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DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

NOTICE OF PROPOSED AMENDMENTS

- 1) Heading of the Part: State of Illinois Dependent Care Assistance Plan
- 2) Code Citation: 80 Ill. Admin. Code 2110
- 3)

| <u>Section Numbers:</u> | <u>Proposed Action:</u> |
|-------------------------|-------------------------|
| 2110.30 | Amendment |
| 2110.110 | Amendment |
| 2110.120 | Amendment |
| 2110.210 | Amendment |
| 2110.220 | Amendment |
| 2110.230 | Amendment |
| 2110.310 | Amendment |
| 2110.320 | Amendment |
| 2110.330 | Amendment |
| 2110.410 | Amendment |
| 2110.420 | Amendment |
| 2110.430 | Amendment |
| 2110.440 | Amendment |
| 2110.510 | Amendment |
| 2110.520 | Amendment |
| 2110.530 | Amendment |
| 2110.540 | Amendment |
| 2110.610 | Amendment |
| 2110.620 | Amendment |
| 2110.710 | Amendment |
| 2110.720 | Amendment |
| 2110.740 | Amendment |
| 2110.810 | Amendment |
- 4) Statutory Authority: Implementing Sections 125 and 129(d) of the Internal Revenue Code (26 USC 125 and 129(d)), Section 405-110 of the Civil Administrative Code of Illinois [20 ILCS 405/405-110], Section 30c of the State Finance Act [30 ILCS 105/30c], and Sections 3 and 9 of the State Employees Group Insurance Act of 1971 [5 ILCS 375/3 and 9] and authorized by Section 5-625 of the Civil Administrative Code of Illinois [20 ILCS 5/5-625].
- 5) A Completed Description of the Subjects and Issues Involved: Generally, the proposed amendments outline the eligibility and participation requirements for the State of Illinois Dependent Care Assistance Plan (Plan). Specifically, some definitions were deleted and others added and changes were made to clarify the eligibility requirements for the Plan

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

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and more clearly define the role of the Department and the Plan Administrator. Also, technical changes have been made for clarity purposes, and additional modifications were made to the Authority under which the Plan is implemented to make the Plan consistent with numerical changes in Code Sections enacted by the legislature.

- 6) Will this rulemaking replace any emergency rulemaking currently in effect? No
- 7) Does this rulemaking contain an automatic repeal date? No
- 8) Does this rulemaking include incorporations by reference? Yes
- 9) Are there any other proposed amendments pending on this Part? No
- 10) Statement of Statewide Policy Objectives: These proposed rules neither create nor expand any State mandate on units of local government, school districts or community college districts.
- 11) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: Interested persons may submit written comments within 45 days after the date of publication to:

Gina Wilson
Illinois Department of Central Management Services
720 Stratton Office Building
Springfield, Illinois 62706

217/785-1793

Interested persons may discuss the rulemaking with:

Janice Bonneville
Illinois Department of Central Management Services
720 Stratton Office Building
Springfield, IL 62706

217/782-9491

- 12) Initial Regulatory Flexibility Analysis:
 - A) Types of small businesses, small municipalities and not for profit corporations

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affected: None

B) Reporting, bookkeeping or other procedures required for compliance: None

C) Type of professional skills necessary for compliance: None

13) Regulatory Agenda on which this rulemaking was summarized: July 2005

The full text of the Proposed Amendments begins on the next page:

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TITLE 80: PUBLIC OFFICIALS AND EMPLOYEES

SUBTITLE F: EMPLOYEE BENEFITS

CHAPTER I: DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

PART 2110

STATE OF ILLINOIS DEPENDENT CARE ASSISTANCE PLAN

SUBPART A: INTRODUCTION AND DEFINITIONS

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| Section | |
| 2110.10 | Summary and Purpose of Plan |
| 2110.20 | Plan Number |
| 2110.30 | Definitions |

SUBPART B: ADMINISTRATION

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| Section | |
| 2110.110 | Role of the Department/ Plan Administrator |
| 2110.120 | Expenses of Administration |

SUBPART C: PARTICIPATION

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| 2110.220 | Insufficient Salary |
| 2110.230 | Errors |
| 2110.240 | Reinstatement of Former Participant (Repealed) |

SUBPART D: ELECTION TO RECEIVE DEPENDENT CARE ASSISTANCE

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|----------|-----------------------------------|
| Section | |
| 2110.310 | Election Procedure |
| 2110.320 | Irrevocability of Election |
| 2110.330 | Maximum Dependent Care Assistance |
| 2110.340 | Minimum Dependent Care Assistance |

SUBPART E: DEPENDENT CARE ASSISTANCE ACCOUNTS

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| 2110.410 | Establishment of Accounts |

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

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- 2110.420 Crediting of Accounts
- 2110.430 Debiting of Accounts
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SUBPART F: PAYMENT OF DEPENDENT CARE ASSISTANCE ACCOUNTS

Section

- 2110.510 Claims for Reimbursement
- 2110.520 Reimbursement of Participant
- 2110.530 Exclusions
- 2110.540 Statements

SUBPART G: TERMINATION OF PARTICIPATION

Section

- 2110.610 Termination or Death of Participant
- 2110.620 Fraud

SUBPART H: MISCELLANEOUS

Section

- 2110.710 Non-discrimination
- 2110.720 Illegality of a Particular Provision
- 2110.730 Applicable Law
- 2110.740 Rights Against the Employer
- 2110.750 Effect on Pension
- 2110.760 Effect on Social Security
- 2110.770 Benefits Solely From General Assets
- 2110.780 Nonassignability of Rights
- 2110.790 Tax Consequences
- 2110.800 Indemnification of State by Participants
- 2110.810 Right to Amend and Terminate Reserved

AUTHORITY: Implementing Sections 125 and 129(d) of the Internal Revenue Code (26 USC 125 and 129(d)), Section 405-110 of the Civil Administrative Code of Illinois [20 ILCS 405/405-110], Section 30c of the State Finance Act [30 ILCS 105/30c], and Sections 3 and 9 of the State Employees Group Insurance Act of 1971 [5 ILCS 375/3 and 9] and authorized by Section 5-625 of the Civil Administrative Code of Illinois [20 ILCS 5/5-625].

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NOTICE OF PROPOSED AMENDMENTS

SOURCE: Emergency rules adopted at 10 Ill. Reg. 20248, effective December 1, 1986, for a maximum of 150 days; adopted at 11 Ill. Reg. 9477, effective April 30, 1987; emergency amendments at 12 Ill. Reg. 11795, effective July 1, 1988, for a maximum of 150 days; amended at 12 Ill. Reg. 17283, effective October 14, 1988; emergency amendments at 13 Ill. Reg. 214, effective January 1, 1989, for a maximum of 150 days; amended at 13 Ill. Reg. 9259, effective May 31, 1989; amended at 16 Ill. Reg. 13801, effective August 28, 1992; amended at 19 Ill. Reg. 8590, effective June 14, 1995; amended at 21 Ill. Reg. 2950, effective February 21, 1997; amended at 30 Ill. Reg. _____, effective _____.

SUBPART A: INTRODUCTION AND DEFINITIONS

Section 2110.30 Definitions

- a) Wherever used in the Plan, the following terms have the following meanings and when the defined meaning is intended, the term is capitalized:

"Anticipated Payroll" means those payrolls in which the Participant is issued a paycheck during the Pay Period that the deduction is taken.

"Change in Family Status" means marriage, divorce, death of Spouse or child, ~~birth or~~ adoption of child, return to work after birth of a child termination of employment of Spouse, or any other events which the Department determines constitute a Change in Family Status.

"Code" means the Internal Revenue Code of 1954 (26 USC 1 et seq. [1985]) and applicable regulations, or any successor statute.

"Compensation" means wages, salaries and other Employee Compensation received by a Participant or Spouse, including the net earnings from self-employment within the meaning of Section 1402(a) of the Code.

"Delayed Payroll" means those payrolls in which the Participant is issued a paycheck following the Pay Period that the deduction is taken.

"Department" means the Illinois Department of Central Management Services.

"Dependent" means a Participant's Qualifying Child, Spouse or Qualifying Relative.

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

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"Dependent Care Expenses" mean expenses incurred by a Participant ~~that~~^{which}:

are incurred for the well-being and protection of a Dependent of the Participant,

are paid to a Dependent Care Service Provider, and

are incurred to enable the Participant and his or her Spouse to be gainfully employed.

Dependent Care Expenses~~They~~ may be for household services if part of the services are for the care of the Dependent.

Dependent Care Expenses do not include expenses paid or incurred for services provided by:

a child of the Participant who is under the age of 19 at the close of the Plan Year; or

an individual who the Participant or Spouse can claim as an exemption on his or her income tax form.

Examples of eligible expenses are:

Day care centers. ~~The~~^{Such} centers must comply with all applicable laws and regulations of a State or unit of local government.

Nursery schools and pre-schools (private or public).

Before and after-school care.

Babysitters or nurses or grandparents or any other Dependent Care Service Providers inside or outside the Participant's home.

Household services. The services of a housekeeper, maid, or cook are eligible expenses if performed partly for the benefit of the Dependent.

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Work-related expenses. Any work-related expenses ~~that~~which allow the Participant (and Spouse, if married) to work. Examples are meals and lodging for a housekeeper and Social Security and Federal unemployment taxes paid on wages.

Summer day camps (full day camps used as day care).

Examples of expenses that are not eligible are:

The cost of schooling for children in kindergarten~~the first grade~~ or higher.

Chauffeur or gardener services.

Expenses claimed on the Participant's income tax return or by another taxpayer.

Transportation related to dependent care services.

Summer camp (not day care and usually includes an overnight stay) and special instruction, i.e., dance, music, art and swimming lessons, ~~are examples of expenses which are not eligible for Reimbursement.~~

Expenses~~Other examples of those expenses which are not eligible are those~~ not allowed by the Internal Revenue Service for the child and dependent care credit on an income tax return.

"Dependent Care Service Provider" means a person or institution ~~that~~which provides care or other services described in the definition of Dependent Care Expenses ~~above~~.

~~"Dependents" are classified as children under age 13 whom the Participant is entitled to claim as an exemption on his or her income tax form or older persons (including Spouses) who require care while the Participant or Spouse work. To qualify for dependent care Reimbursement for persons over age 13, the following must apply:~~

~~Dependent must spend eight or more hours a day in Participant's home.~~

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

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~~Dependent must be physically or mentally incapable of being left alone.~~

~~Dependent could be claimed as a dependent on Participant's income tax return except that the person has gross income of \$1,900 or more.~~

~~A non-custodial parent who receives an income tax exemption under 151(e) of the Code cannot claim that child as a Dependent for purposes of this Plan.~~

~~"Effective Date" means any paycheck issued after July 1 of the Plan Year.~~

~~"Eligible Employee" means any employee working fulltime or not less than half time who is eligible to participate in the Health Plan authorized by the State Employees Group Insurance Act of 1971 [5 ILCS 375]. It includes those employees who have lost eligibility to participate in the Health Plan because of a reduction in hours worked but have chosen continuation coverage through payroll deduction as authorized by the Consolidated Omnibus Budget Reconciliation Act (COBRA) (P.L. 99-272) as long as there is no break in coverage or payroll deductions. An Eligible Employee of the Employer excludes independent contractors, temporary employees and retirees who return to work for not longer than 75 days per year after they retire.~~

~~"Employee" means an Employee of the Employer excluding independent contractors, temporary employees, and retirees who return to work for not longer than 75 days per year after they retire.~~

"Employer" means the State of Illinois, which includes all officers, boards, commissions, and agencies created by the Illinois Constitution, whether in the executive, legislative or judicial branch, all officers, departments, boards, commissions, agencies, institutions, authorities, universities, bodies politic and corporate of the State; and administrative units or corporate outgrowths of the State government ~~that~~ which are created by or pursuant to statute other than units of local government and their officers, school districts and boards of election commissioners, and all administrative units and corporate outgrowths of the above as may be created by executive order of the Governor.

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"Enrollment Form" means the form provided by the Department for the purpose of filing an election and Compensation reduction agreement and for making changes authorized by the Plan.

"Health Plan" means health, dental and vision coverage offered by the Department to eligible persons.

"Highly Compensated Participant" means any Participant who was in either of the following categories at any time during the current year:

an officer of the State or its administrative units or corporate outgrowths who has annual total Compensation greater than \$75,000, or

who receives Compensation in excess of \$50,000 and is in the top 20% of all State Employee salaries.

"Participant" means each Eligible Employee who participates in the Plan in accordance with Section 2110.210 of this Part.

"Pay Period" means a regular accounting period established by the State of Illinois for measuring and paying Compensation earned by Employees. A Pay Period may be monthly, semi-monthly or biweekly.

"Plan" means the State of Illinois Dependent Care Assistance Plan as set forth in ~~this Part~~these rules, and as may be amended from time to time in compliance with the Illinois Administrative Procedure Act [5 ILCS 100](Ill. Rev. Stat. 1991, ch. 127, pars. 1001-1 et seq.).

"Plan Administrator" means an organization, company or other entity designated by the Director to perform certain duties related to the administration of a specific plan in accordance with the terms of the contract between the organization and the Department.

"Plan Year" means the 12-consecutive-month period comprising the State fiscal year beginning July 1.

"Qualifying Child" means an individual who has a specified family-type relationship to the Participant, lives in the Participant's household for more

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than half of the taxable year, is 12 years old or younger and has not provided more than one-half of his or her own support for the taxable year.

"Qualifying Relative" means an individual who is physically and/or mentally incapable of self care, is not someone else's Qualifying Child, lives in the Participant's household for more than half of the taxable year, spends at least eight hours per day in the Participant's home, has a gross income less than the exemption allowed under Section 151(d) of the Internal Revenue Code, and receives more than one-half of his or her support from the Participant during the tax year.

"Reimbursement" means to pay a Participant in this Plan for Dependent Care Expenses from his or her dependent care assistance account.

"Spouse" means the person to whom the Participant is married. Spouse does not include a person separated from the Participant under a decree of divorce. A Participant is entitled to receive Reimbursement for Dependent Care Expenses for the Spouse if the Spouse is physically or mentally incapable of self care, lives in the Participant's household for more than half of the taxable year and spends at least 8 hours per day in the Participant's home~~or separate maintenance.~~

"Termination" means the permanent severance of the Participant's employment relationship with the Employer as provided by the appropriate rules of the Employer.

- b) A pronoun or adjective in the masculine gender includes the feminine gender and the singular includes the plural, unless the context clearly indicates otherwise.

(Source: Amended at 30 Ill. Reg. _____, effective _____)

SUBPART B: ADMINISTRATION

Section 2110.110 Role of the Department/Plan Administrator

- a) The Plan shall be administered by the Plan Administrator~~Department of Central Management Services~~.
- b) The Department reserves the right to enter into agreements with other agencies to delegate various record keeping and other administrative functions to the

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employing agencies of Participants.

- c) It shall be a principal duty of the Department to see that the Plan is carried out for the exclusive benefit of persons entitled to participate in the Plan without discrimination among them.

(Source: Amended at 30 Ill. Reg. _____, effective _____)

Section 2110.120 Expenses of Administration

Any expenses incurred relative to the administration of the Plan shall be paid by the ~~Department~~ Employer.

(Source: Amended at 30 Ill. Reg. _____, effective _____)

SUBPART C: PARTICIPATION

Section 2110.210 Date of Participation

- a) ~~Each Employee will be eligible to participate in the Plan. Such an individual~~ An Eligible Employee will become a Participant upon an election under this Plan to receive dependent care assistance.
- b) New Eligible Employees may become Participants upon an election to receive dependent care assistance ~~that~~ which is made within 60 days ~~after~~ of becoming an ~~employee~~ Employee.
- c) Eligible Employees who experience a Change in Family Status may elect to participate at any time during the Plan Year. ~~The~~ Such election must be made within 60 days ~~after~~ of ~~the Change~~ change in Family Status.
- d) Elections from new ~~Eligible Employees~~ employees or those who have had a Change in Family Status will be effective the first Pay Period after the signature date of the Participant on the Enrollment Form or the date of the Change in Family Status, whichever is later ~~is completed and processed by the Department~~.

(Source: Amended at 30 Ill. Reg. _____, effective _____)

Section 2110.220 Insufficient Salary

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- a) Participation can only be through payroll deduction.
- b) In the event the Participant has no salary or insufficient salary in a particular Pay Period because of a temporary change in job status, including, but not limited to, reductions in work hours and leaves of absence, no deduction will be taken and the Participant's participation in the Plan~~Participant's deduction~~ will be revoked.
- c) The revoked Participant described in this Section can request Reimbursement of Dependent Care Expenses in accordance with Subpart F of this Part.
- d) The revoked Participant described in this Section can re-enroll the next election period or upon experiencing a Change in Family Status~~in accordance with Section 2210.240 of this Part~~.

(Source: Amended at 30 Ill. Reg. _____, effective _____)

Section 2110.230 Errors

- a) Participants are responsible for monitoring their accounts and notifying the Employer of any payroll or other errors.
- b) In the event a deduction is missed or an incorrect amount is deducted because of payroll or other processing errors, the error must be corrected on a later payroll, or direct billed to the Participant if he or she is off payroll.
- c) If the correction of the error causes an economic hardship for the Participant~~Employee~~, the funds sufficient to correct the error will be deducted from the Participant's paycheck over the two months immediately following the discovery of the error~~such circumstances shall be considered a change in family status as described in Section 2110.320 of this Part and a new election can be made. The election will be effective the first Pay Period after the Enrollment Form is completed and processed by the Department.~~
- d) In the event of overpayment because of error, the~~a~~ Participant will be asked to refund to the Department the excess Reimbursement~~reimbursement~~.
- e) If the Participant refuses, the Department will request the Comptroller to withhold the required amount from the Participant's~~Employee's~~ next available paycheck pursuant to 74 Ill. Adm. Code 285. If the Participant is off payroll, the overpayment will be added as income to the Participant's W-2.

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

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(Source: Amended at 30 Ill. Reg. _____, effective _____)

SUBPART D: ELECTION TO RECEIVE DEPENDENT CARE ASSISTANCE

Section 2110.310 Election Procedure

- a) An Eligible Employee may elect to receive dependent care assistance under this Plan by making an election and Compensation reduction agreement on an Enrollment Form provided by the Department.
- b) The enrollment period will be at a time to be determined by the Department prior to the beginning of the Plan Year. The enrollment period shall be sufficient to allow Eligible Employees to enroll in the Plan and shall in no case be less than 30 days prior to the beginning of the Plan Year.
- c) The election must be for a specified annual dollar amount evenly divisible by the number of Pay Periods remaining in the Plan Year.
- d) The Participant must re-enroll each year to continue participation.

(Source: Amended at 30 Ill. Reg. _____, effective _____)

Section 2110.320 Irrevocability of Election

- a) An election to participate shall be irrevocable during the Plan Year unless a Changechange in Familyfamily Statusstatus has occurred.
- b) A Changechange in Familyfamily Status,status including marriage, divorce, death of a Spouse or child, ~~birth or~~ adoption of a child, return to work following the birth of a child, termination of employment of a Spouse, and ~~any such~~ other events that the Department determines constitute a Changechange in Familyfamily Statusstatus, will permit a change or revocation of an election during a Plan Year under the Code. ~~Failure to obtain the taxpayer identification or social security number of the Dependent Care Service Provider will not constitute a valid Change in Family Status.~~
- c) Any new election under this Section shall be effective the first Pay Period after the signature date of the Participant on the Enrollment Form or the date of the Change in Family Status, whichever is later~~election form is completed and~~

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

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~~processed by the Department.~~

(Source: Amended at 30 Ill. Reg. _____, effective _____)

Section 2110.330 Maximum Dependent Care Assistance

- a) The maximum amount for which the Participant may be reimbursed under this Plan during the Plan Year shall be the least of:
 - 1) the Participant's taxable Compensation for the Plan Year,
 - 2) the actual taxable or deemed Compensation of the Participant's Spouse for the Plan Year, or
 - 3) \$5,000.
- b) The combined maximum for a Participant and Spouse who are both participating in plans of this type is \$5,000.
- c) The maximum for a married Participant filing a separate return is \$2,500.
- d) The Pay Period maximum is the annual maximum divided by the number of Pay Periods in the Plan Year. This Pay Period maximum cannot be exceeded even if there is a Change in Family Status.
- e) Any amount reimbursed under this Plan during the tax year reduces, dollar for dollar, the amount of expenses eligible for the dependent care credit on the Participant's federal income tax form.
- f) A Spouse shall be deemed to have Compensation of ~~\$250~~200 per month if the Participant has one Dependent and ~~\$416.66~~400 per month if the Participant has two or more Dependents if the Spouse is:
 - 1) a student at an educational institution or
 - 2) is physically or mentally incapable or caring for himself or herself.
- g) A Participant shall be considered married for the whole Plan Year if the Participant is married during the Plan Year.

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

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- h) A Participant shall be considered single if he or she is divorced from the Spouse at the close of the Plan Year.

(Source: Amended at 30 Ill. Reg. _____, effective _____)

SUBPART E: DEPENDENT CARE ASSISTANCE ACCOUNTS

Section 2110.410 Establishment of Accounts

The ~~Plan Administrator~~ ~~Department~~ will establish and maintain a dependent care assistance account for each Plan Year for each Participant who has enrolled for the Plan Year.

(Source: Amended at 30 Ill. Reg. _____, effective _____)

Section 2110.420 Crediting of Accounts

- a) There shall be credited to a Participant's dependent care assistance account for each Plan Year, as of each Pay Period, an amount equal to the reduction made in the Participant's Compensation in accordance with the Participant's election.
- b) All amounts credited to ~~each such~~ dependent care assistance account shall be the property of the State until paid out pursuant to Subpart F of this Part.
- c) No interest will be paid on balances in the dependent care assistance accounts.

(Source: Amended at 30 Ill. Reg. _____, effective _____)

Section 2110.430 Debiting of Accounts

A Participant's dependent care assistance account for each Plan Year shall be debited as of the date the Reimbursement is processed by the ~~Plan Administrator~~ ~~Department~~ under Section 2110.520 of this Part.

Section 2110.440 Forfeiture of Accounts

- a) The amount credited to a Participant's dependent care assistance account for any Plan Year shall be used:
- 1) only to reimburse the Participant for Dependent Care Expenses incurred during ~~the applicable such~~ Plan Year, and

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

NOTICE OF PROPOSED AMENDMENTS

- 2) only if the Participant applies for Reimbursement on or before September 30 of the next Plan Year.
- b) If any balance remains in the Participant's dependent care assistance account for any Plan Year after all Reimbursements have been made, the hereunder, such balance shall not be carried over to reimburse the Participant for Dependent Care Expenses incurred during a subsequent Plan Year, and shall not be available to the Participant in any other form or manner.
- c) Any remaining balance in the fund shall be distributed to the 202Health Insurance Reserve Fund.

(Source: Amended at 30 Ill. Reg. _____, effective _____)

SUBPART F: PAYMENT OF DEPENDENT CARE ASSISTANCE ACCOUNTS

Section 2110.510 Claims for Reimbursement

- a) A Participant who has enrolled for a Plan Year may apply to the Plan Administrator~~Department~~ for Reimbursement of Dependent Care Expenses incurred by the Participant between July 1 and June 30. Dependent Care Expenses are treated as incurred when the dependent care is provided and not when the Participant is billed or charged, or pays for the dependent care.
- b) New Participants who enroll during the open enrollment period ~~Employees~~ may apply for Reimbursement of Dependent Care Expenses incurred between the first day of the Plan Year Pay Period deductions begin in accordance with Section 2110.210 of this Part and June 30. New Participants who enroll through a mid-year enrollment due to a Change in Family Status may apply for Reimbursement of Dependent Care Expenses incurred between the first day of the Pay Period following the signature date on the Enrollment Form, or the date of the Change in Family Status, whichever is later, and June 30.
- c) Participants who revoke participation in accordance with Sections~~Section~~ 2110.220 and 2110.320 of this Part before the end of the Plan Year may apply for Reimbursement of Dependent Care Expenses incurred between July 1 and if on an Anticipated Payroll, the last day of the Pay Period that a deduction was taken or, if on a Delayed Payroll, the last day of the Pay Period following the Pay Period that the last~~there was a~~ deduction was taken.

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- d) The Participant may apply by submitting an application in writing to the Plan Administrator~~Department~~ on a claim form provided by the Plan Administrator~~Department~~ setting forth:
- 1) the amount, beginning and ending service date, and type of expense ~~for nature of the expense with respect to~~ which Reimbursement~~a benefit~~ is requested;
 - 2) the name and; address, ~~and tax identification number or social security number~~ of the Dependent Care Service Provider, ~~unless the provider is a tax exempt organization in which case only the name and address must be provided~~; and
 - 3) bills, invoices, receipts or other statements showing the amounts of thesuch expenses.

