons who are issued Standard Teaching Certificates pursuant to clause (ii) of paragraph (1) of subsection (c) of Section 21-2 and all persons who renew Standard Teaching Certificates shall pay a $25 fee for registration of all certificates held. All persons who are issued Standard Teaching Certificates under clause (i) of paragraph (1) of subsection (c) of Section 21-2 and all other applicants for Standard Teaching Certificates shall pay an original application fee, pursuant to Section 21-12, and a $25 fee for registration of all certificates held. These certificates shall be registered and the registration fee paid once every 5 years. Standard Teaching Certificate applicants and holders shall not be required to pay any other registration fees for issuance or renewal of their certificates, except as provided in Section 21-17 of this Code. Beginning February 15, 2000, Master Teaching Certificates shall be issued and renewed upon payment by the applicant or certificate holder of a $50 fee for registration of all certificates held. These certificates shall be registered and the fee paid once every 10 years. Master Teaching Certificate applicants and holders shall not be required to pay any other application or registration fees for issuance or renewal of their certificates, except as provided in Section 21-17 of this Code. All other certificates issued under the provisions of this Code shall be registered for the validity period of the certificate at the rate of $5 per year for the total number of years for which the certificate is valid for registration of all certificates held, or for a maximum of 5 years for life certificates. The regional superintendent of schools having supervision and control over the school where the teaching is done shall register the certificate before the holder begins to teach, otherwise it shall be registered in any county in the State of Illinois. Each holder shall pay the appropriate registration fee to the regional superintendent of schools. The regional superintendent of schools shall deposit the registration fees into the institute fund. Any certificate holder who teaches in more than one educational service region shall register the certificate or certificates in all regions where the teaching is done, but shall be required to pay one registration fee for all certificates held, provided holders of certificates issued pursuant to Section 21-9 of this Code shall be required to pay one registration fee, in each educational service region in which his or her certificate or certificates are registered, for all certificates held.

A duplicate certificate may be issued to the holder of a valid life certificate or valid certificate limited in time by the State Superintendent of Education; however, it shall only be issued upon request of a regional superintendent of schools and upon payment to the regional superintendent of schools who requests the duplicate a fee of $4, which shall be deposited into the institute fund.

The State Board of Education and each regional office of education are authorized to charge a service or convenience fee for the use of credit cards for the payment of certification fees. This service or convenience fee may not exceed the amount required by the credit card processing company or vendor that has entered into a contract with the State Board or regional office of education for this purpose, and the fee must be paid to that company or vendor.

(Source: P.A. 91-102, eff. 7-12-99; 92-796, eff. 8-10-02.)

(105 ILCS 5/21-17) (from Ch. 122, par. 21-17)

Sec. 21-17. Fee and duplicate certificate. A duplicate certificate shall be issued by the State Superintendent of Education when requested by the regional superintendent of schools as provided in Section 21-16. The request for a duplicate certificate shall be accompanied by a fee of $4, which shall be deposited into the Teacher Certificate Fee Revolving Fund.

The State Board of Education and each regional office of education are authorized to charge a service or convenience fee for the use of credit cards for the payment of certification fees. This service or convenience fee may not exceed the amount required by the credit card processing company or vendor that has entered into a contract with the State Board or regional office of education for this purpose, and the fee must be paid to that company or vendor.

(Source: P.A. 91-102, eff. 7-12-99.)

(105 ILCS 5/21-18) (from Ch. 122, par. 21-18)

Sec. 21-18. Registration of life certificate-Fee.

The holder of any life certificate, while he continues to teach, shall annually before entering upon his duties, present his certificate or proper evidence thereof to the regional ~~county~~ superintendent of schools

~~for registration~~ and pay a fee of $2, which fee shall be paid into the institute fund.

The State Board of Education and each regional office of education are authorized to charge a service or convenience fee for the use of credit cards for the payment of certification fees. This service or convenience fee may not exceed the amount required by the credit card processing company or vendor that has entered into a contract with the State Board or regional office of education for this purpose, and the fee must be paid to that company or vendor.

(Source: Laws 1961, p. 31.)

(105 ILCS 5/21-23) (from Ch. 122, par. 21-23)

Sec. 21-23. Suspension or revocation of certificate.