(Source: Amended at 30 Ill. Reg. _____, effective _____)

Section 2110.520 Reimbursement of Participant

- a) The Plan Administrator~~Department~~ shall reimburse the Participant from the Participant's dependent care assistance account for Dependent Care Expenses incurred during the Plan Year for which the Participant submits documentation in accordance with Section 2110.510 of this Part.
- b) The Reimbursement schedule will be established by the Plan Administrator~~Department~~ in a manner that allows the Participant to receive Reimbursement no less than once a month.
- c) No Reimbursement under this Section shall at any time exceed the balance of the Participant's dependent care assistance account for the Plan Year at the time of the Reimbursement.
 - 1) ~~The Participant will be notified of any amount of any Dependent Care Expenses not reimbursed as a result of the preceding sentence.~~
 - 2) ~~The Participant must submit a new claim to receive Reimbursement of the amount not previously reimbursed.~~

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- d) The ~~Plan Administrator~~~~Department~~ will reimburse Participants who have filed claims in the prescribed manner:
- 1) at least once a month if the claim equals or exceeds \$20, and if there is enough money in the account,
 - 2) at least once the twelfth month (or the final month of ~~an Employee's~~ participation) regardless of the amount.

(Source: Amended at 30 Ill. Reg. _____, effective _____)

Section 2110.530 Exclusions

A Participant shall not be reimbursed for any expense that would otherwise be a Dependent Care Expense if:

- a) ~~the~~~~such~~ expense was incurred at a time when the Participant was not a Participant in the Plan; or
- b) a claim for Reimbursement of ~~the~~~~such~~ expense has not been filed in accordance with ~~the~~ provisions of Section 2110.510; or
- c) ~~the~~~~such~~ expense was claimed as a credit or deduction on the Participant's federal or state income tax forms; or
- d) the Participant does not report the Dependent Care Service Provider's name ~~and~~ address, ~~and taxpayer identification or social security number~~ to the IRS or to the ~~Plan Administrator~~~~Department~~ as provided by applicable Code requirements. ~~Taxpayer identification numbers will not be required for providers qualifying as tax exempt organizations under Section 501(c)(3) of the Code.~~

(Source: Amended at 30 Ill. Reg. _____, effective _____)

Section 2110.540 Statements

- a) On or before January 31 of each year, the Department shall furnish to each Participant who ~~was enrolled in the Plan~~~~has received dependent care assistance~~ during the prior calendar year a written statement showing the amount of ~~contributions made by the Participant into his or her accounts~~~~such assistance paid during such year with respect to the Participant.~~

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- b) The Plan Administrator~~Department~~ shall also notify each Participant in writing via a monthly statement 60 days prior to the end of the Plan Year of the unused balance in his or/~~her~~ account.

(Source: Amended at 30 Ill. Reg. _____, effective _____)

SUBPART G: TERMINATION OF PARTICIPATION

Section 2110.610 Termination or Death of Participant

- a) In the event that a Participant terminates State service or dies, the Participant's participation shall terminate. Eligible expenses will include only those expenses incurred through the last day of the Pay Period that the last deduction was taken, if on an Anticipated Payroll, or, if on a Delayed Payroll, the last day of the Pay Period following the Pay Period that the last deduction was taken~~the date of the last pay period in which deductions were made.~~
- b) If the Participant returns to State service the same Plan Year, the Participant can re-enroll in accordance with the provisions of Section 2110.210 ~~of this Part.~~ If reenrollment occurs within 30 days after the Termination or other separation from State service, the contribution amount per Pay Period must be the same as the amount contributed prior to the Termination.

(Source: Amended at 30 Ill. Reg. _____, effective _____)

Section 2110.620 Fraud

In the event a Participant knowingly supplies the Department or Plan Administrator with false information or knowingly files a claim that~~which~~ is not qualified for Reimbursement, the Department or Plan Administrator shall exclude the Participant from further participation in the Plan for all subsequent Plan Years.

(Source: Amended at 30 Ill. Reg. _____, effective _____)

SUBPART H: MISCELLANEOUS

Section 2110.710 Non-discrimination

- a) This Plan shall meet the requirements of Code Sections 129 and 125 that~~which~~

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require that all benefits provided for Participants who are highly compensated are provided for all other Participants and ~~that which~~ establish benefits tests.

- b) Unless otherwise determined by the Department, the special dependent care assistance test will be used for this Part. It:
- 1) requires that the average benefit of Participants must be at least 55 percent of the average benefit of ~~Highly Compensated~~~~highly-compensated~~ Participants, and
 - 2) allows Participants with ~~Compensation~~~~compensation~~ below \$25,000 to be disregarded for purpose of this test.

(Source: Amended at 30 Ill. Reg. _____, effective _____)

Section 2110.720 Illegality of a Particular Provision

The illegality of any provision of this Plan shall not affect the other provisions of the Plan and the Plan shall be construed in all respects as if ~~the such~~ invalid provision were omitted.

(Source: Amended at 30 Ill. Reg. _____, effective _____)

Section 2110.740 Rights Against the Employer

Neither the establishment ~~nor any modification~~ of the Plan ~~nor any modification thereof~~, nor any distributions ~~made under the Plan hereunder~~ shall be construed as giving to any Participant any legal or equitable rights against the Employer, the Department, State officers or administrators, ~~as such~~, or as giving any person the right to be retained in the employ of the Employer.

(Source: Amended at 30 Ill. Reg. _____, effective _____)

Section 2110.810 Right to Amend and Terminate Reserved

- a) The Department has established the Plan with the bona fide intention and expectation that it will be continued indefinitely, but the Department will have no obligation ~~whatsoever~~ to maintain the Plan for any given length of time and may discontinue or terminate the Plan at any time without liability.
- b) Upon termination or discontinuance of the Plan, all elections and reductions in Compensation relating to the Plan shall terminate, and the Department will pay

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any remaining balances to the Participants as additional taxable Compensation.

(Source: Amended at 30 Ill. Reg. _____, effective _____)

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT

- 1) Heading of Part: Predatory Lending Database
- 2) Code Citation: 38 Ill. Adm. Code 346
- 3) Section Number: 346.17 Proposed Action:
New Section
- 4) Statutory Authority: Residential Real Property Disclosure Act [765 ILCS 77/70]
- 5) A Complete Description of the Subjects and Issues Involved: This Section provides confidentiality requirements and procedures for the predatory lending database pilot program.
- 6) Will this rulemaking replace any emergency rulemaking currently in effect? No
- 7) Does this rulemaking contain an automatic repeal date? No
- 8) Do this rulemaking contain incorporations by reference? Yes
- 9) Are there any other proposed amendments pending on this Part? No
- 10) Statement of Statewide Policy Objectives: This rulemaking will not create or expand a State mandate.
- 11) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: Interested persons may submit written comments to:

Department of Financial and Professional Regulation
Attention: Barb Smith
320 West Washington, 3rd Floor
Springfield, IL 62786

217/785-0813 Fax #: 217/557-4451

All written comments received within 45 days after this issue of the *Illinois Register* will be considered.

- 12) Initial Regulatory Flexibility Analysis:

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- A) Types of small businesses, small municipalities and not for profit corporations affected: HUD-certified counselors, certain licensees of the Department under the Residential Mortgage License Act and the Title Insurance Act conducting business in the pilot areas
 - B) Reporting, bookkeeping or other procedures required for compliance: Data input into Department's predatory lending database
 - C) Types of professional skills necessary for compliance: Data input
- 13) Regulatory Agenda on which this rulemaking was summarized: This rulemaking was required by an agreement with the Joint Committee when this Part was first adopted. The need for the rulemaking being placed on a Regulatory Agenda was not known until January 2006, too late for publication in the *Illinois Register*.

The full text of the Proposed Amendment begins on the next page:

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT

TITLE 38: FINANCIAL INSTITUTIONS

CHAPTER II: DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

PART 346

PREDATORY LENDING DATABASE

| | |
|---------------|--|
| Section | |
| 346.10 | Definitions |
| 346.15 | Information Required |
| <u>346.17</u> | <u>Database Procedures for Pilot Program</u> |
| 346.20 | Standards for Credit Counseling |
| 346.25 | Disclosure of Information Prohibited |
| 346.30 | Credit Counselor Costs |
| 346.35 | Declaration of Inception Date |
| 346.40 | Exemption |

AUTHORITY: Implementing and authorized by Section 70 of the Residential Real Property Disclosure Act [765 ILCS 77/70].

SOURCE: Adopted by emergency rulemaking at 30 Ill. Reg. 208, effective January 1, 2006, for a maximum of 150 days; adopted at 30 Ill. Reg. 1867, effective January 26, 2006; amended at 30 Ill. Reg. _____, effective _____.

Section 346.17 Database Procedures for Pilot Program

- a) Database for Program
Pursuant to Section 70(b) of the Residential Real Property Disclosure Act (Act), the Department shall establish a database in order to implement the predatory lending database pilot program. In any contract with the database vendor, the Department shall impose any relevant obligations and restrictions from the Act onto the database vendor.
- b) Confidentiality
 - 1) The database shall be designed so as to preserve the confidentiality of database information pursuant to the Act.
 - 2) The Department shall further impose the following confidentiality restrictions on the database vendor:

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- A) The database vendor shall have in place written policies and procedures to safeguard confidentiality, and shall make those policies and procedures available to the Department. The Department shall not allow the pilot program to operate until it has reviewed those policies and procedures to its satisfaction.
 - B) The database vendor shall provide adequate supervision and training to its agents, employees and subcontractors to ensure confidentiality. The database vendor shall require its agents, employees, and subcontractors to sign an acceptable use policy as approved by the Department to ensure confidentiality and proper use of the system.
 - C) The database vendor shall specifically acknowledge the confidentiality restrictions imposed by the Act, and agree to abide by them.
- c) Data Security and Transmission
- 1) All data transmitted to and from the database website shall be encrypted utilizing 128 bit encryption. Data encryption via Secure Socket Layers (SSL), or an equivalent as determined by the Department, shall be utilized for transmission of data between the Internet and the Web Site.
 - 2) The database shall incorporate a completely automated virus protection scheme. Procedures shall be put in place to ensure that all systems are updated on a regular basis and checked regularly for compliance with the current virus patch level. Procedures shall also be put in place to require that all information downloaded from external services or posted to the perimeter network are immediately scanned for viruses.
 - 3) The database shall utilize standard Fannie Mae Residential Loan Data Format 1003, General Distribution Version, Version 3.2, March 17, 2005, not including later amendments or additions, or an equivalent format as determined by the Department, to transmit loan application information. The Department may design other file formats for other uses of the system.

(Source: Added at 30 Ill. Reg. _____, effective _____)

DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES

NOTICE OF PROPOSED AMENDMENTS

- 1) Heading of the Part: Medical Payment
- 2) Code Citation: 89 Ill. Adm. Code 140
- 3) Section Numbers: Proposed Action:
 140.534 Amendment
 140.560 Amendment
- 4) Statutory Authority: Section 12-13 of the Illinois Public Aid Code [305 ILCS 5/12-13]
- 5) Complete Description of the Subjects and Issues Involved: Under these proposed amendments on ownership costs, the Department's capitalization thresholds for long term care facilities are being increased. These updates are necessary because the thresholds have not been changed since 1987. The changes will increase the threshold for capitalizing repairs from \$1,500 to \$2,500, and the threshold for capitalizing leasehold improvements will be increased from \$500 to \$2,500. Further changes are being made to reduce reporting requirements for immaterial purchases, provide clarifications, and add a limitation concerning the amount of central office building costs that can be allocated to cost reports. This latter change is necessary to prevent providers from obtaining reimbursement for extravagant office buildings.

Proposed changes concerning the components of base rate determinations add clarifications explaining the Department's policies on central office allocations and purchased buildings.

These proposed amendments will not result in budgetary changes.

- 6) Will this rulemaking replace any emergency rulemaking currently in effect? No
- 7) Does this rulemaking contain an automatic repeal date? No
- 8) Does this rulemaking contain incorporations by reference? No
- 9) Are there any other proposed amendments pending on this Part? Yes

| <u>Sections</u> | <u>Proposed Action</u> | <u>Illinois Register Citation</u> |
|-----------------|------------------------|---------------------------------------|
| 140.405 | Amendment | February 10, 2006 (30 Ill. Reg. 1793) |
| 140.569 | Amendment | January 27, 2006 (30 Ill. Reg. 1231) |

- 10) Statement of Statewide Policy Objective: This rulemaking does not affect units of local government.

DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES

NOTICE OF PROPOSED AMENDMENTS

- 11) Time, Place, and Manner in Which Interested Persons May Comment on this Proposed Rulemaking: Any interested parties may submit comments, data, views, or arguments concerning this proposed rulemaking. All comments must be in writing and should be addressed to:

Joanne Scattoloni
Office of the General Counsel, Rules Section
Illinois Department of Healthcare and Family Services
201 South Grand Avenue East, Third Floor
Springfield, Illinois 62763-0002

(217) 524-0081

The Department requests the submission of written comments within 30 days after the publication of this Notice. The Department will consider all written comments it receives during the first notice period as required by Section 5-40 of the Illinois Administrative Procedure Act [5 ILCS 100/5-40].

- 12) Initial Regulatory Flexibility Analysis:
- A) Types of small businesses, small municipalities and not-for-profit corporations affected: Long Term Care Facilities
 - B) Reporting, bookkeeping or other procedures required for compliance: None
 - C) Types of professional skills necessary for compliance: None
- 13) This rulemaking was not included on either of the two most recent agendas because: This rulemaking was inadvertently omitted when the most recent regulatory agenda was published.

The full text of the Proposed Amendments begins on the next page:

DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES

NOTICE OF PROPOSED AMENDMENTS

TITLE 89: SOCIAL SERVICES

CHAPTER I: DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES
SUBCHAPTER d: MEDICAL PROGRAMSPART 140
MEDICAL PAYMENT

SUBPART A: GENERAL PROVISIONS

Section

- 140.1 Incorporation By Reference
- 140.2 Medical Assistance Programs
- 140.3 Covered Services Under Medical Assistance Programs
- 140.4 Covered Medical Services Under AFDC-MANG for non-pregnant persons who are 18 years of age or older (Repealed)
- 140.5 Covered Medical Services Under General Assistance
- 140.6 Medical Services Not Covered
- 140.7 Medical Assistance Provided to Individuals Under the Age of Eighteen Who Do Not Qualify for AFDC and Children Under Age Eight
- 140.8 Medical Assistance For Qualified Severely Impaired Individuals
- 140.9 Medical Assistance for a Pregnant Woman Who Would Not Be Categorically Eligible for AFDC/AFDC-MANG if the Child Were Already Born Or Who Do Not Qualify As Mandatory Categorically Needy
- 140.10 Medical Assistance Provided to Incarcerated Persons

SUBPART B: MEDICAL PROVIDER PARTICIPATION

Section

- 140.11 Enrollment Conditions for Medical Providers
- 140.12 Participation Requirements for Medical Providers
- 140.13 Definitions
- 140.14 Denial of Application to Participate in the Medical Assistance Program
- 140.15 Recovery of Money
- 140.16 Termination or Suspension of a Vendor's Eligibility to Participate in the Medical Assistance Program
- 140.17 Suspension of a Vendor's Eligibility to Participate in the Medical Assistance Program
- 140.18 Effect of Termination on Individuals Associated with Vendor
- 140.19 Application to Participate or for Reinstatement Subsequent to Termination, Suspension or Barring
- 140.20 Submittal of Claims

DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES

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- 140.21 Reimbursement for QMB Eligible Medical Assistance Recipients and QMB Eligible Only Recipients and Individuals Who Are Entitled to Medicare Part A or Part B and Are Eligible for Some Form of Medicaid Benefits
- 140.22 Magnetic Tape Billings (Repealed)
- 140.23 Payment of Claims
- 140.24 Payment Procedures
- 140.25 Overpayment or Underpayment of Claims
- 140.26 Payment to Factors Prohibited
- 140.27 Assignment of Vendor Payments
- 140.28 Record Requirements for Medical Providers
- 140.30 Audits
- 140.31 Emergency Services Audits
- 140.32 Prohibition on Participation, and Special Permission for Participation
- 140.33 Publication of List of Terminated, Suspended or Barred Entities
- 140.35 False Reporting and Other Fraudulent Activities
- 140.40 Prior Approval for Medical Services or Items
- 140.41 Prior Approval in Cases of Emergency
- 140.42 Limitation on Prior Approval
- 140.43 Post Approval for Items or Services When Prior Approval Cannot Be Obtained
- 140.55 Recipient Eligibility Verification (REV) System
- 140.71 Reimbursement for Medical Services Through the Use of a C-13 Invoice Voucher Advance Payment and Expedited Payments
- 140.72 Drug Manual (Recodified)
- 140.73 Drug Manual Updates (Recodified)

SUBPART C: PROVIDER ASSESSMENTS

- Section
- 140.80 Hospital Provider Fund
- 140.82 Developmentally Disabled Care Provider Fund
- 140.84 Long Term Care Provider Fund
- 140.94 Medicaid Developmentally Disabled Provider Participation Fee Trust Fund/Medicaid Long Term Care Provider Participation Fee Trust Fund
- 140.95 Hospital Services Trust Fund
- 140.96 General Requirements (Recodified)
- 140.97 Special Requirements (Recodified)
- 140.98 Covered Hospital Services (Recodified)
- 140.99 Hospital Services Not Covered (Recodified)
- 140.100 Limitation On Hospital Services (Recodified)
- 140.101 Transplants (Recodified)
- 140.102 Heart Transplants (Recodified)

DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES

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- 140.103 Liver Transplants (Recodified)
- 140.104 Bone Marrow Transplants (Recodified)
- 140.110 Disproportionate Share Hospital Adjustments (Recodified)
- 140.116 Payment for Inpatient Services for GA (Recodified)
- 140.117 Hospital Outpatient and Clinic Services (Recodified)
- 140.200 Payment for Hospital Services During Fiscal Year 1982 (Recodified)
- 140.201 Payment for Hospital Services After June 30, 1982 (Repealed)
- 140.202 Payment for Hospital Services During Fiscal Year 1983 (Recodified)
- 140.203 Limits on Length of Stay by Diagnosis (Recodified)
- 140.300 Payment for Pre-operative Days and Services Which Can Be Performed in an Outpatient Setting (Recodified)
- 140.350 Copayments (Recodified)
- 140.360 Payment Methodology (Recodified)
- 140.361 Non-Participating Hospitals (Recodified)
- 140.362 Pre July 1, 1989 Services (Recodified)
- 140.363 Post June 30, 1989 Services (Recodified)
- 140.364 Prepayment Review (Recodified)
- 140.365 Base Year Costs (Recodified)
- 140.366 Restructuring Adjustment (Recodified)
- 140.367 Inflation Adjustment (Recodified)
- 140.368 Volume Adjustment (Repealed)
- 140.369 Groupings (Recodified)
- 140.370 Rate Calculation (Recodified)
- 140.371 Payment (Recodified)
- 140.372 Review Procedure (Recodified)
- 140.373 Utilization (Repealed)
- 140.374 Alternatives (Recodified)
- 140.375 Exemptions (Recodified)
- 140.376 Utilization, Case-Mix and Discretionary Funds (Repealed)
- 140.390 Subacute Alcoholism and Substance Abuse Services (Recodified)
- 140.391 Definitions (Recodified)
- 140.392 Types of Subacute Alcoholism and Substance Abuse Services (Recodified)
- 140.394 Payment for Subacute Alcoholism and Substance Abuse Services (Recodified)
- 140.396 Rate Appeals for Subacute Alcoholism and Substance Abuse Services (Recodified)
- 140.398 Hearings (Recodified)

SUBPART D: PAYMENT FOR NON-INSTITUTIONAL SERVICES

- Section
- 140.400 Payment to Practitioners

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- 140.402 Copayments for Noninstitutional Medical Services
- 140.405 SeniorCare Pharmaceutical Benefit
- 140.410 Physicians' Services
- 140.411 Covered Services By Physicians
- 140.412 Services Not Covered By Physicians
- 140.413 Limitation on Physician Services
- 140.414 Requirements for Prescriptions and Dispensing of Pharmacy Items – Physicians
- 140.416 Optometric Services and Materials
- 140.417 Limitations on Optometric Services
- 140.418 Department of Corrections Laboratory
- 140.420 Dental Services
- 140.421 Limitations on Dental Services
- 140.422 Requirements for Prescriptions and Dispensing Items of Pharmacy Items – Dentists
- 140.425 Podiatry Services
- 140.426 Limitations on Podiatry Services
- 140.427 Requirement for Prescriptions and Dispensing of Pharmacy Items – Podiatry
- 140.428 Chiropractic Services
- 140.429 Limitations on Chiropractic Services (Repealed)
- 140.430 Independent Clinical Laboratory Services
- 140.431 Services Not Covered by Independent Clinical Laboratories
- 140.432 Limitations on Independent Clinical Laboratory Services
- 140.433 Payment for Clinical Laboratory Services
- 140.434 Record Requirements for Independent Clinical Laboratories
- 140.435 Advanced Practice Nurse Services
- 140.436 Limitations on Advanced Practice Nurse Services
- 140.438 Imaging Centers
- 140.440 Pharmacy Services
- 140.441 Pharmacy Services Not Covered
- 140.442 Prior Approval of Prescriptions
- 140.443 Filling of Prescriptions
- 140.444 Compounded Prescriptions
- 140.445 Legend Prescription Items (Not Compounded)
- 140.446 Over-the-Counter Items
- 140.447 Reimbursement
- 140.448 Returned Pharmacy Items
- 140.449 Payment of Pharmacy Items
- 140.450 Record Requirements for Pharmacies
- 140.451 Prospective Drug Review and Patient Counseling
- 140.452 Mental Health Services
- 140.453 Definitions

DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES

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- 140.454 Types of Mental Health Services
- 140.455 Payment for Mental Health Services
- 140.456 Hearings
- 140.457 Therapy Services
- 140.458 Prior Approval for Therapy Services
- 140.459 Payment for Therapy Services
- 140.460 Clinic Services
- 140.461 Clinic Participation, Data and Certification Requirements
- 140.462 Covered Services in Clinics
- 140.463 Clinic Service Payment
- 140.464 Hospital-Based and Encounter Rate Clinic Payments
- 140.465 Speech and Hearing Clinics (Repealed)
- 140.466 Rural Health Clinics (Repealed)
- 140.467 Independent Clinics
- 140.469 Hospice
- 140.470 Eligible Home Health Providers
- 140.471 Description of Home Health Services
- 140.472 Types of Home Health Services
- 140.473 Prior Approval for Home Health Services
- 140.474 Payment for Home Health Services
- 140.475 Medical Equipment, Supplies, Prosthetic Devices and Orthotic Devices
- 140.476 Medical Equipment, Supplies, Prosthetic Devices and Orthotic Devices for Which Payment Will Not Be Made
- 140.477 Limitations on Equipment, Prosthetic Devices and Orthotic Devices
- 140.478 Prior Approval for Medical Equipment, Supplies, Prosthetic Devices and Orthotic Devices
- 140.479 Limitations, Medical Supplies
- 140.480 Equipment Rental Limitations
- 140.481 Payment for Medical Equipment, Supplies, Prosthetic Devices and Hearing Aids
- 140.482 Family Planning Services
- 140.483 Limitations on Family Planning Services
- 140.484 Payment for Family Planning Services
- 140.485 Healthy Kids Program
- 140.486 Illinois Healthy Women
- 140.487 Healthy Kids Program Timeliness Standards
- 140.488 Periodicity Schedules, Immunizations and Diagnostic Laboratory Procedures
- 140.490 Medical Transportation
- 140.491 Limitations on Medical Transportation
- 140.492 Payment for Medical Transportation
- 140.493 Payment for Helicopter Transportation
- 140.494 Record Requirements for Medical Transportation Services

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- 140.495 Psychological Services
- 140.496 Payment for Psychological Services
- 140.497 Hearing Aids
- 140.498 Fingerprint-Based Criminal Background Checks

SUBPART E: GROUP CARE

Section

- 140.500 Long Term Care Services
- 140.502 Cessation of Payment at Federal Direction
- 140.503 Cessation of Payment for Improper Level of Care
- 140.504 Cessation of Payment Because of Termination of Facility
- 140.505 Informal Hearing Process for Denial of Payment for New ICF/MR
- 140.506 Provider Voluntary Withdrawal
- 140.507 Continuation of Provider Agreement
- 140.510 Determination of Need for Group Care
- 140.511 Long Term Care Services Covered By Department Payment
- 140.512 Utilization Control
- 140.513 Notification of Change in Resident Status
- 140.514 Certifications and Recertifications of Care (Repealed)
- 140.515 Management of Recipient Funds – Personal Allowance Funds
- 140.516 Recipient Management of Funds
- 140.517 Correspondent Management of Funds
- 140.518 Facility Management of Funds
- 140.519 Use or Accumulation of Funds
- 140.520 Management of Recipient Funds – Local Office Responsibility
- 140.521 Room and Board Accounts
- 140.522 Reconciliation of Recipient Funds
- 140.523 Bed Reserves
- 140.524 Cessation of Payment Due to Loss of License
- 140.525 Quality Incentive Program (QUIP) Payment Levels
- 140.526 Quality Incentive Standards and Criteria for the Quality Incentive Program (QUIP) (Repealed)
- 140.527 Quality Incentive Survey (Repealed)
- 140.528 Payment of Quality Incentive (Repealed)
- 140.529 Reviews (Repealed)
- 140.530 Basis of Payment for Long Term Care Services
- 140.531 General Service Costs
- 140.532 Health Care Costs
- 140.533 General Administration Costs
- 140.534 Ownership Costs

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- 140.535 Costs for Interest, Taxes and Rent
- 140.536 Organization and Pre-Operating Costs
- 140.537 Payments to Related Organizations
- 140.538 Special Costs
- 140.539 Reimbursement for Basic Nursing Assistant, Developmental Disabilities Aide, Basic Child Care Aide and Habilitation Aide Training and Nursing Assistant Competency Evaluation
- 140.540 Costs Associated With Nursing Home Care Reform Act and Implementing Regulations
- 140.541 Salaries Paid to Owners or Related Parties
- 140.542 Cost Reports – Filing Requirements
- 140.543 Time Standards for Filing Cost Reports
- 140.544 Access to Cost Reports (Repealed)
- 140.545 Penalty for Failure to File Cost Reports
- 140.550 Update of Operating Costs
- 140.551 General Service Costs Updates
- 140.552 Nursing and Program Costs
- 140.553 General Administrative Costs Updates
- 140.554 Component Inflation Index (Repealed)
- 140.555 Minimum Wage
- 140.560 Components of the Base Rate Determination
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- 140.565 Kosher Kitchen Reimbursement
- 140.566 Out-of-State Placement
- 140.567 Level II Incentive Payments (Repealed)
- 140.568 Duration of Incentive Payments (Repealed)
- 140.569 Clients With Exceptional Care Needs
- 140.570 Capital Rate Component Determination
- 140.571 Capital Rate Calculation
- 140.572 Total Capital Rate
- 140.573 Other Capital Provisions
- 140.574 Capital Rates for Rented Facilities
- 140.575 Newly Constructed Facilities (Repealed)
- 140.576 Renovations (Repealed)
- 140.577 Capital Costs for Rented Facilities (Renumbered)
- 140.578 Property Taxes
- 140.579 Specialized Living Centers
- 140.580 Mandated Capital Improvements (Repealed)
- 140.581 Qualifying as Mandated Capital Improvement (Repealed)

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AUTHORITY: Implementing and authorized by Articles III, IV, V, VI and Section 12-13 of the Illinois Public Aid Code [305 ILCS 5/Arts. III, IV, V, VI and 12-13].

SOURCE: Adopted at 3 Ill. Reg. 24, p. 166, effective June 10, 1979; rule repealed and new rule adopted at 6 Ill. Reg. 8374, effective July 6, 1982; emergency amendment at 6 Ill. Reg. 8508, effective July 6, 1982, for a maximum of 150 days; amended at 7 Ill. Reg. 681, effective December 30, 1982; amended at 7 Ill. Reg. 7956, effective July 1, 1983; amended at 7 Ill. Reg. 8308, effective July 1, 1983; amended at 7 Ill. Reg. 8271, effective July 5, 1983; emergency amendment at 7 Ill. Reg. 8354, effective July 5, 1983, for a maximum of 150 days; amended at 7 Ill. Reg. 8540, effective July 15, 1983; amended at 7 Ill. Reg. 9382, effective July 22, 1983; amended at 7 Ill. Reg. 12868, effective September 20, 1983; peremptory amendment at 7 Ill. Reg. 15047, effective October 31, 1983; amended at 7 Ill. Reg. 17358, effective December 21,

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1983; amended at 8 Ill. Reg. 254, effective December 21, 1983; emergency amendment at 8 Ill. Reg. 580, effective January 1, 1984, for a maximum of 150 days; codified at 8 Ill. Reg. 2483; amended at 8 Ill. Reg. 3012, effective February 22, 1984; amended at 8 Ill. Reg. 5262, effective April 9, 1984; amended at 8 Ill. Reg. 6785, effective April 27, 1984; amended at 8 Ill. Reg. 6983, effective May 9, 1984; amended at 8 Ill. Reg. 7258, effective May 16, 1984; emergency amendment at 8 Ill. Reg. 7910, effective May 22, 1984, for a maximum of 150 days; amended at 8 Ill. Reg. 7910, effective June 1, 1984; amended at 8 Ill. Reg. 10032, effective June 18, 1984; emergency amendment at 8 Ill. Reg. 10062, effective June 20, 1984, for a maximum of 150 days; amended at 8 Ill. Reg. 13343, effective July 17, 1984; amended at 8 Ill. Reg. 13779, effective July 24, 1984; Sections 140.72 and 140.73 recodified to 89 Ill. Adm. Code 141 at 8 Ill. Reg. 16354; amended (by adding sections being codified with no substantive change) at 8 Ill. Reg. 17899; peremptory amendment at 8 Ill. Reg. 18151, effective September 18, 1984; amended at 8 Ill. Reg. 21629, effective October 19, 1984; peremptory amendment at 8 Ill. Reg. 21677, effective October 24, 1984; amended at 8 Ill. Reg. 22097, effective October 24, 1984; peremptory amendment at 8 Ill. Reg. 22155, effective October 29, 1984; amended at 8 Ill. Reg. 23218, effective November 20, 1984; emergency amendment at 8 Ill. Reg. 23721, effective November 21, 1984, for a maximum of 150 days; amended at 8 Ill. Reg. 25067, effective December 19, 1984; emergency amendment at 9 Ill. Reg. 407, effective January 1, 1985, for a maximum of 150 days; amended at 9 Ill. Reg. 2697, effective February 22, 1985; amended at 9 Ill. Reg. 6235, effective April 19, 1985; amended at 9 Ill. Reg. 8677, effective May 28, 1985; amended at 9 Ill. Reg. 9564, effective June 5, 1985; amended at 9 Ill. Reg. 10025, effective June 26, 1985; emergency amendment at 9 Ill. Reg. 11403, effective June 27, 1985, for a maximum of 150 days; amended at 9 Ill. Reg. 11357, effective June 28, 1985; amended at 9 Ill. Reg. 12000, effective July 24, 1985; amended at 9 Ill. Reg. 12306, effective August 5, 1985; amended at 9 Ill. Reg. 13998, effective September 3, 1985; amended at 9 Ill. Reg. 14684, effective September 13, 1985; amended at 9 Ill. Reg. 15503, effective October 4, 1985; amended at 9 Ill. Reg. 16312, effective October 11, 1985; amended at 9 Ill. Reg. 19138, effective December 2, 1985; amended at 9 Ill. Reg. 19737, effective December 9, 1985; amended at 10 Ill. Reg. 238, effective December 27, 1985; emergency amendment at 10 Ill. Reg. 798, effective January 1, 1986, for a maximum of 150 days; amended at 10 Ill. Reg. 672, effective January 6, 1986; amended at 10 Ill. Reg. 1206, effective January 13, 1986; amended at 10 Ill. Reg. 3041, effective January 24, 1986; amended at 10 Ill. Reg. 6981, effective April 16, 1986; amended at 10 Ill. Reg. 7825, effective April 30, 1986; amended at 10 Ill. Reg. 8128, effective May 7, 1986; emergency amendment at 10 Ill. Reg. 8912, effective May 13, 1986, for a maximum of 150 days; amended at 10 Ill. Reg. 11440, effective June 20, 1986; amended at 10 Ill. Reg. 14714, effective August 27, 1986; amended at 10 Ill. Reg. 15211, effective September 12, 1986; emergency amendment at 10 Ill. Reg. 16729, effective September 18, 1986, for a maximum of 150 days; amended at 10 Ill. Reg. 18808, effective October 24, 1986; amended at 10 Ill. Reg. 19742, effective November 12, 1986; amended at 10 Ill. Reg. 21784, effective December 15, 1986; amended at 11 Ill. Reg. 698, effective December 19, 1986; amended at 11 Ill. Reg. 1418, effective December 31, 1986; amended at 11 Ill. Reg. 2323, effective January 16, 1987; amended at 11 Ill. Reg. 4002, effective

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February 25, 1987; Section 140.71 recodified to 89 Ill. Adm. Code 141 at 11 Ill. Reg. 4302; amended at 11 Ill. Reg. 4303, effective March 6, 1987; amended at 11 Ill. Reg. 7664, effective April 15, 1987; emergency amendment at 11 Ill. Reg. 9342, effective April 20, 1987, for a maximum of 150 days; amended at 11 Ill. Reg. 9169, effective April 28, 1987; amended at 11 Ill. Reg. 10903, effective June 1, 1987; amended at 11 Ill. Reg. 11528, effective June 22, 1987; amended at 11 Ill. Reg. 12011, effective June 30, 1987; amended at 11 Ill. Reg. 12290, effective July 6, 1987; amended at 11 Ill. Reg. 14048, effective August 14, 1987; amended at 11 Ill. Reg. 14771, effective August 25, 1987; amended at 11 Ill. Reg. 16758, effective September 28, 1987; amended at 11 Ill. Reg. 17295, effective September 30, 1987; amended at 11 Ill. Reg. 18696, effective October 27, 1987; amended at 11 Ill. Reg. 20909, effective December 14, 1987; amended at 12 Ill. Reg. 916, effective January 1, 1988; emergency amendment at 12 Ill. Reg. 1960, effective January 1, 1988, for a maximum of 150 days; amended at 12 Ill. Reg. 5427, effective March 15, 1988; amended at 12 Ill. Reg. 6246, effective March 16, 1988; amended at 12 Ill. Reg. 6728, effective March 22, 1988; Sections 140.900 thru 140.912 and 140.Table H and 140.Table I recodified to 89 Ill. Adm. Code 147.5 thru 147.205 and 147.Table A and 147.Table B at 12 Ill. Reg. 6956; amended at 12 Ill. Reg. 6927, effective April 5, 1988; Sections 140.940 thru 140.972 recodified to 89 Ill. Adm. Code 149.5 thru 149.325 at 12 Ill. Reg. 7401; amended at 12 Ill. Reg. 7695, effective April 21, 1988; amended at 12 Ill. Reg. 10497, effective June 3, 1988; amended at 12 Ill. Reg. 10717, effective June 14, 1988; emergency amendment at 12 Ill. Reg. 11868, effective July 1, 1988, for a maximum of 150 days; amended at 12 Ill. Reg. 12509, effective July 15, 1988; amended at 12 Ill. Reg. 14271, effective August 29, 1988; emergency amendment at 12 Ill. Reg. 16921, effective September 28, 1988, for a maximum of 150 days; amended at 12 Ill. Reg. 16738, effective October 5, 1988; amended at 12 Ill. Reg. 17879, effective October 24, 1988; amended at 12 Ill. Reg. 18198, effective November 4, 1988; amended at 12 Ill. Reg. 19396, effective November 6, 1988; amended at 12 Ill. Reg. 19734, effective November 15, 1988; amended at 13 Ill. Reg. 125, effective January 1, 1989; amended at 13 Ill. Reg. 2475, effective February 14, 1989; amended at 13 Ill. Reg. 3069, effective February 28, 1989; amended at 13 Ill. Reg. 3351, effective March 6, 1989; amended at 13 Ill. Reg. 3917, effective March 17, 1989; amended at 13 Ill. Reg. 5115, effective April 3, 1989; amended at 13 Ill. Reg. 5718, effective April 10, 1989; amended at 13 Ill. Reg. 7025, effective April 24, 1989; Sections 140.850 thru 140.896 recodified to 89 Ill. Adm. Code 146.5 thru 146.225 at 13 Ill. Reg. 7040; amended at 13 Ill. Reg. 7786, effective May 20, 1989; Sections 140.94 thru 140.398 recodified to 89 Ill. Adm. Code 148.10 thru 148.390 at 13 Ill. Reg. 9572; emergency amendment at 13 Ill. Reg. 10977, effective July 1, 1989, for a maximum of 150 days; emergency expired November 28, 1989; amended at 13 Ill. Reg. 11516, effective July 3, 1989; amended at 13 Ill. Reg. 12119, effective July 7, 1989; Section 140.110 recodified to 89 Ill. Adm. Code 148.120 at 13 Ill. Reg. 12118; amended at 13 Ill. Reg. 12562, effective July 17, 1989; amended at 13 Ill. Reg. 14391, effective August 31, 1989; emergency amendment at 13 Ill. Reg. 15473, effective September 12, 1989, for a maximum of 150 days; amended at 13 Ill. Reg. 16992, effective October 16, 1989; amended at 14 Ill. Reg. 190, effective December 21, 1989; amended at 14 Ill. Reg. 2564, effective February 9, 1990; emergency amendment at 14 Ill. Reg.

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3241, effective February 14, 1990, for a maximum of 150 days; emergency expired July 14, 1990; amended at 14 Ill. Reg. 4543, effective March 12, 1990; emergency amendment at 14 Ill. Reg. 4577, effective March 6, 1990, for a maximum of 150 days; emergency expired August 3, 1990; emergency amendment at 14 Ill. Reg. 5575, effective April 1, 1990, for a maximum of 150 days; emergency expired August 29, 1990; emergency amendment at 14 Ill. Reg. 5865, effective April 3, 1990, for a maximum of 150 days; amended at 14 Ill. Reg. 7141, effective April 27, 1990; emergency amendment at 14 Ill. Reg. 7249, effective April 27, 1990, for a maximum of 150 days; amended at 14 Ill. Reg. 10062, effective June 12, 1990; amended at 14 Ill. Reg. 10409, effective June 19, 1990; emergency amendment at 14 Ill. Reg. 12082, effective July 5, 1990, for a maximum of 150 days; amended at 14 Ill. Reg. 13262, effective August 6, 1990; emergency amendment at 14 Ill. Reg. 14184, effective August 16, 1990, for a maximum of 150 days; emergency amendment at 14 Ill. Reg. 14570, effective August 22, 1990, for a maximum of 150 days; amended at 14 Ill. Reg. 14826, effective August 31, 1990; amended at 14 Ill. Reg. 15366, effective September 12, 1990; amended at 14 Ill. Reg. 15981, effective September 21, 1990; amended at 14 Ill. Reg. 17279, effective October 12, 1990; amended at 14 Ill. Reg. 18057, effective October 22, 1990; amended at 14 Ill. Reg. 18508, effective October 30, 1990; amended at 14 Ill. Reg. 18813, effective November 6, 1990; Notice of Corrections to Adopted Amendment at 15 Ill. Reg. 1174; amended at 14 Ill. Reg. 20478, effective December 7, 1990; amended at 14 Ill. Reg. 20729, effective December 12, 1990; amended at 15 Ill. Reg. 298, effective December 28, 1990; emergency amendment at 15 Ill. Reg. 592, effective January 1, 1991, for a maximum of 150 days; amended at 15 Ill. Reg. 1051, effective January 18, 1991; amended at 15 Ill. Reg. 6220, effective April 18, 1991; amended at 15 Ill. Reg. 6534, effective April 30, 1991; amended at 15 Ill. Reg. 8264, effective May 23, 1991; amended at 15 Ill. Reg. 8972, effective June 17, 1991; amended at 15 Ill. Reg. 10114, effective June 21, 1991; amended at 15 Ill. Reg. 10468, effective July 1, 1991; amended at 15 Ill. Reg. 11176, effective August 1, 1991; emergency amendment at 15 Ill. Reg. 11515, effective July 25, 1991, for a maximum of 150 days; emergency expired December 22, 1991; emergency amendment at 15 Ill. Reg. 12919, effective August 15, 1991, for a maximum of 150 days; emergency expired January 12, 1992; emergency amendment at 15 Ill. Reg. 16366, effective October 22, 1991, for a maximum of 150 days; amended at 15 Ill. Reg. 17318, effective November 18, 1991; amended at 15 Ill. Reg. 17733, effective November 22, 1991; emergency amendment at 16 Ill. Reg. 300, effective December 20, 1991, for a maximum of 150 days; amended at 16 Ill. Reg. 174, effective December 24, 1991; amended at 16 Ill. Reg. 1877, effective January 24, 1992; amended at 16 Ill. Reg. 3552, effective February 28, 1992; amended at 16 Ill. Reg. 4006, effective March 6, 1992; amended at 16 Ill. Reg. 6408, effective March 20, 1992; expedited correction at 16 Ill. Reg. 11348, effective March 20, 1992; amended at 16 Ill. Reg. 6849, effective April 7, 1992; amended at 16 Ill. Reg. 7017, effective April 17, 1992; amended at 16 Ill. Reg. 10050, effective June 5, 1992; amended at 16 Ill. Reg. 11174, effective June 26, 1992; emergency amendment at 16 Ill. Reg. 11947, effective July 10, 1992, for a maximum of 150 days; amended at 16 Ill. Reg. 12186, effective July 24, 1992; emergency amendment at 16 Ill. Reg. 13337, effective August 14, 1992, for a maximum of 150 days; emergency amendment at 16 Ill. Reg. 15109, effective September

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21, 1992, for a maximum of 150 days; amended at 16 Ill. Reg. 15561, effective September 30, 1992; amended at 16 Ill. Reg. 17302, effective November 2, 1992; emergency amendment at 16 Ill. Reg. 18097, effective November 17, 1992, for a maximum of 150 days; amended at 16 Ill. Reg. 19146, effective December 1, 1992; expedited correction at 17 Ill. Reg. 7078, effective December 1, 1992; amended at 16 Ill. Reg. 19879, effective December 7, 1992; amended at 17 Ill. Reg. 837, effective January 11, 1993; amended at 17 Ill. Reg. 1112, effective January 15, 1993; amended at 17 Ill. Reg. 2290, effective February 15, 1993; amended at 17 Ill. Reg. 2951, effective February 17, 1993; amended at 17 Ill. Reg. 3421, effective February 19, 1993; amended at 17 Ill. Reg. 6196, effective April 5, 1993; amended at 17 Ill. Reg. 6839, effective April 21, 1993; amended at 17 Ill. Reg. 7004, effective May 17, 1993; emergency amendment at 17 Ill. Reg. 11201, effective July 1, 1993, for a maximum of 150 days; emergency amendment at 17 Ill. Reg. 15162, effective September 2, 1993, for a maximum of 150 days; emergency amendment suspended at 17 Ill. Reg. 18902, effective October 12, 1993; emergency amendment at 17 Ill. Reg. 18152, effective October 1, 1993, for a maximum of 150 days; amended at 17 Ill. Reg. 18571, effective October 8, 1993; emergency amendment at 17 Ill. Reg. 18611, effective October 1, 1993, for a maximum of 150 days; amended at 17 Ill. Reg. 20999, effective November 24, 1993; emergency amendment repealed at 17 Ill. Reg. 22583, effective December 20, 1993; amended at 18 Ill. Reg. 3620, effective February 28, 1994; amended at 18 Ill. Reg. 4250, effective March 4, 1994; amended at 18 Ill. Reg. 5951, effective April 1, 1994; emergency amendment at 18 Ill. Reg. 10922, effective July 1, 1994, for a maximum of 150 days; emergency amendment suspended at 18 Ill. Reg. 17286, effective November 15, 1994; emergency amendment repealed at 19 Ill. Reg. 5839, effective April 4, 1995; amended at 18 Ill. Reg. 11244, effective July 1, 1994; amended at 18 Ill. Reg. 14126, effective August 29, 1994; amended at 18 Ill. Reg. 16675, effective November 1, 1994; amended at 18 Ill. Reg. 18059, effective December 19, 1994; amended at 19 Ill. Reg. 1082, effective January 20, 1995; amended at 19 Ill. Reg. 2933, effective March 1, 1995; emergency amendment at 19 Ill. Reg. 3529, effective March 1, 1995, for a maximum of 150 days; amended at 19 Ill. Reg. 5663, effective April 1, 1995; amended at 19 Ill. Reg. 7919, effective June 5, 1995; emergency amendment at 19 Ill. Reg. 8455, effective June 9, 1995, for a maximum of 150 days; emergency amendment at 19 Ill. Reg. 9297, effective July 1, 1995, for a maximum of 150 days; emergency amendment at 19 Ill. Reg. 10252, effective July 1, 1995, for a maximum of 150 days; amended at 19 Ill. Reg. 13019, effective September 5, 1995; amended at 19 Ill. Reg. 14440, effective September 29, 1995; emergency amendment at 19 Ill. Reg. 14833, effective October 6, 1995, for a maximum of 150 days; amended at 19 Ill. Reg. 15441, effective October 26, 1995; amended at 19 Ill. Reg. 15692, effective November 6, 1995; amended at 19 Ill. Reg. 16677, effective November 28, 1995; amended at 20 Ill. Reg. 1210, effective December 29, 1995; amended at 20 Ill. Reg. 4345, effective March 4, 1996; amended at 20 Ill. Reg. 5858, effective April 5, 1996; amended at 20 Ill. Reg. 6929, effective May 6, 1996; amended at 20 Ill. Reg. 7922, effective May 31, 1996; amended at 20 Ill. Reg. 9081, effective June 28, 1996; emergency amendment at 20 Ill. Reg. 9312, effective July 1, 1996, for a maximum of 150 days; amended at 20 Ill. Reg. 11332, effective August 1, 1996; amended at 20 Ill. Reg. 14845, effective October 31, 1996; emergency

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amendment at 21 Ill. Reg. 705, effective December 31, 1996, for a maximum of 150 days; emergency amendment at 21 Ill. Reg. 3734, effective March 5, 1997, for a maximum of 150 days; amended at 21 Ill. Reg. 4777, effective April 2, 1997; amended at 21 Ill. Reg. 6899, effective May 23, 1997; amended at 21 Ill. Reg. 9763, effective July 15, 1997; amended at 21 Ill. Reg. 11569, effective August 1, 1997; emergency amendment at 21 Ill. Reg. 13857, effective October 1, 1997, for a maximum of 150 days; amended at 22 Ill. Reg. 1416, effective December 29, 1997; amended at 22 Ill. Reg. 4412, effective February 27, 1998; amended at 22 Ill. Reg. 7024, effective April 1, 1998; amended at 22 Ill. Reg. 10606, effective June 1, 1998; emergency amendment at 22 Ill. Reg. 13117, effective July 1, 1998, for a maximum of 150 days; amended at 22 Ill. Reg. 16302, effective August 28, 1998; amended at 22 Ill. Reg. 18979, effective September 30, 1998; amended at 22 Ill. Reg. 19898, effective October 30, 1998; emergency amendment at 22 Ill. Reg. 22108, effective December 1, 1998, for a maximum of 150 days; emergency expired April 29, 1999; amended at 23 Ill. Reg. 5796, effective April 30, 1999; amended at 23 Ill. Reg. 7122, effective June 1, 1999; emergency amendment at 23 Ill. Reg. 8236, effective July 1, 1999, for a maximum of 150 days; amended at 23 Ill. Reg. 9874, effective August 3, 1999; amended at 23 Ill. Reg. 12697, effective October 1, 1999; amended at 23 Ill. Reg. 13646, effective November 1, 1999; amended at 23 Ill. Reg. 14567, effective December 1, 1999; amended at 24 Ill. Reg. 661, effective January 3, 2000; amended at 24 Ill. Reg. 10277, effective July 1, 2000; emergency amendment at 24 Ill. Reg. 10436, effective July 1, 2000, for a maximum of 150 days; amended at 24 Ill. Reg. 15086, effective October 1, 2000; amended at 24 Ill. Reg. 18320, effective December 1, 2000; emergency amendment at 24 Ill. Reg. 19344, effective December 15, 2000, for a maximum of 150 days; amended at 25 Ill. Reg. 3897, effective March 1, 2001; amended at 25 Ill. Reg. 6665, effective May 11, 2001; amended at 25 Ill. Reg. 8793, effective July 1, 2001; emergency amendment at 25 Ill. Reg. 8850, effective July 1, 2001, for a maximum of 150 days; amended at 25 Ill. Reg. 11880, effective September 1, 2001; amended at 25 Ill. Reg. 12820, effective October 8, 2001; amended at 25 Ill. Reg. 14957, effective November 1, 2001; emergency amendment at 25 Ill. Reg. 16127, effective November 28, 2001, for a maximum of 150 days; emergency amendment at 25 Ill. Reg. 16292, effective December 3, 2001, for a maximum of 150 days; emergency amendment at 26 Ill. Reg. 514, effective January 1, 2002, for a maximum of 150 days; amended at 26 Ill. Reg. 663, effective January 7, 2002; amended at 26 Ill. Reg. 4781, effective March 15, 2002; emergency amendment at 26 Ill. Reg. 5984, effective April 15, 2002, for a maximum of 150 days; amended at 26 Ill. Reg. 7285, effective April 29, 2002; emergency amendment at 26 Ill. Reg. 8594, effective June 1, 2002, for a maximum of 150 days; emergency amendment at 26 Ill. Reg. 11259, effective July 1, 2002, for a maximum of 150 days; emergency amendment at 26 Ill. Reg. 12461, effective July 29, 2002, for a maximum of 150 days; emergency amendment repealed at 26 Ill. Reg. 16593, effective October 22, 2002; emergency amendment at 26 Ill. Reg. 12772, effective August 12, 2002, for a maximum of 150 days; amended at 26 Ill. Reg. 13641, effective September 3, 2002; amended at 26 Ill. Reg. 14789, effective September 26, 2002; emergency amendment at 26 Ill. Reg. 15076, effective October 1, 2002, for a maximum of 150 days; amended at 26 Ill. Reg. 16303, effective October 25, 2002; amended at 26 Ill. Reg. 17751, effective November 27, 2002;

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amended at 27 Ill. Reg. 768, effective January 3, 2003; amended at 27 Ill. Reg. 3041, effective February 10, 2003; amended at 27 Ill. Reg. 4364, effective February 24, 2003; amended at 27 Ill. Reg. 7823, effective May 1, 2003; amended at 27 Ill. Reg. 9157, effective June 2, 2003; emergency amendment at 27 Ill. Reg. 10813, effective July 1, 2003, for a maximum of 150 days; amended at 27 Ill. Reg. 13784, effective August 1, 2003; amended at 27 Ill. Reg. 14799, effective September 5, 2003; emergency amendment at 27 Ill. Reg. 15584, effective September 20, 2003, for a maximum of 150 days; emergency amendment at 27 Ill. Reg. 16161, effective October 1, 2003, for a maximum of 150 days; amended at 27 Ill. Reg. 18629, effective November 26, 2003; amended at 28 Ill. Reg. 2744, effective February 1, 2004; amended at 28 Ill. Reg. 4958, effective March 3, 2004; emergency amendment at 28 Ill. Reg. 6622, effective April 19, 2004, for a maximum of 150 days; amended at 28 Ill. Reg. 7081, effective May 3, 2004; emergency amendment at 28 Ill. Reg. 8108, effective June 1, 2004, for a maximum of 150 days; amended at 28 Ill. Reg. 9640, effective July 1, 2004; emergency amendment at 28 Ill. Reg. 10135, effective July 1, 2004, for a maximum of 150 days; amended at 28 Ill. Reg. 11161, effective August 1, 2004; emergency amendment at 28 Ill. Reg. 12198, effective August 11, 2004, for a maximum of 150 days; amended at 28 Ill. Reg. 13775, effective October 1, 2004; amended at 28 Ill. Reg. 14804, effective October 27, 2004; amended at 28 Ill. Reg. 15513, effective November 24, 2004; amended at 29 Ill. Reg. 831, effective January 1, 2005; amended at 29 Ill. Reg. 6945, effective May 1, 2005; emergency amendment at 29 Ill. Reg. 8509, effective June 1, 2005, for a maximum of 150 days; emergency amendment at 29 Ill. Reg. 12534, effective August 1, 2005, for a maximum of 150 days; amended at 29 Ill. Reg. 14957, effective September 30, 2005; emergency amendment at 29 Ill. Reg. 15064, effective October 1, 2005, for a maximum of 150 days; emergency amendment repealed by emergency rulemaking at 29 Ill. Reg. 15985, effective October 5, 2005, for the remainder of the maximum 150 days; emergency amendment at 29 Ill. Reg. 15610, effective October 1, 2005, for a maximum of 150 days; emergency amendment at 29 Ill. Reg. 16515, effective October 5, 2005, for a maximum of 150 days; amended at 30 Ill. Reg. 349, effective December 28, 2005; emergency amendment at 30 Ill. Reg. 573, effective January 1, 2006, for a maximum of 150 days; amended at 30 Ill. Reg. 796, effective January 1, 2006; amended at 30 Ill. Reg. 2802, effective February 24, 2006; amended at 30 Ill. Reg. _____, effective _____.