(a) Any certificate issued pursuant to this Article, including but not limited to any administrative certificate or endorsement, may be suspended for a period not to exceed one calendar year by the regional superintendent or for a period not to exceed 5 calendar years by the State Superintendent of Education upon evidence of immorality, a condition of health detrimental to the welfare of pupils, incompetency, unprofessional conduct, the neglect of any professional duty, willful failure to report an instance of suspected child abuse or neglect as required by the Abused and Neglected Child Reporting Act, failure to establish satisfactory repayment on an educational loan guaranteed by the Illinois Student Assistance Commission, or other just cause. Unprofessional conduct shall include refusal to attend or participate in, institutes, teachers' meetings, professional readings, or to meet other reasonable requirements of the regional superintendent or State Superintendent of Education. Unprofessional conduct also includes conduct that violates the standards, ethics, or rules applicable to the security, administration, monitoring, or scoring of, or the reporting of scores from, any assessment test or the Prairie State Achievement Examination administered under Section 2-3.64 or that is known or intended to produce or report manipulated or artificial, rather than actual, assessment or achievement results or gains from the administration of those tests or examinations. It shall also include neglect or unnecessary delay in making of statistical and other reports required by school officers. The regional superintendent or State Superintendent of Education shall upon receipt of evidence of immorality, a condition of health detrimental to the welfare of pupils, incompetency, unprofessional conduct, the neglect of any professional duty or other just cause serve written notice to the individual and afford the individual opportunity for a hearing prior to suspension. If a hearing is requested within 10 days of notice of opportunity for hearing it shall act as a stay of proceedings not to exceed 30 days, unless the individual requests a delay. In such an instance, the stay of proceedings must be continued for another 30 days. No certificate shall be suspended until the teacher has an opportunity for a hearing at the educational service region. When a certificate is suspended, the right of appeal shall lie to the State Teacher Certification Board. When an appeal is taken within 10 days after notice of suspension it shall act as a stay of proceedings not to exceed 120 ~~60~~ days. If a certificate is suspended for a period greater than one year, the State Superintendent of Education shall review the suspension prior to the expiration of that period to determine whether the cause for the suspension has been remedied or continues to exist. Upon determining that the cause for suspension has not abated, the State Superintendent of Education may order that the suspension be continued for an appropriate period. Nothing in this Section prohibits the continuance of such a suspension for an indefinite period if the State Superintendent determines that the cause for the suspension remains unabated. Any certificate may be revoked for the same reasons as for suspension by the State Superintendent of Education. No certificate shall be revoked until the teacher has an opportunity for a hearing before the State Teacher Certification Board, which hearing must be held within 120 ~~60~~ days from the date the appeal is taken , unless the State Teacher Certification Board requests a delay. In such an instance, the stay of the revocation proceedings must be continued until the completion of the proceedings.

The State Board may refuse to issue or may suspend the certificate of any person who fails to file a return, or to pay the tax, penalty or interest shown in a filed return, or to pay any final assessment of tax, penalty or interest, as required by any tax Act administered by the Illinois Department of Revenue, until such time as the requirements of any such tax Act are satisfied.

(b) Any certificate issued pursuant to this Article may be suspended for an appropriate length of time as determined by either the regional superintendent or State Superintendent of Education upon evidence that the holder of the certificate has been named as a perpetrator in an indicated report filed pursuant to the Abused and Neglected Child Reporting Act, approved June 26, 1975, as amended, and upon proof by clear and convincing evidence that the licensee has caused a child to be an abused child or neglected child as defined in the Abused and Neglected Child Reporting Act.