SUBPART E: GROUP CARE

Section 140.534 Ownership Costs

Ownership costs are allowable as follows: ~~Depreciation—Depreciation on care related assets is an allowable cost subject to the following conditions:~~

- a) Depreciation
Depreciation on care related assets is an allowable cost subject to the following conditions:

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- 1)a) Depreciation must be computed on a straight-line basis, starting from the date of completion or installation.;
- 2)b) Depreciation must be based on historical cost of the asset (purchased assets) or fair market value at the time of donation or inheritance of the asset (donated or inherited assets).;
- 3)e) Depreciation must be spread over the useful life of the asset using the American Hospital Association guidelines followed by Medicare at a minimum. ~~Single items of equipment or improvements purchased at a cost of \$500 or more with an estimated life of over one year are to be depreciated. If items with estimated lives of over one year are acquired in quantity and the cost of the quantity is at least \$500, these items must also be depreciated over their useful lives. Single items of repair which cost \$1,500 or more and have a life of one year or more are to be considered as capital improvements and depreciated over the useful life of the item. Lease hold improvements costing \$500 or more are to be depreciated over the useful life of the improvement or the remaining life of the lease including extensions;~~
- b) Acquisitions of Fixed Equipment
If an item has, at the time of its acquisition, an estimated useful life of at least two years and a historical cost of at least \$2,500, its cost must be capitalized and depreciated over the estimated useful life of the asset using the straight-line method of depreciation. If an item has an historical cost of less than \$2,500, or if the item has a useful life of less than two years, its cost must be expensed in the cost report year it was incurred.
- c) Betterments and Improvements
Betterments and improvements extend the life, increase the productivity, or significantly improve the safety (for example, asbestos removal) of an asset as opposed to repairs and maintenance that either restore the asset to, or maintain it at, its normal or expected service life. To be capitalized, the betterment or improvement must be \$2,500 or more. Generally accepted accounting principles relating to improvements or betterments must be followed in determining the asset valuation. Repair or maintenance of a nature that restores an asset to its original condition but does not extend its useful life is not a betterment or improvement but an expense of that period.
- d) Repair Costs

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Repair costs restore the asset to normal working condition and expected service life. Single items of repair that cost \$2,500 or more and have a life of two years or more are to be considered as capital improvements and depreciated over the useful life of the item. All other repairs must be expensed in the cost report year the cost was incurred. Maintenance costs are always expensed in the cost report year in which they are incurred.

- e) Movable Equipment Costs
Single items of movable equipment at a cost of \$2,500 or more having an estimated useful life of two years or longer must be capitalized. For cost reporting purposes, the term movable equipment will include all equipment items referred to in the most current edition of the American Hospital Association guidelines followed by Medicare. Items purchased in quantity must also be compared to the \$2,500 threshold.
- f) Painting and Wallpaper
Painting and wallpaper costs of \$2,500 or more in total for the year must be capitalized and depreciated over five years. Once the cost is fully depreciated, it must be removed from the cost report in the year that it becomes fully depreciated. If total costs are under \$2,500, the painting and wallpaper costs must be expensed in the year incurred.
- g) Disposal of Assets
For building costs, only capital assets that are specifically identified on the cost report are capable of being removed from the cost report as a retired or disposed of asset. Movable equipment items should be removed from the cost report when they are retired. Depreciable assets may be disposed of through sale, scrapping, trade-in, donation, exchange, demolition, abandonment or involuntary conversions such as condemnation, fire, theft or other casualty. When an asset has been retired from active service but is being held for standby or emergency services, the asset must be reported in the non-care section of the cost report.
- h) Central Office Assets
For building costs allocated from a central office, the total cost allocation to an individual facility is limited to five percent of the total building cost for the current owner. If the current operator leases the building from an unrelated party, the five percent is limited to the Original Building Base Cost as defined in Section 140.570. The central office allocation is not included in the total building cost for the current owner or the Original Building Base Cost that will be used in the five percent calculation. Allocated central office buildings are subject to the standards of Section 140.563.

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- i) Partnership Assets
The basis of assets of a partnership are not allowed to be increased due to a partner buyout.
- j) Change of Ownership
For any change of ownership after July 18, 1984, the cost basis of any asset for determination of allowable depreciation expense shall be the lesser of the allowable acquisition cost of the asset of the first owner of record on or after July 18, 1984, or the acquisition cost of the asset to the new owner.
- 1) ~~The following costs may be charged to a deferred costs account instead of capitalized with fixed assets:~~
- A) ~~Interior repainting.~~
- B) ~~Repair and maintenance costs for heating, air conditioning and plumbing equipment with a cost greater than \$1,500 and less than \$4,500 (costs which extend the original estimated useful life by more than one year or increase the productivity of the asset significantly must be capitalized with fixed assets rather than entered into this category).~~
- 2) ~~The deferred costs in subsection (c)(1) would be amortized to operating expense accounts over a thirty six month period or the estimated useful life of the item, whichever is longer. Amortization must be determined based upon the number of months during the year that the asset was in use.~~
- d) ~~Sales or leases and the resultant increases in capital expense will be recognized to the extent that the increased capital expense is reasonable. Effective for the rate year beginning July 1, 1984, to determine reasonableness, the undepreciated basis of the seller (sales occurring January 1, 1978, and after) will be multiplied by an appropriate construction cost index. Sale prices in excess of this figure will not be recognized in computing allowable capital costs.~~
- e) ~~The basis of assets of a partnership are not allowed to be increased due to a partner buyout.~~
- f) ~~For any change of ownership after July 18, 1984, the cost basis of any asset for determination of allowable depreciation expense shall be the lesser of the allowable acquisition cost of such asset of the first owner of record on or after~~

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~~July 18, 1984, or the acquisition cost of such asset to the new owner.~~

(Source: Amended at 30 Ill. Reg. _____, effective _____)

Section 140.560 Components of the Base Rate Determination

Except as specified otherwise in this Section, rates calculated for the rate year beginning July 1, 1990, and for subsequent years thereafter shall be based on the facility's cost report for the facility's full fiscal year ending at any point in time during the previous calendar year as long as that cost report is filed prior to April 1. Otherwise, the latest cost report available on March 31 will be used to set rates for July 1. For example, if a facility with a December 31, 1989, year end files their cost report prior to April 1, 1990, that cost report will be used to set rates for the rate year to begin on July 1, 1990. In this example, if the December 31, 1989, cost report is not filed until after March 31, 1990, the December 31, 1988, cost report will be used to set rates for the rate year to begin on July 1, 1990.

- a) In the case of a change in ownership of a previously certified facility, the rate issued to the previous owner will be in effect for the remainder of the rate year. A new rate will be calculated for the next rate year based on the new owner's cost report if a cost report covering a minimum of the first six months of operation is received by the Office of Health Finance prior to April 1st. If a cost report covering the first six or more months of operation for the new owner cannot be filed with the Office of Health Finance prior to April 1st, the rate will be calculated based upon the prior owner's cost report filed in accordance with the opening paragraph of this Section. A cost report which has not been completed in accordance with the Department's rules and cost report instructions will not be considered as received until all cost report pages are properly completed.
- b) In the case of a new facility, capital reimbursement will be assigned on the receipt of the first cost report (which may be an abbreviated cost report). The support reimbursement will be set at the median for that region. The facility must then file a six month cost report (beginning with the date the first patient was admitted) that contains actual historical cost information. The capital and support rates will then be recalculated based upon this cost report. Rates so calculated will become effective on the first day of the first month after the six month cost report is received by the Department's Office of Health Finance. The facility must obtain written verification of the initial cost reporting periods from the Office of Health Finance.
- c) When a construction addition to the building will increase the licensed bed capacity by ten percent or more, the facility may file a revised cost report

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reflecting the increased capital investment. If this revised cost report is filed within 30 days after the date of the increase in licensure as determined by the Illinois Department of Public Health, any increase in the capital rate will be effective on the effective date of licensure increase. If the revised cost report is filed more than 30 days after the effective date of increase in licensure, any increase in the capital rate will be effective on the first day of the first month after the report is received by the Bureau of Health Finance~~Finance~~ Section.

- d) Once a rate for an individual facility has been calculated, a new rate will not be calculated during the course of the rate year except as provided in subsections (b) and (c) of this Section.
- e) If a facility incurs building construction improvements which increase the total building cost for the current owner by ten percent or more and which would raise the base year, then the nursing home may file a revised cost report which reports the increased capital investment. Only facility building construction improvements completed after the effective date of the last capital rate calculation can be used to meet the ten percent requirement. Purchases of buildings for use by the facility and allocations of central office buildings and improvements cannot be used to meet the ten percent requirement. The base year is defined in Section 140.570(b)(2). If the improvements have been completed and put into use prior to the forthcoming rate year and the cost report reflecting increased capital costs is filed prior to the beginning of the next rate year, then any increase in the capital rate will be effective on the first day of the rate year.
- f) In order to accommodate the downsizing to close or reduce bed capacity of ICF/MR facilities licensed for ICF/DD or SNF/PED Services, the following provisions will apply. These provisions only apply for facilities with 17 or more licensed beds that decrease their total licensed beds by 20 percent or more due to a decrease in the beds licensed as ICF/DD or SNF/PED. The reduced bed capacity must be necessary to achieve one or more of the following goals: achieve compliance with ICF/MR regulations, such as four or fewer persons per room; achieve compliance with ICF/MR regulations in an adverse action as part of a Plan of Correction (see the Department of Public Health rules at 77 Ill. Adm. Code 300.278); increase available space in order to provide active treatment services to residents; and permit the voluntary closure of a facility in order to achieve community placement to settings of size eight or fewer residents, provided sufficient funds are available to the Department of Human Services (DHS).
 - 1) The facility must request pre-approval for application of these provisions

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from the DHS Director of the Division of Disability and Behavioral Health Services (DDBHS). The written request must describe the necessity to reduce licensed bed capacity. The facility must submit a proposed timetable for the downsizing, including the projected dates of each decrease in census and the census on that date (the benchmark). Written approval may be granted if DHS determines the change will be beneficial for the ICF/DD or SNF/PED residents. If approval is granted, DHS will enter into a downsizing agreement with the facility with provisions including the downsizing plan, benchmarks, rate adjustments and items of compliance regarding the safety and placement of residents.

- 2) The reduction in the number of licensed beds must be completed within a one year period following the DDBHS Director's approval, unless a longer reduction period is approved by the Deputy Director at the onset of the plan. Not fewer than 90 days prior to the projected end date of the downsizing plan, the facility must make application to the Department of Public Health (DPH) for a formal licensure change to reflect the number of licensed beds, if any, to remain at the conclusion of the downsizing plan. The effective date of the licensed bed change will be the actual date the final resident benchmark census objective is reached.
- 3) A facility is ineligible for downsizing if the facility has been notified in writing by DPH of a need for a Plan of Correction for non-compliance with conditions of participation, Type A violations, licensure non-compliance, or because the facility has been declared an "immediate and serious threat" to the welfare of any resident or residents in the one year period preceding the date of a request for application of these downsizing provisions unless the DDBHS Director has granted the facility a waiver of this one year requirement.
- 4) When DPH notifies a facility in writing of a need for a Plan of Correction for non-compliance with conditions of participation, Type A violations, licensure non-compliance, or because the facility has been declared an "immediate and serious threat" to the welfare of any resident, the facility may seek DHS approval of a downsizing plan concurrently as a part of a Plan of Correction to DPH in accordance with the time frames and process allotted by DPH. If a downsize application is not made at this time and as a part of a Plan of Correction, the facility is ineligible for downsizing.
- 5) During the downsizing period, the facility may not accept any admissions except with explicit permission of DHS. The facility must agree to make

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every effort to insure immediate notification (within 72 hours) to DHS and to the local DHS office of all changes in recipient enrollment, eligibility, income, assets, earnings and other status. The facility must agree to make available to DHS and interested parties such records as necessary to disclose the type and quantity of care provided to specific residents, as well as physicians' reports, need for care, level of functioning and orders for services. The facility must agree to provide access to resident care records and facility records and policies concerning resident care throughout the downsizing period.

- 6) The capital and support rates in effect at the time of approval of the downsizing plan (exclusive of any flat add-on rate increases) will be modified for downsizing in accordance with subsection (f)(9) of this Section.
- 7) The capital and support rates will be revised with the achievement of the benchmarks specified in the downsizing agreement during the approved downsizing period.
 - A) The capital rate will be increased in proportion to the agreed on decrease in the census achieved at the end of each benchmark period from the census at the start of the downsizing period. For example, with an original census of 98 residents at the start of the downsizing period and the achievement of a reduction of eight residents to reach the benchmark of 90 residents, the initial \$7.41 capital rate will be increased to \$8.07 as follows: (the initial capital rate) is multiplied by (the original census that has been divided by the achieved census reduction), or $(\$7.41) \times (98/90 \text{ or } 1.089) = \8.07 .
 - B) The support rate will be increased in proportion to the decrease in census achieved at the end of each benchmark period from the census at the start of the downsizing period, with the assumption that 50 percent of the support costs are fixed and 50 percent of the support rate is variable (for example, costs vary as the number of residents varies). The fixed half of the support rate will be increased in proportion to the achieved decrease at the end of each benchmark period. For example, with an original support rate of \$22, the support rate would be $[(.5 \times \$22) \times (98/90)] + (.5 \times \$22) = \$22.98$.

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- C) The program rate will be set according to the methodology in DHS rules at 89 Ill. Adm. Code 144 (exclusive of any flat add-on increases).
- 8) The support rate for ICF/DD facilities may not exceed the facility's geographic area ceiling. Facilities having SNF/PED licenses, which are reducing facility census to comply with ICF/MR regulations which limit the number of persons per bedroom to four or fewer, may exceed the facility's geographic area ceiling but by no more than 125 percent. The exception allowing SNF/PED facilities to exceed the support rate geographic area ceiling will only be based on the reduction in census to attain four or fewer persons per bedroom. If a SNF/PED facility reduces census below that required to attain four persons per bedroom, the support rate may not exceed the facility's geographic area ceiling.
- 9) At the conclusion of the downsizing period the capital, support and program rates will be determined as follows:
- A) The capital rate component will be fixed at the final downsizing rate and will remain in effect until such time as the rate methodology in effect produces a rate based on the downsized licensed capacity that surpasses the downsize capital rate amount. The final downsize capital rate will be increased by funding changes such as cost of living increases, when given. All space in the facility must continue to be used as an ICF/DD or SNF/PED. Use of the facility for an on-site developmental training program, school services or uses unrelated to the operation of the facility as an ICF/DD or SNF/PED, will require the calculation of the capital rate according to the methodology of Sections 140.570 through 140.574 after an adjustment of the facility's capital costs in proportion to the involved square footage. This capital rate will be effective the first day of the month following the change in space usage. Capital improvements to the downsized facility may be made and will be reimbursed as an increase to the downsize capital rate determined as the applicable percentage rate of return of the capital methodology times the per diem per bed reported amount of the improvement. The support rate in effect at the end of the downsizing period will remain in effect until a cost report covering the first six months of operation of the downsized facility is submitted as would be applicable to a new facility in accordance with provisions in subsection (b) of this Section. These six-month

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costs and the corresponding days of care will be used to set the support rate in accordance with the support component rate methodology in effect.

- B) The program rate will be set according to the methodology described at 89 Ill. Adm. Code 144.

(Source: Amended at 30 Ill. Reg. _____, effective _____)

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- 1) Heading of the Part: Long Term Care Reimbursement Changes
- 2) Code Citation: 89 Ill. Adm. Code 153
- 3) Section Number: 153.100 Proposed Action: Amendment
- 4) Statutory Authority: Section 12-13 of the Illinois Public Aid Code [305 ILCS 5/12-13]
- 5) Complete Description of the Subjects and Issues Involved: These proposed changes concerning capital rates for long term care facilities coordinate with related proposed amendments at 89 Ill. Adm. Code 140.534 and 140.560. The changes in Part 140 increase capitalization thresholds, reduce reporting requirements for immaterial purchases, provide clarifications, and add a limitation concerning the amount of central office building costs that can be allocated to cost reports.

The proposed changes at Section 153.100 provide that capital rates shall be adjusted based upon audits of cost report data in accordance with the updates and clarifications proposed at 89 Ill. Adm. Code 140.

- 6) Will this rulemaking replace any emergency rulemaking currently in effect? No
- 7) Does this rulemaking contain an automatic repeal date? No
- 8) Does this rulemaking contain incorporations by reference? No
- 9) Are there any other proposed amendments pending on this Part? Yes

| <u>Sections</u> | <u>Proposed Action</u> | <u>Illinois Register Citation</u> |
|-----------------|------------------------|-------------------------------------|
| 153.125 | Amendment | January 13, 2006 (30 Ill. Reg. 327) |

- 10) Statement of Statewide Policy Objective: This rulemaking does not affect units of local government.
- 11) Time, Place, and Manner in Which Interested Persons May Comment on this Proposed Rulemaking: Any interested parties may submit comments, data, views, or arguments concerning this proposed rulemaking. All comments must be in writing and should be addressed to:

Joanne Scattoloni
Office of the General Counsel, Rules Section

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Illinois Department of Healthcare and Family Services
201 South Grand Avenue East, Third Floor
Springfield, Illinois 62763-0002

(217) 524-0081

The Department requests the submission of written comments within 30 days after the publication of this Notice. The Department will consider all written comments it receives during the first notice period as required by Section 5-40 of the Illinois Administrative Procedure Act [5 ILCS 100/5-40].

- 12) Initial Regulatory Flexibility Analysis:
- A) Types of small businesses, small municipalities and not-for-profit corporations affected: Long term care facilities
 - B) Reporting, bookkeeping or other procedures required for compliance: None
 - C) Types of professional skills necessary for compliance: None
- 13) This rulemaking amendments was not included on either of the two most recent agendas because: The rulemaking was not anticipated by the Department when the most recent regulatory agenda were published.

The full text of the Proposed Amendment begins on the next page:

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TITLE 89: SOCIAL SERVICES

CHAPTER I: DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES

SUBCHAPTER e: GENERAL TIME-LIMITED CHANGES

PART 153

LONG TERM CARE REIMBURSEMENT CHANGES

Section

- 153.100 Reimbursement for Long Term Care Services
- 153.125 Long Term Care Facility Rate Adjustments
- 153.150 Quality Assurance Review (Repealed)

AUTHORITY: Implementing and authorized by Articles III, IV, V, VI and Section 12-13 of the Illinois Public Aid Code [305 ILCS 5/Arts. III, IV, V and VI and 12-13].

SOURCE: Emergency rules adopted at 18 Ill. Reg. 2159, effective January 18, 1994, for maximum of 150 days; adopted at 18 Ill. Reg. 10154, effective June 17, 1994; emergency amendment at 18 Ill. Reg. 11380, effective July 1, 1994, for a maximum of 150 days; amended at 18 Ill. Reg. 16669, effective November 1, 1994; emergency amendment at 19 Ill. Reg. 10245, effective June 30, 1995, for a maximum of 150 days; amended at 19 Ill. Reg. 16281, effective November 27, 1995; emergency amendment at 20 Ill. Reg. 9306, effective July 1, 1996, for a maximum of 150 days; amended at 20 Ill. Reg. 14840, effective November 1, 1996; emergency amendment at 21 Ill. Reg. 9568, effective July 1, 1997, for a maximum of 150 days; amended at 21 Ill. Reg. 13633, effective October 1, 1997; emergency amendment at 22 Ill. Reg. 13114, effective July 1, 1998, for a maximum of 150 days; amended at 22 Ill. Reg. 16285, effective August 28, 1998; amended at 22 Ill. Reg. 19872, effective October 30, 1998; emergency amendment at 23 Ill. Reg. 8229, effective July 1, 1999, for a maximum of 150 days; emergency amendment at 23 Ill. Reg. 12794, effective October 1, 1999, for a maximum of 150 days; amended at 23 Ill. Reg. 13638, effective November 1, 1999; emergency amendment at 24 Ill. Reg. 10421, effective July 1, 2000, for a maximum of 150 days; amended at 24 Ill. Reg. 15071, effective October 1, 2000; emergency amendment at 25 Ill. Reg. 8867, effective July 1, 2001, for a maximum of 150 days; amended at 25 Ill. Reg. 14952, effective November 1, 2001; emergency amendment at 26 Ill. Reg. 6003, effective April 11, 2002, for a maximum of 150 days; emergency amendment repealed at 26 Ill. Reg. 12791, effective August 9, 2002, for a maximum of 150 days; emergency amendment at 26 Ill. Reg. 11087, effective July 1, 2002, for a maximum of 150 days; amended at 26 Ill. Reg. 17817, effective November 27, 2002; emergency amendment at 27 Ill. Reg. 11088, effective July 1, 2003, for a maximum of 150 days; amended at 27 Ill. Reg. 18880, effective November 26, 2003; emergency amendment at 28 Ill. Reg. 10218, effective July 1, 2004, for a maximum of 150 days; amended at 28 Ill. Reg. 15584, effective November 24, 2004; emergency amendment at 29 Ill. Reg. 1026, effective January 1, 2005, for a maximum of 150 days; emergency amendment at 29 Ill. Reg. 4740, effective March 18, 2005,

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for a maximum of 150 days; amended at 29 Ill. Reg. 6979, effective May 1, 2005; amended at 29 Ill. Reg. 12452, effective August 1, 2005; emergency amendment at 30 Ill. Reg. 616, effective January 1, 2006, for a maximum of 150 days; amended at 30 Ill. Reg. _____, effective _____.

Section 153.100 Reimbursement for Long Term Care Services

- a) Notwithstanding the provisions set forth in 89 Ill. Adm. Code 140, 144 and 147 for reimbursement of long term care services, effective January 18, 1994, reimbursement rates for long term care facilities (SNF/ICF and ICF/MR) and day training providers will remain at the levels in effect on January 18, 1994, except as otherwise provided in this Section.
- b) Capital and support rates in effect on January 18, 1994, will be adjusted based on final audits of cost report data in accordance with 89 Ill. Adm. Code 140.582(b) and 140.590.
- c) Capital rates will be increased for major capital improvements in accordance with 89 Ill. Adm. Code 140.560(c) and (e).
- d) New facilities which are assigned median rates in accordance with 89 Ill. Adm. Code 140.560(b) will have rates recalculated based upon receipt of their first cost report and 89 Ill. Adm. Code 147.150.
- e) Requests for IOCs upon which rate determinations are based upon a Medicaid resident being transferred from a State operated facility for persons with developmental disabilities to a community setting will be considered on a case-by-case basis.
- f) Fiscal year 1996 support rates may change based on the first cost report filed by new ownership reflecting six months or more of the new ownership's operation for any facility which changed ownership between July 1, 1992, and January 18, 1994. Only changes in ownership in arms-length transactions between unrelated parties will be recognized for this rate change. The new support rate for those facilities will be calculated in accordance with 89 Ill. Adm. Code 140.560 and 140.561. Support rates for facilities which qualify under this exception will not be decreased by the provisions in this Section. The capital rates of facilities which changed ownership between July 1, 1992, and January 18, 1994, will not be subject to changes in the capital rate based on the provisions of 89 Ill. Adm. Code 140.571(b)(4), but can still be affected by the provisions of subsection (d) of this Section.

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- g) For those for-profit facilities whose fiscal year 1994 capital rate does not include a real estate tax component because it is based upon a non-profit facility's cost report, effective July 1, 1995, the real estate tax component will be added to the capital rate based upon the fiscal year 1994 median real estate tax rate for the geographic area in which the home is located.
- h) If a non-profit facility changes ownership on or after July 1, 1995, and the new owner is a for-profit facility, the real estate tax component will be added to the capital rate effective with the change of ownership as recognized by the Illinois Department of Public Health. The real estate tax component will be added at the geographic area median tax rate in effect for the month in which the real estate tax becomes effective.
- i) For those non-profit facilities whose fiscal year 1994 capital rate includes a real estate tax component based upon a for-profit facility's cost report, effective July 1, 1995, the real estate tax component of the capital rate will be removed (unless the non-profit facility rents the home from an unrelated for-profit entity).
- j) If a for-profit facility changes ownership on or after July 1, 1995, and the new owner is a non-profit facility, the real estate tax component will be removed from the capital rate effective with the date of change in ownership as recognized by the Illinois Department of Public Health. The real estate tax component will not be removed for a non-profit facility that rents the facility from an unrelated for-profit entity.
- k) The flat per diem paid to ICFs/MR to cover the cost of non-emergency dental services pursuant to 89 Ill. Adm. Code 144.275 and 144.300 will be increased from \$.30 to \$.40.
- l) Day training provider rates shall be increased by three percent for services provided on or after July 1, 1996.
- m) Effective for services provided on or after July 1, 1996, facilities which are located in an area which has changed geographic designation due to unique labor force factors shall have rates recalculated based upon the ceilings and norms of the newly designated geographic area.
- n) Long term care facilities that have been assigned a median tax rate on the basis of geographic area in accordance with 89 Ill. Adm. Code 140.560(b) and subsections (m) and (n) of this Section shall subsequently have those rates recalculated based upon the first full tax bill received by that facility. The revised rate will be the

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greater of the recalculated rate or the rate in effect from the aforementioned Section and subsections. Rates revised in accordance with this subsection shall result in payments retroactive to July 1, 1997, for those facilities whose first full tax bill is received by the Department no later than September 30, 1998. Rates for facilities whose first full tax bill is received after September 30, 1998, will be effective on the date the Department receives the first full tax bill. In order to calculate the potential tax rate, the real estate tax from the first full tax bill for the long term care property will be divided by the greater of the annualized capital days (see 89 Ill. Adm. Code 140.570(b)(3)) from the cost report used to calculate the remainder of the capital rate in accordance with 89 Ill. Adm. Code 140.570 through 140.574, or 93 percent of annualized bed days based upon the number of licensed beds available at the end of the period covered by the tax bill. No inflation factor will be used for this calculation.

- o) Interim IOCs may be conducted in an ICF/MR, at the facility's written request, if there has been a change in the resident population of at least 25 percent since the last IOC used to set the rate. A facility is limited to one request in any 12 month period. The rate effective date will be the first day of the month following the month of the facility's written request. The written request must contain documentation supporting the change in the resident population.
- p) Interim IOCs may be conducted for developmental training services when the population of an ICF/MR changes by at least 25 percent since the last IOC used to set the rate. The ICF/MR is limited to one request in any 12 month period. The rate effective date will be the first day of the month following the month of the facility's written request. Documentation must be submitted supporting the change in the resident population.
- q) Rates shall be adjusted for an ICF/MR entering into a downsizing agreement with the Department of Human Services, under the provisions of 89 Ill. Adm. Code 140.560, with the rate effective on the date a benchmark for such downsizing is achieved.
- r) For an ICF/MR with 16 or fewer licensed beds, rate changes shall be made in the program active treatment rate component to reflect an increase of 13 hours of base nursing and nurse supervision for administration of medication by unlicensed direct service staff, effective for services provided on or after January 1, 2000.
- s) The nursing component of a nursing facility's per diem shall be adjusted in accordance with 89 Ill. Adm. Code 147.150.

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- t) Effective for any capital rates calculated with an effective date of July 1, 2006 or later, the capital rates shall be adjusted based upon audits of cost report data in accordance with the updates and clarifications contained in 89 Ill. Adm. Code 140.534 and 140.560.

(Source: Amended at 30 Ill. Reg. _____, effective _____)

ILLINOIS HOUSING DEVELOPMENT AUTHORITY

NOTICE OF PROPOSED RULES

1) Heading of the Part: Rental Housing Support Program

2) Code Citation: 47 Ill. Adm. Code 380

| <u>Section Numbers:</u> | <u>Proposed Action:</u> |
|-------------------------|-------------------------|
| 380.101 | New |
| 380.102 | New |
| 380.103 | New |
| 380.104 | New |
| 380.105 | New |
| 380.106 | New |
| 380.107 | New |
| 380.108 | New |
| 380.109 | New |
| 380.110 | New |
| 380.111 | New |
| 380.112 | New |
| 380.113 | New |
| 380.201 | New |
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| 380.309 | New |
| 380.310 | New |
| 380.401 | New |
| 380.402 | New |
| 380.403 | New |
| 380.404 | New |
| 380.405 | New |
| 380.406 | New |
| 380.407 | New |

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|---------|-----|
| 380.408 | New |
| 380.409 | New |
| 380.410 | New |
| 380.411 | New |
| 380.412 | New |
| 380.413 | New |
| 380.414 | New |
| 380.501 | New |
| 380.502 | New |
| 380.503 | New |
| 380.504 | New |
| 380.505 | New |
| 380.506 | New |
| 380.601 | New |
| 380.602 | New |
| 380.603 | New |
| 380.604 | New |
| 380.605 | New |
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| 380.607 | New |
| 380.608 | New |
| 380.609 | New |
| 380.610 | New |
| 380.611 | New |
| 380.612 | New |
| 380.613 | New |
| 380.614 | New |
| 380.615 | New |
| 380.616 | New |

- 4) Statutory Authority: Implementing and authorized by the Illinois Housing Development Act [20 ILCS 3805/7.19] and the Rental Housing Support Program Act [310 ILCS 105]. The Illinois Housing Development Authority (the "Authority") is the designated administrator for the Rental Housing Support Program (the "Program") in Illinois, which was established by the Rental Housing Support Program Act, effective July 5, 2005.
- 5) A Complete Description of the Subjects and Issues Involved: The rules are established to implement the program rules for the Program under the Rental Housing Support Program Act. The purpose of these rules is to create uniform procedures in order to operate the Program.

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- 6) Will this rulemaking replace an emergency rule currently in effect? No
- 7) Does this rulemaking contain an automatic repeal date? No
- 8) Does this rulemaking contain incorporations by reference? No
- 9) Are there any other proposed rule(s) pending on this Part? No
- 10) Statement of Statewide Policy Objectives: The Rental Housing Support Program Act was established to help localities address the need for decent, affordable, and permanent rental housing. The Program allows the Authority to make grants to local administering agencies in order to provide subsidies to landlords, which will enable landlords to charge rent that is affordable to very low and extremely low income households. Grants under the Program may also be made directly for long term operating support for the development of affordable rental housing.
- 11) Time, Place, and Manner in which interested persons may comment on this proposed rulemaking: Interested parties may submit comments, data, views or arguments concerning this rulemaking in writing to:
- Richard B. Muller, Esq.,
401 North Michigan Avenue, Suite 900
Chicago, Illinois 60611.
- Phone: 312/836-5327
- 12) Initial Regulatory Flexibility Analysis:
- A) Types of small businesses, small municipalities and not for profit corporations affected: None
- B) Reporting, bookkeeping or other procedures required for compliance: No new requirements
- C) Types of Professional skills necessary for compliance: No new professional skills required
- 13) Regulatory Agenda on which this rulemaking was summarized: January 2006

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- 14) Does this rule require the review of the Procurement Policy Board as specified in Section 5-25 of the Illinois Procurement Code? [30 ILCS 500/5-25] No

The full text of the Proposed Rules begins on the next page:

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TITLE 47: HOUSING AND COMMUNITY DEVELOPMENT
CHAPTER II: ILLINOIS HOUSING DEVELOPMENT AUTHORITYPART 380
RENTAL HOUSING SUPPORT PROGRAM

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- 380.101 Authority
- 380.102 Purpose and Objectives
- 380.103 Definitions
- 380.104 Compliance with Federal and State Law
- 380.105 Forms and Procedures for the Program
- 380.106 Application Fee
- 380.107 Program Administration Fees
- 380.108 Authority Administrative Expenses
- 380.109 Amendment
- 380.110 Severability
- 380.111 Gender and Number
- 380.112 Non-Discrimination
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SUBPART B: DISTRIBUTION OF FUNDS

- 380.201 Distribution of Appropriation Funds
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- 380.203 Long-Term Operating Support (LTOS) Program
- 380.204 Rural Area Set-Aside
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SUBPART C: GENERAL REQUIREMENTS

- 380.301 Tenant Eligibility; Required Percentage of Severely Low-Income Tenants
- 380.302 Training Programs
- 380.303 Tenant Rent Contribution
- 380.304 Amount of Rental Assistance, Rent, and Maximum Rent
- 380.305 Rent Increases
- 380.306 Over-Income Tenants
- 380.307 Fraud
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- 380.309 Special Needs Tenants
- 380.310 Tenant Selection Plan

SUBPART D: ALLOCATIONS TO LOCAL ADMINISTERING AGENCIES

- 380.401 Request for Proposals
- 380.402 Eligibility
- 380.403 Application Requirements
- 380.404 Service Area in Multiple Geographic Areas
- 380.405 Qualification Requirements
- 380.406 Administration of Allocations
- 380.407 Inspection Requirements
- 380.408 Contracts with Landlords
- 380.409 Reporting Requirements
- 380.410 Reconciliations
- 380.411 Funding of Allocations
- 380.412 Renewal of Commitments
- 380.413 Leases
- 380.414 Requirements for LAAs Designated by Municipalities

SUBPART E: LANDLORD RESPONSIBILITIES

- 380.501 Income Eligibility and Verification
- 380.502 Record Submission and Retention
- 380.503 Lead-Based Paint
- 380.504 Compliance with State and Local Law
- 380.505 Eviction
- 380.506 Reconciliations

SUBPART F: LONG-TERM OPERATING SUPPORT (LTOS)
PROGRAM REQUIREMENTS

- 380.601 Fund Distribution
- 380.602 Allocations Only for New Units
- 380.603 Application Procedures
- 380.604 Developer Qualifications
- 380.605 Application Requirements
- 380.606 Agency Review
- 380.607 Waiver
- 380.608 Commitments

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| 380.609 | Income Eligibility and Verification |
| 380.610 | Leases |
| 380.611 | Housing Quality Standards |
| 380.612 | Lead-Based Paint |
| 380.613 | Reconciliations |
| 380.614 | Reporting Requirements |
| 380.615 | Agency Monitoring |
| 380.616 | Continuing Eligibility Requirements |

AUTHORITY: Authorized by Sections 7.19 of the Illinois Housing Development Act [20 ILCS 3805/7.19] and the Rental Housing Support Program Act [310 ILCS 105].

SOURCE: Adopted at 30 Ill. Reg. _____, effective _____.

SUBPART A: GENERAL RULES

Section 380.101 Authority

The Illinois Housing Development Authority (Authority) is the designated administrator for the Rental Housing Support Program (RHS Program) in Illinois, which was established by the Rental Housing Support Program Act (RHS Program Act) [310 ILCS 105], effective July 5, 2005. This Part is authorized by Section 7.19 of the Illinois Housing Development Act [20 ILCS 3805/7.19] and Section 10 of the RHS Program Act.

Section 380.102 Purpose and Objectives

The purpose of the RHS Program is to help localities address the need for decent, affordable, permanent rental housing. Under the RHS Program, the agency shall make grants to local administering agencies to provide subsidies to landlords to enable the landlords to charge rents affordable for Extremely Low- and Severely Low-Income Households and to developers to provide long-term operating support for projects that will allow developers to charge rents affordable to Extremely Low- and Severely Low-Income Households.

Section 380.103 Definitions

The following terms used in this Part shall have the following definitions:

"Act": The Illinois Housing Development Act [20 ILCS 3805].

"Agency": The Illinois Housing Development Authority or a municipality.

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"Allocation": A disbursement of funds from the RHS Program to an LAA or a Developer.

"Annual Income": All amounts or anticipated amounts, monetary or not, received from a source outside the household, that go to or are received on behalf of the head, spouse or co-head of the household, or any other household member over the age of 18, during the 12-month period following admission or the date of the most recent recertification of the household income. Annual income includes income from the family's assets. Instructions for the application of this definition shall be included in the Program Guide.

"Applicant": An entity making an application for an allocation.

"Application": The application form and attachments that an applicant must submit when applying for an allocation under the RHS Program.

"Appropriation": The annual appropriation of funds to the Illinois Department of Revenue for the Authority by the Illinois General Assembly for the RHS Program.

"Authority": The Illinois Housing Development Authority.

"Commitment": A contract executed by an agency and an LAA or a developer under which the agency agrees to provide an allocation. Each commitment shall contain a provision to the effect that the agency shall not be obligated to provide funds under the commitment if the agency has not received funds from an appropriation or a fund distribution, as applicable.

"Developer": The owner of a project that has applied for or has been approved for an allocation under the LTOS Program.

"Extremely Low-Income Household": A household whose annual income is less than or equal to 30% of the median income.

"Fiscal Year": The fiscal year of the State.

"Fund Distribution": A distribution of funds from the appropriation for a fiscal year to a geographic area.

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"Geographic Areas": The City of Chicago, suburban areas, small metropolitan areas, and rural areas.

"Household": A single person, family or unrelated persons living together.

"Housing Quality Standards": Inspection standards for units, which shall be set forth in the Program Guide or the Municipality Program Guide, as applicable.

"HUD": The U.S. Department of Housing and Urban Development.

"Income Range": A range of incomes published annually by the Authority that is used to determine the tenant contribution for tenants.

"Landlord": An owner of one or more units receiving or approved to receive rental assistance through an LAA.

"LAA": A local administering agency that receives an allocation to provide rental assistance.

"LTOS Program": The long term operating support program established under the RHS Program, to be used exclusively to provide long-term operating support to developers of projects that provide new units for Extremely Low-Income Households and Severely Low-Income Households.

"Maximum Rent": The maximum rent limit for a unit, which shall be the greater of the maximum rent established under the federal low-income housing tax credit program for a unit rented by a tenant with an annual income less than or equal to 60% of the median income and 120% of HUD's fair market rent for the area in which the unit is located.

"Median Income": The median income of the area in which the unit is located, adjusted for family size, as such adjusted income and median income for the area are determined from time to time by HUD for purposes of Section 8 of the United States Housing Act of 1937 (42 USC 1437).

"Members": The members of the Authority.

"Municipality": A municipality with a population greater than 2,000,000.

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"Municipality Program Guide": The guidelines published by a municipality for allocations made by the municipality. Each Municipality Program Guide shall be consistent with the provisions of this Part.

"Plan for Services": The plan for providing information to tenants on how to gain access to education, training, and other supportive services and, except in the case of LAAs selected by municipalities, procedures for identifying and referring prospective tenants to landlords.

"Program Guide": The guidelines published by the Authority explaining the RHS Program and providing additional information about various RHS Program requirements.

"Project": A building or group of buildings that are financed under a common financing plan. The buildings need not be contiguous, but must be in close proximity to one another.

"Receipts": Funds collected by the Illinois Department of Revenue for the RHS Program.

"Reconciliation": The determination of the difference between the amount of rental assistance payments made to landlords or developers and the amount of rental assistance payments the landlords or the developers were entitled to receive.

"Rental Assistance": The amount paid to a landlord or a developer as a subsidy for a unit approved for assistance under the RHS Program.

"Rental Assistance Rider": The rider to be attached to each tenant's lease that describes the RHS Program, requires the tenant to provide a certification of its annual income, notifies the tenant that the tenant must report changes in its annual income to the landlord or developer, as applicable, informs the tenant that increases in annual income may result in an increase and sets forth the amount of the tenant contribution. The Rental Assistance Rider shall be included in the Program Guide.

"Reserve Fund": The fund established by the Authority, or a municipality through an LAA, to provide a source of funds in the event that an annual appropriation is not sufficient to provide adequate funding for existing commitments.

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"RFP": A request for proposals by an agency soliciting applications from LAAs or developers.

"RHS Program Act": The Rental Housing Support Program Act [310 ILCS 105].

"RHS Program": The Rental Housing Support Program authorized by the RHS Program Act.

"Rural Area": All areas of the State not specifically included in any other geographic area.

"Service Area": The geographic boundaries of the area to be served by an LAA.

"Severely Low-Income Household": A household whose annual income is less than or equal to 15% of the median income.

"Small Metropolitan Areas": The geographic area that includes the municipalities of Bloomington-Normal, Champaign-Urbana, Decatur, DeKalb, Moline, Pekin, Peoria, Rantoul, Rockford, Rock Island and Springfield, and the counties of Madison and St. Clair.

"Suburban Areas": The geographic area that includes the counties of Cook (excluding Chicago), DuPage, Kane, Lake, McHenry, and Will.

"State": The State of Illinois.

"State Median Income": The State median income published by the U.S. Census Bureau in the most current decennial census.

"Tenant": A household occupying a unit.

"Tenant Bill of Rights": Information LAAs and developers are required to provide to tenants concerning how to contact the LAA, local landlord-tenant laws and procedures, information on how to contact the agency administering those laws and procedures, eligibility requirements for participating in the RHS Program, and the rights and responsibilities of prospective tenants prior to occupancy of a unit.

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"Tenant Contribution": The portion of the monthly rent for a unit to be paid by the tenant, which shall be approximately 30% of the median income for the income range in which the tenant's annual income falls, adjusted for unit size.

"Tenant Income Certification": The form prescribed by the Authority and used by landlords and developers in determining and reporting a tenant's annual income to an LAA or an agency, as applicable.

"Tenant Selection Plan": The written plan prepared by a landlord or a developer and approved by the LAA or an agency, as applicable, which governs the selection of tenants for a unit or a project.

"Transitional Contribution": The tenant contribution for tenants whose income has exceeded the income limit for Extremely Low-Income households.

"Unit": A rental housing unit receiving rental assistance through an allocation. A unit may be a single family dwelling or a unit in a multifamily dwelling. Housing units intended as transitional or temporary housing do not qualify as units.

Section 380.104 Compliance with Federal and State Law

Notwithstanding anything in this Part to the contrary, this Part shall be construed in conformity and compliance with applicable federal and State law.

Section 380.105 Forms and Procedures for the Program

The Authority may prepare, use, supplement, and amend such forms, agreements, and other documents and such procedures as may be necessary to implement the RHS Program. Except as otherwise permitted in this Part or by the Authority in writing, all agencies must use the forms prepared by the Authority.

Section 380.106 Application Fee

Each applicant must pay an application fee not to exceed \$500 in connection with its application.

Section 380.107 Program Administration Fees

Allocations to LAAs, including any LAA designated by a municipality, shall include an amount to be paid to the LAA for the LAA's administrative expenses in connection with the administration of the allocation, including, but not limited to, the staff salaries and benefits of

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LAA employees for time spent performing duties associated with the allocation, including unit inspections; participation in tenant referrals and determination of tenant eligibility; negotiation with prospective landlords regarding participation in the RHS Program; technical assistance; the cost of equipment used in operating under the RHS Program (such as cars, copiers, paper used in preparing required documentation, etc.); and costs for office space and utilities incurred in operating under the RHS Program. The amount of funds for an LAA's administrative expenses shall not exceed 10% of the amount of an allocation that is less than or equal to \$500,000, and 7% of the amount of an allocation that is greater than \$500,000.

Section 380.108 Authority Administrative Expenses.

The Authority shall be entitled to deduct from each appropriation, prior to any distribution of funds under the RHS Program, an amount not to exceed 7% of the appropriation for expenses associated with the administration of the RHS Program, including, without limitation, expenses for staff salaries and benefits for time spent on design and administration of the RHS Program; training and marketing expenses incurred in performing outreach activities and providing technical assistance to LAAs; the use of the Authority's equipment for RHS Program purposes; the cost of office space and utilities incurred in connection with the RHS Program; and any other expenses incurred in the administration of the RHS Program.

Section 380.109 Amendment

This Part may be supplemented, amended, or repealed by the members from time to time and in a manner consistent with the Illinois Administrative Procedures Act [5 ILCS 100], this Part, the Act, the RHS Program Act, and other applicable laws. This Part shall not constitute or create any contractual rights.

Section 380.110 Severability

If any clause, sentence, paragraph, subsection, Section, or Subpart of this Part is adjudged by any court of competent jurisdiction to be invalid, that judgment shall not affect, impair, or invalidate the remainder of this Part, but shall be confined in its operation to the clause, sentence, paragraph, subsection, Section, or Subpart as to which the judgment is rendered.

Section 380.111 Gender and Number

All terms used in any one gender or number shall be construed to include any other gender or number as the context may require.

Section 380.112 Non-Discrimination

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Landlords, LAAs and developers shall comply with the Illinois Human Rights Act [775 ILCS 5] and the regulations promulgated under that Act, the Fair Housing Act (42 USC 3601) and all other applicable State and federal law concerning discrimination and fair housing.

Section 380.113 Titles and Captions

Titles and captions of Subparts, Sections, and subsections are used for convenience and reference and are not a part of the text.

SUBPART B: DISTRIBUTION OF FUNDS

Section 380.201 Distribution of Appropriation Funds

The Authority shall distribute funds from annual appropriations in accordance with the following priorities:

- a) To the Authority for its administrative fee.
- b) To municipalities.
 - 1) Each municipality must use at least 10% of its fund distribution for an LTOS Program.
 - 2) Each municipality shall distribute the balance of its fund distribution to one or more designated non-profit organizations that meet the requirements for an LAA and that will serve as an LAA for the municipality.
- c) To fund the Authority's Reserve Fund.
- d) After distributing the amounts listed in subsections (a), (b) and (c), the Authority shall use at least 10% of the remaining amount of the appropriation for an LTOS Program, which the Authority shall allocate through a competitive application process, as described in Subpart F, for projects to be located outside the municipalities.
- e) The balance of the appropriation shall be distributed to suburban areas, small metropolitan areas and rural areas.

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Section 380.202 Fund Distributions to Geographic Areas

- a) The Authority shall make fund distributions to geographic areas on a proportional basis using data from the most recent decennial census performed by the U.S. Census Bureau. Each geographic area's proportionate share shall be the fraction having a numerator equal to the number of all households in that geographic area having an annual income less than 50% of the State median income for a household of four and paying more than 30% of their annual income on rent, and a denominator equal to the number of all households in the State having an annual income less than 50% of the State median income for a household of four and paying more than 30% of their annual income on rent.
- b) The proportionate fund distributions for the geographic areas shall be redetermined when data from a new decennial U.S. Census becomes available. The Authority may use funds in the Reserve Fund to alleviate hardships arising out of reductions in the proportionate amount of fund distributions that would otherwise result in reductions in the amount of rental assistance for existing tenants.

Section 380.203 Long Term Operating Support (LTOS) Program

Each agency shall establish a competitive application process for providing long-term operating support to projects providing new affordable housing units for Extremely Low-Income Households and Severely Low-Income Households within its jurisdiction. Each agency shall administer the funds for its LTOS Program in a manner consistent with criteria established in Subpart F of this Part, but municipalities may include additional preferences and requirements set forth in writing in the municipality's application form.