The regional superintendent or State Superintendent of Education shall, upon receipt of evidence that the certificate holder has been named a perpetrator in any indicated report, serve written notice to the individual and afford the individual opportunity for a hearing prior to suspension. If a hearing is

requested within 10 days of notice of opportunity for hearing, it shall act as a stay of proceedings not to exceed 30 days, unless the individual requests a delay. In such an instance, the stay of proceedings must be continued for another 30 days. No certificate shall be suspended until the teacher has an opportunity for a hearing at the educational service region. When a certificate is suspended, the right of appeal shall lie to the State Teacher Certification Board. When an appeal is taken within 10 days after notice of suspension it shall act as a stay of proceedings not to exceed 120 ~~60~~ days. The State Superintendent may revoke any certificate upon proof at hearing by clear and convincing evidence that the certificate holder has caused a child to be an abused child or neglected child as defined in the Abused and Neglected Child Reporting Act. No certificate shall be revoked until the teacher has an opportunity for a hearing before the State Teacher Certification Board, which hearing must be held within 120 ~~60~~ days from the date the appeal is taken , unless the teacher or the hearing officer appointed by the State Teacher Certification Board requests a delay. In such an instance, the stay of the revocation proceedings must be continued until the completion of the proceedings.

(c) The State Superintendent of Education or a person designated by him shall have the power to administer oaths to witnesses at any hearing conducted before the State Teacher Certification Board pursuant to this Section. The State Superintendent of Education or a person designated by him is authorized to subpoena and bring before the State Teacher Certification Board any person in this State and to take testimony either orally or by deposition or by exhibit, with the same fees and mileage and in the same manner as prescribed by law in judicial proceedings in the civil cases in circuit courts of this State.

Any circuit court, upon the application of the State Superintendent of Education, may, by order duly entered, require the attendance of witnesses and the production of relevant books and papers at any hearing the State Superintendent of Education is authorized to conduct pursuant to this Section, and the court may compel obedience to its orders by proceedings for contempt.

(d) As used in this Section, "teacher" means any school district employee regularly required to be certified, as provided in this Article, in order to teach or supervise in the public schools.
(Source: P.A. 89-610, eff. 8-6-96.)

Section 90. The State Mandates Act is amended by adding Section 8.28 as follows:
(30 ILCS 805/8.28 new)
Sec. 8.28. Exempt mandate. Notwithstanding Sections 6 and 8 of this Act, no reimbursement by the State is required for the implementation of any mandate created by this amendatory Act of the 93rd General Assembly.

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

And on that motion, a call of the roll was had resulting as follows:

Yeas 33; Nays 8; Present 13.

The following voted in the affirmative:

Clayborne	Haine	Martinez	Sullivan, J.
Collins	Halvorson	Meeks	Trotter
Crotty	Harmon	Munoz	Viverito
Cullerton	Hendon	Obama	Walsh
del Valle	Hunter	Ronen	Welch
DeLeo	Jacobs	Sandoval	Mr. President
Demuzio	Lightford	Schoenberg	
Forby	Link	Shadid	
Garrett	Maloney	Silverstein	

The following voted in the negative:

Brady	Lauzen	Sullivan, D.
Burzynski	Rutherford	Winkel
Jones, J.	Soden	

The following voted present:

Althoff	Luechtefeld	Righter	Watson
Bomke	Peterson	Risinger	
Cronin	Radogno	Sieben	
Jones, W.	Rauschenberger	Syverson	

The motion prevailed.
And the amendment was adopted, and ordered printed.
There being no further amendments, the bill, as amended, was ordered to a third reading.

MESSAGE FROM THE HOUSE

A message from the House by
Mr. Mahoney, Clerk:
Mr. President -- I am directed to inform the Senate that the House of Representatives has adopted the following joint resolution, in the adoption of which I am instructed to ask the concurrence of the Senate, to-wit:

HOUSE JOINT RESOLUTION NO. 81

WHEREAS, Pedestrians have been killed or injured by trains at railroad crossings in northeastern Illinois; and

WHEREAS, A fifth grade student, Michael S. DeLarco of Schaumburg, was killed in one of these incidents on February 23, 2004; and

WHEREAS, All persons recognize the urgent need to prevent tragedies of this kind in the future; therefore, be it

RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE NINETY-THIRD GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, THE SENATE CONCURRING HEREIN, that we urge the Illinois Commerce Commission to perform a study of the crossing gates and other protective devices currently in use at those railroad crossings in northeastern Illinois, where pedestrian traffic is allowed by law, to determine the adequacy of those gates and other devices and whether additional steps should be taken to increase the safety of those crossings; and be it further

RESOLVED, that we urge the Commission to present a report of its findings to the Governor, the Secretary of Transportation, and the General Assembly, no later than March 31, 2005; and be it further

RESOLVED, That suitable copies of this resolution be delivered to the Governor, to the Secretary of Transportation, and to the chairman and members of the Illinois Commerce Commission.