Section 380.204 Rural Area Set-Aside

The Authority may award up to 20% of the fund distribution for rural areas to a single LAA, to be used for rental assistance within a designated portion of the rural area within which localities desire to support a number of units too small to justify the establishment of a rental assistance program for each locality, as determined by the LAA and approved by the Authority. With the approval of the Authority, the designated LAA under the rural area set-aside may subcontract administrative tasks, such as inspection of units, to local agencies.

Section 380.205 Reserve Fund

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- a) Each Agency, or an LAA designated by a municipality, shall establish a Reserve Fund from each Appropriation or fund distribution, as applicable, to offset decreases in funding caused by periodic fluctuation in annual appropriations, to maintain continuity in funding when commitments expire, and to phase out rental assistance lost by a shift in any geographic area's proportionate fund distribution as a result of a new decennial census. Municipalities may establish their Reserve Funds with their designated LAAs.
- b) The amount to fund the Reserve Fund for the Authority shall be a maximum of 5% of the amount of each annual appropriation after subtracting the Authority's administrative fee and the fund distributions to municipalities. The amount of each municipality's Reserve Fund shall be a maximum of 5% of the municipality's fund distribution. Each Reserve Fund shall also include income derived from investing funds in the Reserve Fund and funds received from LAAs that did not use the entire amount of their allocations.

SUBPART C: GENERAL REQUIREMENTS

Section 380.301 Tenant Eligibility; Required Percentage of Severely Low-Income Tenants

Eligible tenants shall be either Extremely Low-Income Households or Severely Low-Income Households. At least 50% of the units for which an LAA or a developer receives rental assistance shall be reserved for Severely Low-Income Households unless the LAA or the developer is able to demonstrate that there are an insufficient number of Severely Low-Income Households currently residing in the service area defined in the application or the area in which the project is located, as applicable, who are qualified to become tenants. The LAA or the developer must show that it has made extensive, but unsuccessful outreach efforts, including contacting non-profit corporations serving the homeless, disabled, and senior citizens in the service area or the area in which the project is located; public housing authorities with jurisdiction in the service area or the area in which the project is located; and otherwise publicizing the availability of these units at appropriate locations within and surrounding the service area or the area in which the project is located, such as through advertising in local newspapers, or meetings with community groups. The applicant must submit this evidence to the agency with its application.

Section 380.302 Training Programs

For any year in which funding is available for allocations to new LAAs, the Authority shall provide training programs in areas of the State convenient to potential applicants. The training shall include a program overview, a description of the requirements for both an LAA and a

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developer, a thorough review of the Program Guide and the RFP process. The Authority shall provide reasonable notice of all training programs on its website and by any other means the Authority deems appropriate.

Section 380.303 Tenant Rent Contribution

The LAA or developer must establish for each unit the amount of the tenant contribution. Each tenant's tenant contribution shall be a fixed amount and must be based on the size of the unit and the tenant's income range. The Authority shall determine income ranges and tenant contribution schedules annually.

Section 380.304 Amount of Rental Assistance, Rent, and Maximum Rent

- a) The amount of the rental assistance for each unit shall be the difference between the amount of the tenant contribution and the rent for the unit. The amount of rental assistance for the unit shall be established by the LAA and the landlord, or the agency and developer, as applicable.
- b) Rents for a unit must be comparable to those in the market area in which the unit is located, of similar size and condition, with similar amenities. These comparable rents must be consistent with rent levels provided in the application.
- c) Rents shall not exceed maximum rents established for the area, as determined annually by the Authority, unless the rents throughout the local community are at such levels that, if the maximum rent is used, it is highly unlikely that there will be units available for inclusion in the RHS Program. These circumstances must be appropriately documented for the request for rents greater than the maximum rent to be granted.

Section 380.305 Rent Increases

Upon request from an LAA or a developer, agencies may allow an annual increase in the rent for units, not to exceed 2%, except as otherwise permitted by Section 380.304(c). Rent increases shall be subject to the availability of funds in an appropriation. In making this determination, the agency shall review comparable rents in the market area, operating expenses of the building in which the unit is located and any other information the agency deems relevant. Any rent increase shall not increase the tenant contribution. If approved, rent increases shall take effect at the time the lease for the unit is renewed; if a lease is not renewed, the rent increase shall take effect in the first month rental assistance is subsequently provided for the unit.

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Section 380.306 Over-Income Tenants

When the annual income of a tenant exceeds the Extremely Low-Income Household limit as a result of an increase in the tenant's annual income, rental assistance shall be terminated no later than 12 months after the date of expiration of the tenant's lease in effect when the tenant's annual income exceeds the Extremely Low-Income Household limit. The transitional contribution during this period shall be the tenant's tenant contribution plus one-half of the difference between the tenant contribution and the current rent for the unit.

Section 380.307 Fraud

If it has been determined that a tenant has, with an intent to deceive, made false statements or omissions, or concealed substantive facts, in applying to participate in the RHS Program, rental assistance for the tenant's unit shall be terminated immediately, and the tenant shall be required to pay the entire rent for the unit for the full term of the tenant's lease.

Section 380.308 Tenant Bill of Rights

Each LAA must provide each landlord that is to receive rental assistance payments with a Tenant Bill of Rights, and shall require each landlord to provide each tenant with the Tenant Bill of Rights. Each developer must provide all tenants in its project with a Tenant Bill of Rights.

Section 380.309 Special Needs Tenants

An LAA or a developer may include in its application preferences for prospective tenants with special needs. An LAA may also pledge to use its best efforts to make up to 30% of the units under its allocation available to tenants with special needs. However, LAAs and developers must rent available units to the first eligible tenant, regardless of whether the tenant has a special need. An LAA or developer shall not require a tenant to have a diagnosis of a particular illness or the presence of a specific disability as a condition of eligibility for a unit unless the diagnosis or disability is required by another funding source for the unit or the project.

Section 380.310 Tenant Selection Plan

Landlords and developers must submit to the funding LAA or agency, as applicable, a Tenant Selection Plan acceptable to the LAA or agency.

SUBPART D: ALLOCATIONS TO LOCAL ADMINISTERING AGENCIES

Section 380.401 Request for Proposals

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From time to time the Authority shall issue an RFP for applications from prospective LAAs. The RFP shall include a copy of the Program Guide and an application form. The period for submitting a response to the initial RFP shall be at least nine months. For each subsequent RFP, the Authority shall allow a minimum of three months to submit a response to the RFP. Each municipality shall designate an LAA that meets the requirements of this Part; however, municipalities are not required to issue RFPs for selecting an LAA. Municipalities may designate an LAA according to procedures set forth in the Municipality Program Guide.

Section 380.402 Eligibility

LAAs may be local governmental bodies, including municipalities, counties, and townships in unincorporated areas of the State; local housing authorities organized under the Illinois Housing Authorities Act [310 ILCS 10]; or non-profit organizations registered and in good standing with the Illinois Secretary of State.

Section 380.403 Application Requirements

Each application shall include the information required by this Section and, in the case of the Authority, any additional information the Authority may require to promote efficient program administration and quality of performance, provided that those requirements are included in the Authority's RFP and are consistent with this Section.

- a) **Unit Types:** Each application shall include two, three, and four-bedroom units among those units proposed for rental assistance. Each applicant shall determine and document the need for the number of two, three, and four-bedroom units in its proposed service area. The Authority may adjust the number of these larger units if the information in the application indicates a greater or lesser need for specific unit types. All LAAs must make a good faith effort to comply with the final determination of the number of two, three, and four bedroom units to receive rental assistance in the service area.
- b) **Maximum Number of Units:** For buildings containing more than four units, the number of units proposed for RHS shall not exceed 30% of the units in the building.
- c) **Rents:** Each application shall include a schedule of rents for the proposed units, the proposed tenant contribution and a rent study. The requirements for the rent study shall be included in the Program Guide.

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- d) Required Outreach: Each applicant must demonstrate that it has made extensive efforts to establish working relationships with organizations serving populations in need of rental assistance, including, without limitation, local non-profit organizations serving the homeless, disabled, and senior citizens in the service area; public housing authorities with jurisdiction in the service area; and other organizations within the service area having experience in working with Extremely Low-Income Households and Severely Low-Income Households.
- e) Preference in Making Allocations: Applications that pledge to make efforts to offer up to 30% of the proposed units to special needs populations, including persons now or imminently at risk of being required to live in institutional settings due to unavailability of suitable housing, shall receive the highest priority for an allocation. Applications seeking this preference shall include executed written agreements with special needs service providers to refer eligible households and a pledge to create and maintain procedures for referring the special needs households. Applications shall not include a requirement that a unit must be occupied by a tenant having a diagnosis of a particular illness or the presence of a specific disability.
- f) Plan for Services: Each applicant shall provide its Plan for Services, which shall include a plan for providing information to tenants on how to gain access to education, training, and other supportive services, and procedures for advertising available units, and for identifying and referring prospective tenants to landlords for those units.
- g) Financial Procedures: Each application shall describe in detail the procedures for managing and disbursing the funds to be received through the requested allocation and for making reconciliations.
- h) Monitoring Landlords: Each LAA shall describe in detail how it proposes to monitor units and the performance of landlords, including, at a minimum, how the LAA will monitor the landlord's procedures for verifying the annual income of tenants and the landlord's adherence to its Tenant Selection Plan.
- i) Readiness to Proceed: Agencies may give preference to applicants who demonstrate a readiness to proceed, should they receive an allocation. Readiness to proceed may be shown by a list of households that have been pre-qualified to be tenants, letters of intent from landlords who own rental units, or other factors, provided that the other factors are listed in the RFP. Letters of intent should include a certification from the landlord that he/she is the owner of the rental unit,

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the address and the proposed rent for the unit; a statement that he/she will make the unit available to eligible households when funding is made available under the RHS Program; the signature of the owner; an executed acknowledgement by an authorized signatory of the applicant; and other information as the Authority may require in the RFP.

Section 380.404 Service Area for Multiple Geographic Areas

If an applicant designates a service area that includes areas in more than one geographic area, the applicant must submit a separate application for that portion of the proposed service area in each geographic area.

Section 380.405 Qualification Requirements

- a) Applicants must be financially viable, as determined through the agency's review of the applicant's audited financial statements for the two most recent years. If the applicant is an entity formed as a non-profit corporation wholly-owned or controlled by another entity solely for the purpose of applying for and administering rental assistance programs, audited financial statements of the parent company shall be submitted to satisfy this requirement.
- b) Applicants must demonstrate that they have the experience and knowledge necessary to administer an allocation by documenting: their experience in verifying tenant income eligibility and other aspects of administering rental assistance programs; their existing relationships with local landlords; their capability to evaluate properties to determine whether the properties satisfy housing quality standards; their ability to monitor procedures of landlords in satisfying RHS Program requirements; their experience and performance in handling grants or other funds from outside sources; the extent and nature of their established relationships with service providers serving the homeless, disabled, or senior citizens in the applicant's proposed service area; and any other factors established by the Authority and published in the RFP.
- c) Applicants may form partnerships with more experienced entities in order to satisfy the requirements of this Section. In such a case, all partners shall execute, and will be jointly responsible for compliance with, the terms of the commitment.

Section 380.406 Administration of Allocations

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- a) **Commitment:** Each LAA shall enter into a commitment with the agency that is providing its allocation; the allocation may be less than the amount requested in the application. The term of commitments may be one, two or three years, subject to the availability of funds from an appropriation or a fund distribution, and may be renewed.
- b) **Record Retention:** Each LAA shall maintain records in connection with all units receiving rental assistance under the LAA's commitment for five years after the date of termination of the commitment.
- c) **Agency Monitoring:** Each agency shall have the right to monitor all records of LAAs relating to the administration of the allocation granted by the agency. Each agency may perform its own physical inspection of units in addition to the physical inspections that the LAA is required to perform. Each LAA shall make all records relating to its commitment available for inspection by the funding agency upon the agency's request. The required documentation may include a copy of the LAA's response to the RFP, if applicable; all physical inspection records; occupancy records for all units; a description of all outreach efforts made by the LAA; records of payments or rental assistance to landlords and reconciliation payments made to the agency; copies of contracts with landlords, the agency and, where applicable sub-contractors; documentation of the LAA's administrative expenses; and any other documentation required by the agency.
- d) **Tenant Income Certifications:** Each LAA shall obtain, maintain, and forward to the agency annual tenant income certifications for all tenants benefiting from rental assistance from the LAA.
- e) **Landlord Procedures:** Each LAA shall be responsible for monitoring the landlord's compliance with its Tenant Selection Plan and performance in certifying tenants' annual income, including verification of all family income, assets, family characteristics and other factors that may affect a tenant's eligibility or level of assistance.

Section 380.407 Inspection Requirements

Before releasing rental assistance funds for a unit, the LAA or its agent shall inspect the unit and the common areas and grounds of the building in which the unit is located, and shall certify that the unit and the common areas and grounds of the building comply with housing quality standards. LAAs shall also make inspections of units at least annually, together with the common areas and grounds of the unit's building. If a landlord is receiving rental assistance for a

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number of units, the LAA may inspect a sample of these units in each building in which the units are located, which shall not be less than three units, but if a landlord receives rental assistance for fewer than three units, the LAA shall inspect all units at least annually.

Section 380.408 Contracts with Landlords

LAA's shall enter into a payment contract with each landlord. The contract shall provide that the LAA will pay make quarterly rental assistance payments to landlords in advance. The contract shall identify the landlord and LAA; have a term not less than one year and not greater than three years; identify the units to receive rental assistance by address and unit type; set forth the total rent to be charged for each unit, which shall not be greater than the maximum rent unless otherwise approved by the Authority pursuant to Section 380.304(c), provided, however, that the landlord is responsible for determining the family size and annual income of each tenant and reporting this information to the LAA; and require that the landlord abide by the requirements of the RHS Program.

Section 380.409 Reporting Requirements

Each LAA shall provide reports to its funding agency, on forms provided by the agency, at the end of each quarter of the term of its commitment. The report shall identify each unit that is receiving rental assistance and shall state the amount of rental assistance received from the agency for each unit; the amount paid to each landlord for rental assistance; the tenant contribution for each unit, any vacancies, including the full rent of each vacant unit; and other information as the agency may require. The LAA shall provide all new and updated tenant income certifications along with its report.

Section 380.410 Reconciliations

Each LAA shall perform a reconciliation every six months during the term of its commitment and, if the reconciliation indicates that the LAA has received funds in excess of the amount required for rental assistance payments, the LAA shall return all excess funds to its funding agency. The funding agency may reduce the amount of subsequent quarterly payments to the LAA under the commitment to offset reconciliation amounts owing to, but not forwarded to, the agency.

Section 380.411 Funding of Allocations

During the term of each commitment with an LAA, the Authority shall provide funds to LAA's in quarterly installments. The Authority shall increase the amount of an LAA's allocation if the Authority has approved an annual 2% rent increase for occupied units, provided that the rent for

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each unit, including the rental assistance, does not exceed the maximum rent for each unit and funding is available from an appropriation.

Section 380.412 Renewal of Commitments

- a) Agencies shall review the performance of each LAA at the end of the LAA's commitment term. agencies shall only renew the commitments of those LAAs that have satisfactorily performed their obligations under their commitments, as determined by the agency. The performance review shall include, without limitation, the LAA's compliance with requirements for tenant eligibility, tenant contribution, and rent charged for the units; the number of two, three, and four bedroom units included among the units receiving rental assistance; the adequacy, frequency, and sufficiency of inspections of units; the proper and timely submission of quarterly reports and reconciliations; outreach activities conducted by the LAA within and around the LAA's service area; the implementation of the LAA's pledge to offer rental assistance for units for special needs households, if applicable; the LAA's responsiveness in addressing concerns about the LAA's performance under its commitment; and proper documentation of the LAA's administrative expenses.
- b) If the Agency does not renew the commitment of an LAA, the agency shall seek another LAA to provide rental assistance for units receiving rental assistance under the unrenewed commitment. The agency may offer a temporary commitment to an LAA working in the same service area, and if the substitute LAA's performance is satisfactory, may extend the temporary commitment for a period not to exceed three years. If the agency is unable to find a replacement LAA, the agency shall give 90 days notice to the tenants and landlords of its intention to terminate rental assistance for the units, and shall reallocate the rental assistance funds for these units.

Section 380.413 Leases

Landlords shall enter into a lease with each tenant, which shall have a term of no less than 12 months and which shall contain a Rental Assistance Rider. The LAA shall review each lease and certify to the applicable agency that the leases do not violate any provision of State or local law or this Part. The lease shall indicate which party is responsible for paying the utilities. Landlords shall provide each tenant and the LAA with a copy of the lease.

Section 380.414 Requirements for LAAs Designated by Municipalities

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LAAAs designated by municipalities must comply with Sections 380.303, 380.305, 380.306, 380.307, 380.308, 380.311 and 380.312 of this Part and the RHS Program Act.

SUBPART E: LANDLORD RESPONSIBILITIES

Section 380.501 Income Eligibility and Verification

Landlords shall verify the annual income of each prospective tenant prior to occupancy of a unit and thereafter annually, using the tenant income certification form prescribed by the agency. Landlords shall verify all household income and assets, following the rules and requirements provided by the Authority.

Section 380.502 Record Submission and Retention

Landlords shall maintain monthly records of the tenant contribution and rental assistance payments received for each unit, including unit vacancies, for the term of the lease plus three years from the date of termination of the lease. Landlords shall submit copies of these records to the LAA at least quarterly, unless the contract between the landlord and the LAA requires more frequent submittals.

Section 380.503 Lead-Based Paint

All units eligible for rental assistance payments must be free of lead-based paint hazards. For units in buildings constructed prior to January 1, 1978, landlords must certify to the LAA and the agency that they have visually inspected the unit for lead-based paint hazards, and if such hazards have been found, have either performed remediation, abatement, or encapsulation, in conformance with federal and State law. For buildings constructed on or after January 1, 1978, landlords shall certify, using the form prescribed by the agency to the LAA, that the buildings or units contain no lead-based paint.

Section 380.504 Compliance with State and Local Law

The landlord must certify to the LAA, in the form provided by the Authority or the agency, that the lease for each unit receiving rental assistance, does not violate State and local law or this Part.

Section 380.505 Eviction

Landlords shall have the right to evict tenants for good cause, as permitted under State and local law.

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Section 380.506 Reconciliations

Landlords shall make reconciliations to their funding LAAs at least annually.

**SUBPART F: LONG-TERM OPERATING SUPPORT (LTOS)
PROGRAM REQUIREMENTS****Section 380.601 Fund Distribution**

Agencies shall reserve at least 10% of each year's appropriation or fund distribution, as applicable, for LTOS allocations. Agencies are not required to spend those funds in the year reserved, but may combine these funds with the reserved amounts from past or subsequent years; provided, however, that such funds must be used within three years after their appropriation or fund distribution. A municipality may delegate its responsibility to establish an LTOS Program to its designated LAA.

Section 380.602 Allocations Only for New Units

Grants under LTOS Program will only be available for projects involving the creation of new housing units for Extremely Low-Income Households or Severely Low-Income Households.

Section 380.603 Application Procedures

- a) From time to time agencies shall accept applications from prospective developers for funding under the LTOS Program by issuing RFPs in a manner described in the Program Guide or the Municipality Program Guide, as applicable.
- b) The Authority shall prescribe forms and consider applications for funding under the LTOS Program for units to be located outside the municipalities. Municipalities shall prescribe forms and consider applications for funding under the LTOS Program for units to be located within the municipalities. All applications must satisfy the applicable requirements of this Part.

Section 380.604 Developer Qualifications

To be eligible to receive funding under an LTOS Program, a developer must be financially viable at the time of its application, as demonstrated by the developer's audited financial statements for the three most recent years. developers must also demonstrate to the satisfaction of the agency experience in or capacity for the operation and management of affordable housing developments,

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including housing developments that serve Extremely Low-Income Households and Severely Low-Income Households.

Section 380.605 Application Requirements

- a) Applicants shall specify the number of units for which they are requesting an allocation, which, for projects containing more than four units, shall not exceed 30% of the units in the project.
- b) Developers shall specify in their applications how vacancies in units will be advertised and shall include in their application provisions for outreach to local homeless shelters, organizations that work with people with disabilities, and others interested in affordable housing.

Section 380.606 Agency Review

The agency shall review each complete application and approve or reject it. The agency's review of an application shall include, but not be limited to, the following criteria:

- a) the availability of funds under the RHS Program that have been reserved for the LTOS Program;
- b) the increase of the geographic diversity of projects funded under the LTOS Program;
- c) the level of local government and community support for the proposed project;
- d) the suitability of the project site;
- e) cost per unit of the project, including soft costs (non-construction costs);
- f) the need for funding for the project;
- g) the affordability of the units to Extremely Low-Income Households and Severely Low-Income Households;
- h) the amount of LTOS Program funds requested;
- i) the number of units to be available for special needs tenants;

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- j) the proposed term of the allocation, which shall not exceed 30 years;
- k) the site and market study for the project; and
- l) the developer's Plan for Services.

Section 380.607 Waiver

An agency may waive any LTOS Program requirements only when special circumstances exist under which the application of the LTOS requirements would hinder the purpose of the RHS Program.

Section 380.608 Commitments

- a) Upon the approval of a project under the LTOS Program, the agency shall enter into a commitment with the developer. The term of the commitment may be for a maximum of 15 years, provided, however, that agencies may provide funding in the form of a lump sum grant to developers for a period not to exceed 30 years. The commitment shall also be subject to the agency's annual review of the developer's performance under the commitment, and may be revoked in the event of clearly unsatisfactory performance. Except in the case of lump sum grants, the commitment shall contain a provision that continued funding of the allocation shall be conditioned on receipt of sufficient appropriations for the RHS Program.
- b) Except in the case of lump sum grants, during the term of each commitment the agency shall provide regular funding for units in the project, but not more frequently than in quarterly installments each year.
- c) Except in the case of lump sum grants, the agency shall provide increased funding if the agency has approved an annual 2% rent increase for occupied units, provided that the rent for each unit, including the funds for rental assistance, does not exceed the maximum rent for each unit, except as provided in Section 308.304(c), and funding is available from an appropriation.

Section 380.609 Income Eligibility and Verification

Developers shall verify the annual income of each prospective tenant prior to occupancy of a unit and thereafter annually, using the tenant income certification form prescribed by the agency. developers shall verify all household income and assets, as required in this Part and the Program Guide or the Municipality Program Guide, as applicable. Developers shall maintain records in

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connection with all units receiving rental assistance under their commitments for five years after the date of termination of the commitment.

Section 380.610 Leases

Developers must enter into a lease with each tenant having a term of no less than 12 months. The lease shall contain a Rental Assistance Rider. The lease shall indicate which party is responsible for paying the utilities. Developers shall provide each tenant and the LAA with a copy of the lease.

Section 380.611 Housing Quality Standards

Prior to the disbursement of an allocation or, in the case of a newly constructed project, upon completion of construction of the project, the applicable agency shall inspect the project to determine whether the project satisfies the housing quality standards. If the project does not satisfy the housing quality standards, the agency shall not provide an allocation for the project until all deficiencies have been removed to the satisfaction of the agency.

Section 380.612 Lead-Based Paint

All projects involving rehabilitation must be free of lead-based paint hazards. For all buildings constructed prior to January 1, 1978, developers shall certify to the agency that they have visually inspected the building for lead-based paint hazards and, if such hazards have been found, have either performed remediation, abatement, or encapsulation, in conformance with federal and State law. For buildings constructed on or after January 1, 1978, developers shall certify, using the form prescribed by the agency, that the building contains no lead-based paint.

Section 380.613 Reconciliations

Each developer shall, every six months during the term of its commitment, perform a reconciliation and, if the reconciliation indicates that the developer has received funds in excess of the amount required for rental assistance payments, the developer shall return all such excess funds to its funding agency. The funding agency may reduce the amount of subsequent quarterly payments to the developer under the commitment to offset reconciliation amounts owing to, but not forwarded to, the agency.

Section 380.614 Reporting Requirements

Each developer shall provide reports to its funding agency, on forms provided by the agency, at the end of each quarter of the term of its commitment. The report shall identify each unit that is

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receiving rental assistance and shall state the amount of rental assistance received from the agency for each unit; the tenant contribution for each unit; any vacancies, including the rent of each vacant unit; and such other information as the agency may require. The developer shall provide all new and updated tenant income certifications along with its report.

Section 380.615 Agency Monitoring

Each agency shall have the right to monitor all records of developers relating to the administration of allocations granted by the agency. developers shall make all records relating to its commitment available for inspection by the funding agency upon the agency's request. The records for review may include, without limitation, a copy of the developer's response to the RFP, if applicable; all physical inspection records; occupancy records for all units; a description of all outreach efforts; reconciliation payments to the agency; and any other documentation required by the agency.

Section 380.616 Continuing Eligibility Requirements

If a developer does not perform in accordance with the provisions of its commitment with an agency, as determined upon review by the agency, the agency shall not renew the commitment. In determining whether a developer has adequately performed under its commitment, the agency may review, without limitation, the developer's compliance with Authority requirements for tenant eligibility, tenant contribution, and rent charged for the units; the compliance of the project with the housing quality standards; responsiveness to the agency, including, without limitation, all reporting requirements; the developer's compliance with the project's Tenant Selection Plan; and outreach activities conducted by the developer within and surrounding the area in which the project is located, where applicable.

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- 1) Heading of the Part: Heartsaver AED Grant Code
- 2) Code Citation: 77 Ill. Adm. Code 530
- 3)

| <u>Section Numbers:</u> | <u>Proposed Action:</u> |
|-------------------------|-------------------------|
| 530.100 | New Section |
| 530.200 | New Section |
| 530.300 | New Section |
| 530.400 | New Section |
| 530.500 | New Section |
| 530.600 | New Section |
| 530.700 | New Section |
| 530.800 | New Section |
| 530.900 | New Section |
| 530.1000 | New Section |
| 530.1100 | New Section |
- 4) Statutory Authority: Section 371 of the Department of Public Health Powers and Duties Law of the Civil Administrative Code of Illinois [20 ILCS 2310/371].
- 5) A Complete Description of the Subjects and Issues Involved: Public Act 93-1085 created the Heartsaver AED Fund. This law gives the Department of Public Health the power to make matching grants from the Fund to any public school, public park district, public college or public university required have an AED pursuant to the Physical Fitness Facility Medical Emergency Preparedness Act [210 ILCS 74] and the Physical Fitness Facility Medical Emergency Preparedness Code (77 Ill. Adm. Code 527).
- 6) Published studies or reports, and sources of underlying data, used to compose this rulemaking: None
- 7) Will this rulemaking replace any emergency rulemaking currently in effect? No
- 8) Does this rulemaking contain an automatic repeal date? No
- 9) Does this rulemaking contain incorporations by reference? No
- 10) Are there any other proposed rulemakings pending on this Part? No
- 11) Statement of Statewide Policy Objectives: This rulemaking does not impose a State mandate.

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- 12) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: Interested persons may present their comments concerning this rulemaking within 45 days after this issue of the *Illinois Register* to:

Susan Meister
Division of Legal Services
Illinois Department of Public Health
535 W. Jefferson St., 5th Floor
Springfield, Illinois 62761

217/782-2043
e-mail: rules@idph.state.il.us

- 13) Initial Regulatory Flexibility Analysis:
- A) Types of small businesses, small municipalities and not for profit corporations affected: Public schools, public park districts, public colleges and public universities are potentially affected.
 - B) Reporting, bookkeeping or other procedures required for compliance: Grant recipients shall return a signed contract to the Department in the specified time period and shall comply with the provisions of the contract.
 - C) Types of professional skills necessary for compliance: None
- 14) Regulatory Agenda on which this rulemaking was summarized: These rules were not included on either of the Department's most recent Regulatory Agendas because: The need for rulemaking was not apparent when the Regulatory Agendas were published.

The full text of the Proposed Rules begins on the next page:

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TITLE 77: PUBLIC HEALTH
CHAPTER I: DEPARTMENT OF PUBLIC HEALTH
SUBCHAPTER f: EMERGENCY SERVICES AND HIGHWAY SAFETYPART 530
HEARTSAVER AED GRANT CODE

| | |
|----------|----------------------------------|
| Section | |
| 530.100 | Definitions |
| 530.200 | Referenced Materials |
| 530.300 | Eligibility for Grants |
| 530.400 | Grant Requirements |
| 530.500 | Application Requirements |
| 530.600 | Review of Applications |
| 530.700 | Use of Grant Funds |
| 530.800 | Termination |
| 530.900 | Denial, Suspension or Revocation |
| 530.1000 | Grant Funds Recovery |
| 530.1100 | Hearings |

AUTHORITY: Implementing and authorized by Section 2310-371 of the Department of Public Health Powers and Duties Law of the Civil Administrative Code of Illinois [20 ILCS 2310/2310-371].

SOURCE: Adopted at 30 Ill. Reg. _____, effective _____.

Section 530.100 Definitions

Act – the Department of Public Health Powers and Duties Law of the Civil Administrative Code of Illinois.

Automated External Defibrillator (AED) – a medical device heart monitor and defibrillator that:

has received approval of its pre-market notification, filed pursuant to 21 USC 360(k), from the United States Food and Drug Administration;

is capable of recognizing the presence or absence of ventricular fibrillation and rapid ventricular tachycardia, and is capable of

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determining, without intervention by an operator, whether defibrillation should be performed;

upon determining that defibrillation should be performed, either automatically charges and delivers an electrical impulse to an individual or charges and delivers an electrical impulse at the command of the operator; and

in the case of a defibrillator that may be operated in either an automatic or manual mode, is set to operate in the automatic mode. (Section 10 of the Automated External Defibrillator Act)

Department – the Department of Public Health.

Division – the Division of Emergency Medical Systems and Highway Safety, Department of Public Health.

Fund – the Heartsaver AED Fund.

Physical fitness facility or facility – includes any indoor establishment that meets all of the following requirements:

In whole or in part, is owned or operated by a park district or by a public elementary or secondary school, college, or university.

Is supervised by one or more persons, other than maintenance or security personnel, employed by the park district or public school, college, or university for the purpose of directly supervising the physical fitness activities taking place at any indoor facilities listed in this definition. (Section 5.25 of the Physical Fitness Facility Medical Emergency Preparedness Act)

Serves a total of 100 or more individuals. In calculating the number of individuals served by a facility, the greater of the seating capacity, the capacity of the facility under applicable fire code, pool, or similar standards, or the number of members of the facility shall be included in the final determination. The number of members of the facility includes the complete facility membership, whether or not these members are present at the facility at the same time.

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Is a swimming pool; stadium; athletic field; track and field facility; tennis court; basketball court; volleyball court; aerobics studio; dance studio; boxing gym; martial-arts or self-defense studio; wrestling gym; weight-lifting facility; treadmill or stationary bicycle facility; velodrome; racquetball court; gymnastics facility; or any other indoor establishment focusing primarily on cardiovascular exertion where participants engage in relatively continuous active physical exercise that uses large muscle groups and that substantially increases the heart rate.

Section 530.200 Referenced Materials

The following materials are referenced in this Part:

- a) Illinois Statutes
 - 1) Physical Fitness Facility Medical Emergency Preparedness Act [210 ILCS 74]
 - 2) Automated External Defibrillator Act [410 ILCS 4]
 - 3) Illinois Funds Recovery Act [30 ILCS 705]
- b) Illinois Administrative Rules
 - 1) Physical Fitness Facility Medical Emergency Preparedness Code (77 Ill. Adm. Code 527)
 - 2) Automated External Defibrillator Code (77 Ill. Adm. Code 525)
 - 3) Rules of Practice and Procedure in Administrative Hearings (77 Ill. Adm. Code 100)

Section 530.300 Eligibility for Grants

In order to be eligible to receive a grant from the Fund, the applicant must meet all of the following criteria:

- a) Must be a public school, public park district, public college or public university;
- b) Must meet the definition of physical fitness facility in Section 530.100 of this Part; and

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- c) Must be willing and able to pay 50 percent of the total cost of an AED as determined by the State Master Contract or in the absence of a State Master Contract as determined by the Department.

Section 530.400 Grant Requirements

- a) Grant recipients must comply with all applicable provisions of the Physical Fitness Facility Medical Emergency Preparedness Act, the Physical Fitness Facility Medical Emergency Preparedness Code, the Automated External Defibrillator Act and the Automated External Defibrillator Code.
- b) Grant recipients shall match the grant award received and shall spend the grant award on the purchase of an AED to be housed at the facility.
- c) Grant recipients shall return a signed contract to the Department in the specified time period and shall comply with the provisions of the contract.

Section 530.500 Application Requirements

- a) Applications may be submitted to the Department through the website established for this purpose or at the following address:

Heartsaver AED Grants
Illinois Department of Public Health
Division of Emergency Medical Systems & Highway Safety
500 East Monroe Street, 8th Floor
Springfield IL 62701

- b) Applications shall be submitted on the form prescribed by the Department and shall include, at a minimum, the following:
 - 1) The name, address and phone number of the primary contact and the secondary contact designated by the facility to be responsible for administering the grant funds.
 - 2) An agreement that the organization submitting the application is required to have an AED pursuant to the Physical Fitness Facility Medical Emergency Preparedness Act.

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- 3) An agreement by the applicant that, if awarded a grant, the grant will be matched by the facility.

Section 530.600 Review of Applications

- a) Applications for grants from the Fund must be submitted to the Department by March 1 of each year. Applicants will be notified of eligibility by June 30 of each year.
- b) Applications will be reviewed by the Department for compliance with the requirements of this Part. During the course of its review, the Department may contact the applicant for additional information if the information provided is incomplete, inconsistent or unclear.
- c) Applicants whom the Department determines not to be eligible for grant funds will be notified in writing of this decision.
- d) Distribution of grants is dependent on available funding. Available grant funds will be distributed on a "first come, first served" basis, based on when the application was received by the Department. If several applications are received by the Department on the same date and funds are not available to award each of these applicants, a random drawing of applications will be used to determine awardees.
- e) Applicants must submit a new application each year in order to be considered for funding.

Section 530.700 Use of Grant Funds

- a) The entire amount of the grant award, plus matching funds from the facility, shall be used to purchase an AED to be kept in that facility.
- b) Grants are *limited to one AED per eligible physical fitness facility*. (Section 317 of the Act)

Section 530.800 Termination

- a) Except as otherwise provided in this Section, the grant agreement may be terminated by either party upon 30 calendar days written notice to the other party, as specified in the grant agreement.

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- b) The agreement may be terminated immediately without penalty of further payment being required if the General Assembly fails to appropriate or otherwise make available sufficient funds for the award, or if sufficient funds are not available in the Heartsaver AED Fund, a special fund in the State Treasury.
- c) The Department may immediately suspend funding or terminate the contract of a grantee who has substantially failed or continually failed to comply with the Act, this Part, or the grant agreement.

Section 530.900 Denial, Suspension or Revocation

- a) The Director may deny the application for grant funds or may suspend or revoke the grant agreement of a grantee when finding substantial or continued failure to comply with the Act, this Part, or the grant agreement. Except as provided in subsection (b), the Director shall provide notice and an opportunity for a hearing to the party before executing the denial, suspension, or revocation.
- b) If the Director finds that the public interest, health, safety, or welfare requires emergency action, then the Director may immediately order summary suspension of a grant agreement pending proceedings for revocation. The Director's order shall be written and shall include the reasons for the public emergency. The proceedings shall be promptly instituted and promptly determined.
- c) The notice of denial, suspension, or revocation shall be made by certified mail or by personal service, shall state the reasons for the proposed action, and shall provide the opportunity to request a hearing. If a written hearing request is not received within 10 days after receipt of the notice, then the right to a hearing is deemed to be waived.
- d) A denial or termination due to the General Assembly's failure to appropriate funds is not subject to this Section.

Section 530.1000 Grant Funds Recovery

Grants made under this Part are subject to the provisions of the Illinois Grant Funds Recovery Act. If a provision of this Part conflicts with a provision of the Illinois Grant Funds Recovery Act, then the provision of the Illinois Grant Funds Recovery Act controls.

Section 530.1100 Hearings

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The Department's Rules of Practice and Procedure in Administrative Hearings apply to proceedings conducted under this Part. Where the terms "license" and "licensing" are used in those rules, the definitions of those terms shall be expanded to include a grant applicant, a grantee awarded funds, and a grant agreement executed under this Part.

DEPARTMENT OF REVENUE

NOTICE OF PROPOSED AMENDMENT

- 1) Heading of the Part: Income Tax
 - 2) Code Citation: 86 Ill. Adm. Code 100
 - 3) Section Number: 100.2580 Proposed Action:
Amendment
 - 4) Statutory Authority: 35 ILCS 5/203(a)(2)(D-5), 203(a)(2)(S) and 203(a)(2)(T))
 - 5) A Complete Description of the Subjects and Issues Involved: This regulation sets forth the annual thresholds, through 2006, for Medical Savings Account plans, and describes the tax-favored treatment given such plans.
 - 6) Will this rulemaking replace any emergency rulemaking currently in effect? No
 - 7) Does this rulemaking contain an automatic repeal date? No
 - 8) Does this rulemaking contain incorporations by reference? No
 - 9) Are there any other proposed amendments pending on this Part? Yes
- | <u>Section Numbers</u> | <u>Proposed Action</u> | <u>IL Register Citation</u> |
|------------------------|------------------------|------------------------------|
| 100.9400 | Amendment | 29 Ill. Reg. 20318, 12/16/05 |
| 100.3015 | New Section | 30 Ill. Reg. 95, 01/06/06 |
- 10) Statement of Statewide Policy Objectives: This rulemaking does not create a State mandate, nor does it modify any existing State mandates.
 - 11) Time, Place and Manner in which interested persons may comment on this rulemaking: Persons who wish to submit comments on this rulemaking may submit them in writing by no later than 45 days after publication of this Notice to:

Jackson Donley
Senior Counsel - Income Tax
Illinois Department of Revenue
Legal Services Office
101 West Jefferson
Springfield, Illinois 62794

Phone: (217) 782-7055

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- 12) Initial Regulatory Flexibility Analysis:
- A) Types of small businesses, small municipalities and not-for-profit corporations affected: The regulation provides guidance needed by the taxpayers, including small businesses, to take advantage of medical savings accounts.
 - B) Reporting, bookkeeping or other procedures required for compliance: None
 - C) Types of professional skills necessary for compliance: None
- 13) Regulatory Agenda on which this rulemaking was summarized: January 2006

The full text of the Proposed Amendment begins on the next page:

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TITLE 86: REVENUE
CHAPTER I: DEPARTMENT OF REVENUEPART 100
INCOME TAX

SUBPART A: TAX IMPOSED

Section

- 100.2000 Introduction
100.2050 Net Income (IITA Section 202)

SUBPART B: CREDITS

Section

- 100.2100 Replacement Tax Investment Credit Prior to January 1, 1994 (IITA 201(e))
100.2101 Replacement Tax Investment Credit (IITA 201(e))
100.2110 Investment Credit; Enterprise Zone (IITA 201(f))
100.2120 Jobs Tax Credit; Enterprise Zone and Foreign Trade Zone or Sub-Zone (IITA 201(g))
100.2130 Investment Credit; High Impact Business (IITA 201(h))
100.2140 Credit Against Income Tax for Replacement Tax (IITA 201(i))
100.2150 Training Expense Credit (IITA 201(j))
100.2160 Research and Development Credit (IITA 201(k))
100.2163 Environmental Remediation Credit (IITA 201(l))
100.2165 Education Expense Credit (IITA 201(m))
100.2170 Tax Credits for Coal Research and Coal Utilization Equipment (IITA 206)
100.2180 Credit for Residential Real Property Taxes (IITA 208)
100.2185 Film Production Services Credit (IITA 213)
100.2190 Tax Credit for Affordable Housing Donations (IITA Section 214)
100.2195 Dependent Care Assistance Program Tax Credit (IITA 210)
100.2196 Employee Child Care Assistance Program Tax Credit (IITA Section 210.5)
100.2197 Foreign Tax Credit (IITA Section 601(b)(3))
100.2198 Economic Development for a Growing Economy Credit (IITA 211)
100.2199 Illinois Earned Income Tax Credit (IITA 212)

SUBPART C: NET OPERATING LOSSES OF UNITARY BUSINESS GROUPS
OCCURRING PRIOR TO DECEMBER 31, 1986

Section

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- 100.2200 Net Operating Losses Occurring Prior to December 31, 1986, of Unitary Business Groups: Treatment by Members of the Unitary Business Group. (IITA Section 202) – Scope
- 100.2210 Net Operating Losses Occurring Prior to December 31, 1986, of Unitary Business Groups: Treatment by Members of the Unitary Business Group (IITA Section 202) – Definitions
- 100.2220 Net Operating Losses Occurring Prior to December 31, 1986, of Unitary Business Groups: Treatment by Members of the Unitary Business Group. (IITA Section 202) – Current Net Operating Losses: Offsets Between Members
- 100.2230 Net Operating Losses Occurring Prior to December 31, 1986, of Unitary Business Groups: Treatment by Members of the Unitary Business Group. (IITA Section 202) – Carrybacks and Carryforwards
- 100.2240 Net Operating Losses Occurring Prior to December 31, 1986, of Unitary Business Groups: Treatment by Members of the Unitary Business Group: (IITA Section 202) – Effect of Combined Net Operating Loss in Computing Illinois Base Income
- 100.2250 Net Operating Losses Occurring Prior to December 31, 1986, of Unitary Business Groups: Treatment by Members of the Unitary Business Group: (IITA Section 202) – Deadline for Filing Claims Based on Net Operating Losses Carried Back From a Combined Apportionment Year

SUBPART D: ILLINOIS NET LOSS DEDUCTIONS FOR LOSSES
OCCURRING ON OR AFTER DECEMBER 31, 1986

Section

- 100.2300 Illinois Net Loss Deduction for Losses Occurring On or After December 31, 1986 (IITA 207)
- 100.2310 Computation of the Illinois Net Loss Deduction for Losses Occurring On or After December 31, 1986 (IITA 207)
- 100.2320 Determination of the Amount of Illinois Net Loss for Losses Occurring On or After December 31, 1986
- 100.2330 Illinois Net Loss Carrybacks and Net Loss Carryovers for Losses Occurring On or After December 31, 1986
- 100.2340 Illinois Net Losses and Illinois Net Loss Deductions for Losses Occurring On or After December 31, 1986, of Corporations that are Members of a Unitary Business Group: Separate Unitary Versus Combined Unitary Returns
- 100.2350 Illinois Net Losses and Illinois Net Loss Deductions, for Losses Occurring On or After December 31, 1986, of Corporations that are Members of a Unitary Business Group: Changes in Membership

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SUBPART E: ADDITIONS TO AND SUBTRACTIONS FROM TAXABLE INCOME OF INDIVIDUALS, CORPORATIONS, TRUSTS AND ESTATES AND PARTNERSHIPS

Section

- 100.2410 Net Operating Loss Carryovers for Individuals, and Capital Loss and Other Carryovers for All Taxpayers (IITA Section 203)
- 100.2470 Subtraction of Amounts Exempt from Taxation by Virtue of Illinois Law, the Illinois or U.S. Constitutions, or by Reason of U.S. Treaties or Statutes (IITA Sections 203(a)(2)(N), 203(b)(2)(J), 203(c)(2)(K) and 203(d)(2)(G))
- 100.2480 Enterprise Zone Dividend Subtraction (IITA Sections 203(a)(2)(J), 203(b)(2)(K), 203(c)(2)(M) and 203(d)(2)(K))
- 100.2490 Foreign Trade Zone/High Impact Business Dividend Subtraction (IITA Sections 203(a)(2)(K), 203(b)(2)(L), 203(c)(2)(O), 203(d)(2)(M))

SUBPART F: BASE INCOME OF INDIVIDUALS

Section

- 100.2580 Medical Care Savings Accounts (IITA Sections 203(a)(2)(D-5), 203(a)(2)(S) and 203(a)(2)(T))
- 100.2590 Taxation of Certain Employees of Railroads, Motor Carriers, Air Carriers and Water Carriers

SUBPART G: BASE INCOME OF TRUSTS AND ESTATES

Section

- 100.2680 Capital Gain Income of Estates and Trusts Paid to or Permanently Set Aside for Charity (Repealed)

SUBPART I: GENERAL RULES OF ALLOCATION AND APPORTIONMENT OF BASE INCOME

Section

- 100.3000 Terms Used in Article 3 (IITA Section 301)
- 100.3010 Business and Nonbusiness Income (IITA Section 301)
- 100.3020 Resident (IITA Section 301)

SUBPART J: COMPENSATION

Section

- 100.3100 Compensation (IITA Section 302)

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- 100.3110 State (IITA Section 302)
100.3120 Allocation of Compensation Paid to Nonresidents (IITA Section 302)

SUBPART K: NON-BUSINESS INCOME OF PERSONS OTHER THAN RESIDENTS

Section

- 100.3200 Taxability in Other State (IITA Section 303)
100.3210 Commercial Domicile (IITA Section 303)
100.3220 Allocation of Certain Items of Nonbusiness Income by Persons Other Than Residents (IITA Section 303)

SUBPART L: BUSINESS INCOME OF PERSONS OTHER THAN RESIDENTS

Section

- 100.3300 Allocation and Apportionment of Base Income (IITA Section 304)
100.3310 Business Income of Persons Other Than Residents (IITA Section 304) – In General
100.3320 Business Income of Persons Other Than Residents (IITA Section 304) – Apportionment (Repealed)
100.3330 Business Income of Persons Other Than Residents (IITA Section 304) – Allocation
100.3340 Business Income of Persons Other Than Residents (IITA Section 304)
100.3350 Property Factor (IITA Section 304)
100.3360 Payroll Factor (IITA Section 304)
100.3370 Sales Factor (IITA Section 304)
100.3380 Special Rules (IITA Section 304)
100.3390 Petitions for Alternative Allocation or Apportionment (IITA Section 304(f))
100.3400 Apportionment of Business Income of Financial Organizations (IITA Section 304(c))
100.3500 Allocation and Apportionment of Base Income by Nonresident Partners

SUBPART M: ACCOUNTING

Section

- 100.4500 Carryovers of Tax Attributes (IITA Section 405)

SUBPART N: TIME AND PLACE FOR FILING RETURNS

Section

- 100.5000 Time for Filing Returns: Individuals (IITA Section 505)

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| 100.5010 | Place for Filing Returns: All Taxpayers (IITA Section 505) |
| 100.5020 | Extensions of Time for Filing Returns: All Taxpayers (IITA Section 505) |
| 100.5030 | Taxpayer's Notification to the Department of Certain Federal Changes Arising in Federal Consolidated Return Years, and Arising in Certain Loss Carryback Years (IITA Section 506) |
| 100.5040 | Innocent Spouses |
| 100.5050 | Frivolous Returns |
| 100.5060 | Reportable Transactions |

SUBPART O: COMPOSITE RETURNS

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| 100.5100 | Composite Returns: Eligibility |
| 100.5110 | Composite Returns: Responsibilities of Authorized Agent |
| 100.5120 | Composite Returns: Individual Liability |
| 100.5130 | Composite Returns: Required forms and computation of Income |
| 100.5140 | Composite Returns: Estimated Payments |
| 100.5150 | Composite Returns: Tax, Penalties and Interest |
| 100.5160 | Composite Returns: Credits for Resident Individuals |
| 100.5170 | Composite Returns: Definition of a "Lloyd's Plan of Operation" |

SUBPART P: COMBINED RETURNS

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| Section | |
| 100.5200 | Filing of Combined Returns |
| 100.5201 | Definitions and Miscellaneous Provisions Relating to Combined Returns |
| 100.5205 | Election to File a Combined Return |
| 100.5210 | Procedures for Elective and Mandatory Filing of Combined Returns |
| 100.5215 | Filing of Separate Unitary Returns |
| 100.5220 | Designated Agent for the Members |
| 100.5230 | Combined Estimated Tax Payments |
| 100.5240 | Claims for Credit of Overpayments |
| 100.5250 | Liability for Combined Tax, Penalty and Interest |
| 100.5260 | Combined Amended Returns |
| 100.5265 | Common Taxable Year |
| 100.5270 | Computation of Combined Net Income and Tax |
| 100.5280 | Combined Return Issues Related to Audits |

SUBPART Q: REQUIREMENT AND AMOUNT OF WITHHOLDING

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| 100.7000 | Requirement of Withholding (IITA Section 701) |
| 100.7010 | Compensation Paid in this State (IITA Section 701) |
| 100.7020 | Transacting Business Within this State (IITA Section 701) |
| 100.7030 | Payments to Residents (IITA Section 701) |
| 100.7040 | Employer Registration (IITA Section 701) |
| 100.7050 | Computation of Amount Withheld (IITA Section 702) |
| 100.7060 | Additional Withholding (IITA Section 701) |
| 100.7070 | Voluntary Withholding (IITA Section 701) |
| 100.7080 | Correction of Underwithholding or Overwithholding (IITA Section 701) |
| 100.7090 | Reciprocal Agreement (IITA Section 701) |
| 100.7095 | Cross References |

SUBPART R: AMOUNT EXEMPT FROM WITHHOLDING

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| 100.7100 | Withholding Exemption (IITA Section 702) |
| 100.7110 | Withholding Exemption Certificate (IITA Section 702) |
| 100.7120 | Exempt Withholding Under Reciprocal Agreements (IITA Section 702) |

SUBPART S: INFORMATION STATEMENT

Section

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| 100.7200 | Reports for Employee (IITA Section 703) |
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SUBPART T: EMPLOYER'S RETURN AND PAYMENT OF TAX WITHHELD

Section

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| 100.7300 | Returns of Income Tax Withheld from Wages (IITA Section 704) |
| 100.7310 | Quarterly Returns Filed on Annual Basis (IITA Section 704) |
| 100.7320 | Time for Filing Returns (IITA Section 704) |
| 100.7330 | Payment of Tax Deducted and Withheld (IITA Section 704) |
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| 100.9000 | General Income Tax Procedures (IITA Section 901) |
| 100.9010 | Collection Authority (IITA Section 901) |
| 100.9020 | Child Support Collection (IITA Section 901) |

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SUBPART V: NOTICE AND DEMAND

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100.9100 Notice and Demand (IITA Section 902)

SUBPART W: ASSESSMENT

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100.9200 Assessment (IITA Section 903)
100.9210 Waiver of Restrictions on Assessment (IITA Section 907)

SUBPART X: DEFICIENCIES AND OVERPAYMENTS

Section
100.9300 Deficiencies and Overpayments (IITA Section 904)
100.9310 Application of Tax Payments Within Unitary Business Groups (IITA Section 603)
100.9320 Limitations on Notices of Deficiency (IITA Section 905)
100.9330 Further Notices of Deficiency Restricted (IITA Section 906)

SUBPART Y: CREDITS AND REFUNDS

Section
100.9400 Credits and Refunds (IITA Section 909)
100.9410 Limitations on Claims for Refund (IITA Section 911)
100.9420 Recovery of Erroneous Refund (IITA Section 912)

SUBPART Z: INVESTIGATIONS AND HEARINGS

Section
100.9500 Access to Books and Records (IITA Section 913)
100.9505 Access to Books and Records – 60-Day Letters (IITA Section 913) (Repealed)
100.9510 Taxpayer Representation and Practice Requirements
100.9520 Conduct of Investigations and Hearings (IITA Section 914)
100.9530 Books and Records

SUBPART AA: JUDICIAL REVIEW

Section
100.9600 Administrative Review Law (IITA Section 1201)

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SUBPART BB: DEFINITIONS

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| 100.9700 | Unitary Business Group Defined (IITA Section 1501) |
| 100.9710 | Financial Organizations (IITA Section 1501) |
| 100.9720 | Nexus |
| 100.9750 | Corporation, Subchapter S Corporation, Partnership and Trust Defined (IITA Section 1501) |

SUBPART CC: LETTER RULING PROCEDURES

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| Section | |
| 100.9800 | Letter Ruling Procedures |

SUBPART DD: MISCELLANEOUS

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| Section | |
| 100.9900 | Tax Shelter Voluntary Compliance Program |
| 100.APPENDIX A | Business Income Of Persons Other Than Residents |
| 100.TABLE A | Example of Unitary Business Apportionment |
| 100.TABLE B | Example of Unitary Business Apportionment for Groups Which Include Members Using Three-Factor and Single-Factor Formulas |

AUTHORITY: Implementing the Illinois Income Tax Act [35 ILCS 5] and authorized by Section 1401 of the Illinois Income Tax Act [35 ILCS 5/1401].