Adopted by the House, May 30, 2004.

MARK MAHONEY, Clerk of the House

The foregoing message from the House of Representatives, reporting House Joint Resolution No. 81, was referred to the Committee on Rules.

RESOLUTIONS CONSENT CALENDAR

SENATE RESOLUTION 567
Offered by Senator Haine and all Senators:
Mourns the death of Edward B. “Duke” Blair Sr. of Alton.

SENATE RESOLUTION 568
Offered by Senator Haine and all Senators:
Mourns the death of Dr. Peter J. McFarlane of Godfrey.

SENATE RESOLUTION 571
Offered by Senator Hunter and all Senators:
Mourns the death of George D. Hunter.

SENATE RESOLUTION 573
Offered by Senator Wojcik and all Senators:
Mourns the death of Staff Sergeant William D. Chaney of Schaumburg.

SENATE RESOLUTION 574
Offered by Senator Risinger and all Senators:
Mourns the death of Robert L. Bass of Galesburg.

SENATE RESOLUTION 575
Offered by Senator Risinger and all Senators:
Mourns the death of Herbert C. Pierson of Annawan.

SENATE RESOLUTION 577
Offered by Senator Clayborne and all Senators:
Mourns the death of Risbia Randolph of East St. Louis.

SENATE RESOLUTION 578
Offered by Senator Clayborne and all Senators:
Mourns the death of Honorable C. Glenn "Owlie" Stevens of Belleville.

SENATE RESOLUTION 579
Offered by Senator Forby and all Senators:
Mourns the death of William H. "Bill" Hobbs of Benton.

SENATE RESOLUTION 580
Offered by Senator Harmon - DeLeo and all Senators:
Mourns the death of Charles R. Feller

SENATE RESOLUTION 581
Offered by Senator Schoenberg and all Senators:
Mourns the death of Darrell Pollack of Buffalo Grove.

SENATE RESOLUTION 582
Offered by Senator Brady and all Senators:
Mourns the death of Jeremy Ridlen of Decatur.

SENATE RESOLUTION 583
Offered by Senator Ronen and all Senators:
Mourns the death of Ed Marciniak of Chicago.

SENATE RESOLUTION 584
Offered by Senator Link and all Senators:
Mourns the death of John Louis Rubich of Waukegan.

SENATE RESOLUTION 585
Offered by Senator Harmon and all Senators:
Mourns the death of John M. Kerivan, Jr. of Northlake.

Senator Halvorson moved the adoption of the foregoing resolutions. The motion prevailed. And the resolutions were adopted.

MESSAGE FROM THE PRESIDENT

OFFICE OF THE SENATE PRESIDENT
STATE OF ILLINOIS

EMIL JONES, JR.
SENATE PRESIDENT

327 STATE CAPITOL
Springfield, Illinois 62706

MEMORANDUM

TO: All Members of the Senate

FROM: Senate President Emil Jones, Jr.

RE: Senate Schedule for June 2004

DATE: June 1, 2004

Attached is the Senate Schedule for the month of June 2004. Please be prepared to return to the State Capitol Building upon 24 hours notice.

Friday, June 4, 2004	Perfunctory Session
Monday, June 7, 2004	Perfunctory Session
Wedneday, June 9, 2004	Perfunctory Session
Friday, June 11, 2004	Perfunctory Session
Monday, June 14, 2004	Perfunctory Session
Wednesday, June 16, 2004	Perfunctory Session
Friday, June 18, 2004	Perfunctory Session
Monday, June 21, 2004	Perfunctory Session
Wednesday, June 23, 2004	Perfunctory Session
Friday, June 25, 2004	Perfunctory Session
Monday, June 28, 2004	Perfunctory Session
Wednesday, June 30, 2004	Perfunctory Session

Senator Burzynski announced there would be a Republican caucus immediately upon adjournment.

At the hour of 12:35 o'clock p.m., the Chair announced that the Senate stand adjourned until Friday, June 4, 2004, in perfunctory session.