SOURCE: Filed July 14, 1971, effective July 24, 1971; amended at 2 Ill. Reg. 49, p. 84, effective November 29, 1978; amended at 5 Ill. Reg. 813, effective January 7, 1981; amended at 5 Ill. Reg. 4617, effective April 14, 1981; amended at 5 Ill. Reg. 4624, effective April 14, 1981; amended at 5 Ill. Reg. 5537, effective May 7, 1981; amended at 5 Ill. Reg. 5705, effective May 20, 1981; amended at 5 Ill. Reg. 5883, effective May 20, 1981; amended at 5 Ill. Reg. 6843, effective June 16, 1981; amended at 5 Ill. Reg. 13244, effective November 13, 1981; amended at 5 Ill. Reg. 13724, effective November 30, 1981; amended at 6 Ill. Reg. 579, effective December 29, 1981; amended at 6 Ill. Reg. 9701, effective July 26, 1982; amended at 7 Ill. Reg. 399, effective December 28, 1982; amended at 8 Ill. Reg. 6184, effective April 24, 1984; codified at 8 Ill. Reg. 19574; amended at 9 Ill. Reg. 16986, effective October 21, 1985; amended at 9 Ill. Reg. 685, effective December 31, 1985; amended at 10 Ill. Reg. 7913, effective April 28, 1986; amended at 10 Ill. Reg. 19512, effective November 3, 1986; amended at 10 Ill. Reg. 21941,

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effective December 15, 1986; amended at 11 Ill. Reg. 831, effective December 24, 1986; amended at 11 Ill. Reg. 2450, effective January 20, 1987; amended at 11 Ill. Reg. 12410, effective July 8, 1987; amended at 11 Ill. Reg. 17782, effective October 16, 1987; amended at 12 Ill. Reg. 4865, effective February 25, 1988; amended at 12 Ill. Reg. 6748, effective March 25, 1988; amended at 12 Ill. Reg. 11766, effective July 1, 1988; amended at 12 Ill. Reg. 14307, effective August 29, 1988; amended at 13 Ill. Reg. 8917, effective May 30, 1989; amended at 13 Ill. Reg. 10952, effective June 26, 1989; amended at 14 Ill. Reg. 4558, effective March 8, 1990; amended at 14 Ill. Reg. 6810, effective April 19, 1990; amended at 14 Ill. Reg. 10082, effective June 7, 1990; amended at 14 Ill. Reg. 16012, effective September 17, 1990; emergency amendment at 17 Ill. Reg. 473, effective December 22, 1992, for a maximum of 150 days; amended at 17 Ill. Reg. 8869, effective June 2, 1993; amended at 17 Ill. Reg. 13776, effective August 9, 1993; recodified at 17 Ill. Reg. 14189; amended at 17 Ill. Reg. 19632, effective November 1, 1993; amended at 17 Ill. Reg. 19966, effective November 9, 1993; amended at 18 Ill. Reg. 1510, effective January 13, 1994; amended at 18 Ill. Reg. 2494, effective January 28, 1994; amended at 18 Ill. Reg. 7768, effective May 4, 1994; amended at 19 Ill. Reg. 1839, effective February 6, 1995; amended at 19 Ill. Reg. 5824, effective March 31, 1995; emergency amendment at 20 Ill. Reg. 1616, effective January 9, 1996, for a maximum of 150 days; amended at 20 Ill. Reg. 6981, effective May 7, 1996; amended at 20 Ill. Reg. 10706, effective July 29, 1996; amended at 20 Ill. Reg. 13365, effective September 27, 1996; amended at 20 Ill. Reg. 14617, effective October 29, 1996; amended at 21 Ill. Reg. 958, effective January 6, 1997; emergency amendment at 21 Ill. Reg. 2969, effective February 24, 1997, for a maximum of 150 days; emergency expired July 24, 1997; amended at 22 Ill. Reg. 2234, effective January 9, 1998; amended at 22 Ill. Reg. 19033, effective October 1, 1998; amended at 22 Ill. Reg. 21623, effective December 15, 1998; amended at 23 Ill. Reg. 3808, effective March 11, 1999; amended at 24 Ill. Reg. 10593, effective July 7, 2000; amended at 24 Ill. Reg. 12068, effective July 26, 2000; emergency amendment at 24 Ill. Reg. 17585, effective November 17, 2000, for a maximum of 150 days; amended at 24 Ill. Reg. 18731, effective December 11, 2000; amended at 25 Ill. Reg. 4640, effective March 15, 2001; amended at 25 Ill. Reg. 4929, effective March 23, 2001; amended at 25 Ill. Reg. 5374, effective April 2, 2001; amended at 25 Ill. Reg. 6687, effective May 9, 2001; amended at 25 Ill. Reg. 7250, effective May 25, 2001; amended at 25 Ill. Reg. 8333, effective June 22, 2001; amended at 26 Ill. Reg. 192, effective December 20, 2001; amended at 26 Ill. Reg. 1274, effective January 15, 2002; amended at 26 Ill. Reg. 9854, effective June 20, 2002; amended at 26 Ill. Reg. 13237, effective August 23, 2002; amended at 26 Ill. Reg. 15304, effective October 9, 2002; amended at 26 Ill. Reg. 17250, effective November 18, 2002; amended at 27 Ill. Reg. 13536, effective July 28, 2003; amended at 27 Ill. Reg. 18225, effective November 17, 2003; emergency amendment at 27 Ill. Reg. 18464, effective November 20, 2003, for a maximum of 150 days; emergency expired April 17, 2004; amended at 28 Ill. Reg. 1378, effective January 12, 2004; amended at 28 Ill. Reg. 5694, effective March 17, 2004; amended at 28 Ill. Reg. 7125, effective April 29, 2004; amended at 28 Ill. Reg. 8881, effective June 11, 2004; emergency amendment at 28 Ill. Reg. 14271, effective October 18, 2004, for a maximum

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of 150 days; amended at 28 Ill. Reg. 14868, effective October 26, 2004; emergency amendment at 28 Ill. Reg. 15858, effective November 29, 2004, for a maximum of 150 days; amended at 29 Ill. Reg. 2420, effective January 28, 2005; amended at 29 Ill. Reg. 6986, effective April 26, 2005; amended at 29 Ill. Reg. 13211, effective August 15, 2005; amended at 29 Ill. Reg. 20516, effective December 2, 2005; amended at 30 Ill. Reg. 6389, effective March 30, 2006.; amended at 30 Ill. Reg. _____, effective _____.

SUBPART F: BASE INCOME OF INDIVIDUALS

Section 100.2580 Medical Care Savings Accounts (IITA Sections 203(a)(2)(D-5), 203(a)(2)(S) and 203(a)(2)(T))

- a) For the purposes of this Section, "Act" means the Medical Care Savings Account Act [820 ILCS 152], [repealed January 1, 2000, or the Medical Care Savings Account Act of 2000 \[820 ILCS 153\], which re-enacted the provisions of the repealed Act.](#)
- b) *"Medical care savings account" or "account" means an account established in this State pursuant to a medical care savings account program to pay the eligible medical expenses of an employee and his or her dependents. (Section 5 of the Act) An employer, except as otherwise provided by statute, contract, or a collective bargaining agreement, may offer a medical care savings account program to the employer's employees.*
- c) A medical care savings account program must include the following:
 - 1) *The purchase by an employer of a qualified higher deductible health plan for the benefit of an employee and his or her dependents. (Section 5 of the Act)*
 - 2) *The contribution on behalf of an employee into a medical care savings account by his or her employer of all or part of the premium differential realized by the employer based on the purchase of a qualified higher deductible health plan for the benefit of the employee. An employer that did not previously provide a health coverage policy, certificate, or contract for his or her employees may contribute all or part of the deductible of the plan purchased pursuant to subsection (b)(1), above. For 1994, a contribution under this Section may not exceed \$6,000 for 2 taxpayers filing a joint return, if each taxpayer has a medical care savings account but neither is covered by the other's health coverage, or \$3,000 in*

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all other cases. These maximum amounts shall be adjusted annually by the Department of Revenue to reflect increases in the consumer price index for the United States as defined and officially reported by the United States Department of Labor. (Section 5 of the Act)

- A) The Department will announce adjustments in the maximum amounts, as well as in the minimum higher deductible, by annual publication [on the Department's web site, tax.illinois.gov, or its successor of a Notice of Public Information in the Illinois Register](http://tax.illinois.gov).
- B) The Consumer Price Index (CPI) annual average for all urban consumers was 144.5 for calendar year 1993 and 148.2 for calendar year 1994. Therefore, the thresholds established under the Act were adjusted upward by 2% for 1995. Hence, for 1995, the minimum higher deductible is \$1026, the maximum higher deductible is \$3078, the maximum contribution for 2 taxpayers filing a joint return is \$6156 and the maximum contribution for all others is \$3078.
- C) For the years 1994 through ~~2006~~1999, the thresholds are as follows:

| Year | Minimum Higher Deductible | Maximum Higher Deductible | Maximum Contribution For Two | Maximum Contribution All Others |
|-------------|---------------------------|---------------------------|------------------------------|---------------------------------|
| 1994 | \$1,000 | \$3,000 | \$6,000 | \$3,000 |
| 1995 | \$1,026 | \$3,078 | \$6,156 | \$3,078 |
| 1996 | \$1,055 | \$3,164 | \$6,238 | \$3,164 |
| 1997 | \$1,086 | \$3,256 | \$6,512 | \$3,256 |
| 1998 | \$1,111 | \$3,331 | \$6,662 | \$3,331 |
| 1999 | \$1,129 | \$3,384 | \$6,768 | \$3,384 |
| <u>2001</u> | <u>\$1,193</u> | <u>\$3,576</u> | <u>\$7,152</u> | <u>\$3,576</u> |
| <u>2002</u> | <u>\$1,226</u> | <u>\$3,676</u> | <u>\$7,352</u> | <u>\$3,676</u> |
| <u>2003</u> | <u>\$1,246</u> | <u>\$3,735</u> | <u>\$7,470</u> | <u>\$3,735</u> |
| <u>2004</u> | <u>\$1,275</u> | <u>\$3,821</u> | <u>\$7,642</u> | <u>\$3,821</u> |
| <u>2005</u> | <u>\$1,309</u> | <u>\$3,924</u> | <u>\$7,848</u> | <u>\$3,924</u> |
| <u>2006</u> | <u>\$1,354</u> | <u>\$4,057</u> | <u>\$8,114</u> | <u>\$4,057</u> |

- 3) *An account administrator to administer the medical care savings account from which payment of claims is made. Not more than 30 days after an*

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account administrator begins to administer an account, the administrator shall notify in writing each employee on whose behalf the administrator administers an account of the date of the last business day of the administrator's business year. ([Section 5 of the Act](#))

- d) Section 5 of the Act contains a number of definitions:
- 1) *"Account administrator" means any of the following:*
 - A) *A national or state chartered bank, a federal or ~~Statestate~~ chartered savings and loan association, a federal or ~~State-state~~ chartered savings bank, or a federal or ~~Statestate~~ chartered credit union.*
 - B) *A trust company authorized to act as a fiduciary.*
 - C) *An insurance company authorized to do business in this State under the Illinois Insurance Code or a health maintenance organization authorized to do business in this State under the Health Maintenance Organization Act.*
 - D) *A dealer, salesperson, or investment adviser registered under the Illinois Securities Law of 1953.*
 - E) *An administrator as defined in Section 511.101 of the Illinois Insurance Code who is licensed under Article XXXI¹/₄ of that Code.*
 - F) *A certified public accountant registered under the Illinois Public Accounting Act.*
 - G) *An attorney licensed to practice in this State.*
 - H) *An employer, if the employer has a self-insured health plan under the federal Employee Retirement Income Security Act of 1974 (ERISA).*
 - I) *An employer that participates in the medical care savings account program.*
 - 2) *"Deductible" means the total deductible for an employee and all the*

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dependents of that employee for a calendar year.

- 3) *"Dependent" means the spouse of the employee or a child of the employee if the child is any of the following:*
 - A) *under 19 years of age, or under 23 years of age and enrolled as a full-time student at an accredited college or university,*
 - B) *legally entitled to the provision of proper or necessary subsistence, education, medical care, or other care necessary for his or her health, guidance, or well-being and not otherwise emancipated, self-supporting, married, or a member of the armed forces of the United States, or*
 - C) *mentally or physically incapacitated to the extent that he or she is not self-sufficient.*
- 4) *"Domicile" means a place where an individual has his or her true, fixed, and permanent home and principal establishment, to which, whenever absent, he or she intends to return. Domicile continues until another permanent home or principal establishment is established.*
- 5) *"Eligible medical expense" means an expense paid by the taxpayer for medical care described in Section 213(d) of the Internal Revenue Code.*
- 6) *"Employee" means the individual for whose benefit or for the benefit of whose dependents a medical care savings account is established. Employee includes a self-employed individual.*
- 7) *"Higher deductible" means a deductible of not less than \$1,000 and not more than \$3,000 for 1994. This minimum and maximum shall be adjusted annually by the Department of Revenue to reflect increases in the consumer price index for the United States as defined and officially reported by the United States Department of Labor.*
- 8) *"Qualified higher deductible health plan" means a health coverage policy, certificate, or contract that provides for payments for covered benefits that exceed the higher deductible and that is purchased by an employer for the benefit of an employee for whom the employer makes deposits into a medical care savings account.*

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- e) *Before making any contribution to an account, an employer that offers a medical care savings account program shall inform all its employees in writing of the federal tax status of contributions made. (Section 10(b) of the Act) The contributions made pursuant to the Medical Care Savings Account Act will be taxable federally unless and to the extent the medical care savings account qualifies as a tax-favored medical savings account under the terms of federal P.L. 104-193.*
- f) Use of Account Moneys
- 1) *The account administrator shall utilize the moneys held in a medical care savings account solely for the purpose of paying the medical expenses of the employee or his or her dependents or to purchase a health coverage policy, certificate, or contract if the employee does not otherwise have health insurance coverage. Moneys held in a medical care savings account may not be used to cover medical expenses of the employee or his or her dependents that are otherwise covered, including but not limited to medical expenses covered pursuant to an automobile insurance policy, worker's compensation insurance policy or self-insured plan, or another health coverage policy, certificate, or contract. (Section 15(a) of the Act)*
 - 2) *The employee may submit documentation of medical expenses paid by the employee in the tax year to the account administrator, and the account administrator shall reimburse the employee from the employee's account for eligible medical expenses. (Section 15(b) of the Act)*
 - 3) *If an employer makes contributions to a medical care savings account program on a periodic installment basis, the employer may advance to an employee, interest free, an amount necessary to cover medical expenses incurred that exceed the amount in the employee's medical care savings account when the expense is incurred if the employee agrees to repay the advance from future installments or when he or she ceases to be an employee of the employer. (Section 15(c) of the Act)*
 - 4) *Upon the death of the employee, the account administrator shall distribute the principal and accumulated interest of the medical care savings account to the estate of the employee. (Section 20(d) of the Act)*
- g) Illinois Income Tax Consequences

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- 1) Except as provided in subsection (f)(2) ~~above~~, principal contributed to and interest earned on a medical care savings account and money reimbursed to an employee for eligible medical expenses are exempt from taxation under the Illinois Income Tax Act and shall be a modification decreasing federal adjusted gross income in arriving at Illinois taxable income of the employee for the taxable year.
- 2) *Notwithstanding subsection (f)(3), and subject to subsection (f)(4), an employee may withdraw money from his or her medical care savings account for any purpose other than a purpose described in subsection (f)(1) ~~above~~ only on the last business day of the account administrator's business year. Money withdrawn pursuant to this subsection (g)(2) shall be a modification increasing federal adjusted gross income in arriving at Illinois taxable income of the employee in the taxable year of the withdrawals. (Section 20(a) of the Act)*
- 3) *If the employee withdraws money for any purpose other than a purpose described in subsection (f)(1) ~~above~~ at any other time, all of the following apply:*
 - A) *The amount of the withdrawal shall be a modification increasing federal adjusted gross income in arriving at Illinois taxable income of the employee in the taxable year of the withdrawal.*
 - B) *The administrator shall withhold and on behalf of the employee shall pay a penalty to the Department equal to 10% of the amount of the withdrawal. (Section 20(a)(2) of the Act) The administrator must remit the penalty to the Department along with a copy of Form IL-601 "Medical Care Savings Account Penalty Payment."*
 - C) *Interest earned on the account during the taxable year in which a withdrawal under this subsection is made shall be a modification increasing federal adjusted gross income in arriving at Illinois taxable income of the employee.*
- 4) *The amount of a disbursement of any assets of a medical care savings account pursuant to a filing for protection under Title 11 of the United States Code, 11 USC ~~U.S.C.~~ 101 to 1330, by an employee or person for whose benefit the account was established is not considered a withdrawal*

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for purposes of this Section. The amount of a disbursement is not subject to taxation under the Illinois Income Tax Act, and subsection (g)(3) ~~above~~ does not apply. (Section 20(c) of the Act)

- 5) In the event that all of the following occur:
- A) *an employee is no longer employed by an employer that participates in a medical care savings account program,*
 - B) *the employee, not more than 60 days after his or her final day of employment, transfers the account to a new account administrator or requests in writing to the former employer's account administrator that the account remain with that administrator, and*
 - C) *that account administrator agrees to retain the account, then the money in the medical care savings account may be utilized for the benefit of the employee or his or her dependents subject to this Act, remains exempt from taxation, and shall be a modification decreasing federal adjusted gross income in arriving at Illinois taxable income of the employee or his or her dependents for the taxable year. Not more than 30 days after the expiration of the 60 days, if an account administrator has not accepted the former employee's account, the employer shall mail a check to the former employee, at the employee's last known address, for an amount equal to the amount in the account on that day, and that amount is subject to taxation pursuant to subsection (g)(3)(A) ~~above~~, and shall be a modification increasing federal adjusted gross income in arriving at Illinois taxable income of the employee but is not subject to the penalty under subsection (g)(3)(B). If an employee becomes employed with a different employer that participates in a medical care savings account program, the employee may transfer his or her medical care savings account to that new employer's account administrator. (Section 20(e) of the Act)*
- h) The ~~Medical Care Savings Account~~ Act and this Section shall expire on 1/1/~~2010~~2000.

(Source: Amended at 30 Ill. Reg. _____, effective _____)

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NOTICE OF ADOPTED AMENDMENTS

- 1) Heading of the Part: Licensing Standards for Foster Family Homes
- 2) Code Citation: 89 III. Adm. Code 402
- 3)

| | |
|-------------------------|------------------------|
| <u>Section Numbers:</u> | <u>Adopted Action:</u> |
| 402.12 | Amended |
| 402.13 | Amended |
- 4) Statutory Authority: Child Care Act of 1969 [225 ILCS 10]
- 5) Effective Date of Amendments: March 31, 2006
- 6) Does this rulemaking contain an automatic repeal date? No
- 7) Does this rulemaking contain incorporations by reference? No
- 8) A copy of the adopted amendments, including any material incorporated by reference, is on file in the agency's principal office and is available for public inspection.
- 9) Notice of Proposal Published in Illinois Register: 29 Ill Reg. 4555; April 1, 2005
- 10) Has JCAR issued a Statement of Objection to these amendments? No
- 11) Differences between proposal and final version: In addition to editing and formatting corrections, the following amendments were made:

The only changes made are those editing and formatting changes recommended by the Joint Committee on Administrative Rules. Those changes, and only those changes, will be made by the Department in the adopted rule.
- 12) Have all the changes agreed upon by the agency and JCAR been made as indicated in the agreements issued by JCAR? Yes
- 13) Will this rulemaking replace any emergency rulemakings currently in effect? No
- 14) Are there any amendments pending on this Part? No
- 15) Summary and purpose of Amendments: The Department is amending Part 402 as follows:

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In subsection 402.12(m), language was added requiring Educational Advocacy training as a prerequisite to foster home license renewal.

In subsection 402.13(b), language was added to ensure that foster parents comply with the law regarding passenger safety restraint that became effective January 2004.

16) Information and questions regarding these adopted amendments shall be directed to:

Jeff Osowski
Office of Child and Family Policy
Department of Children and Family Services
406 E. Monroe, Station #65
Springfield, Illinois 62703-1498

(217) 524-1983
TDD: (217) 524-3715
E-Mail: cfpolicy@idcfs.state.il.us

The full text of the Adopted Amendments begins on the next page:

ILLINOIS DEPARTMENT OF CHILDREN AND FAMILY SERVICES

NOTICE OF ADOPTED AMENDMENTS

TITLE 89: SOCIAL SERVICES

CHAPTER III: DEPARTMENT OF CHILDREN AND FAMILY SERVICES

SUBCHAPTER e: REQUIREMENTS FOR LICENSURE

PART 402

LICENSING STANDARDS FOR FOSTER FAMILY HOMES

Section

| | |
|----------------|---|
| 402.1 | Purpose |
| 402.2 | Definitions |
| 402.3 | Effective Date of Standards (Repealed) |
| 402.4 | Application for License |
| 402.5 | Application for Renewal of License |
| 402.6 | Provisions Pertaining to Permits |
| 402.7 | Provisions Pertaining to the License |
| 402.8 | General Requirements for the Foster Home |
| 402.9 | Requirements for Sleeping Arrangements |
| 402.10 | Nutrition and Meals |
| 402.11 | Business and Employment of Foster Family |
| 402.12 | Qualifications of Foster Parents |
| 402.13 | Background Inquiry |
| 402.14 | Health of Foster Family |
| 402.15 | Number and Ages of Children Served |
| 402.16 | Meeting Basic Needs of Children |
| 402.17 | Health Care of Children |
| 402.18 | Religion |
| 402.19 | Recreation and Leisure Time |
| 402.20 | Education |
| 402.21 | Discipline of Children |
| 402.22 | Emergency Care of Children |
| 402.23 | Release of Children |
| 402.24 | Confidentiality of Information |
| 402.25 | Required Written Consents |
| 402.26 | Records to be Maintained |
| 402.27 | Licensing Supervision |
| 402.28 | Adoptive Homes |
| 402.29 | Director's Waivers |
| 402.30 | Severability of This Part |
| 402.APPENDIX A | Criminal Convictions That Prevent Licensure |
| 402.APPENDIX B | Number and Ages of Children in Foster Family Home: No Child |

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402.APPENDIX C Requires Specialized Care
 Number and Ages of Children in Foster Family Home: Child
 Requires Specialized Care

AUTHORITY: Implementing and authorized by the Child Care Act of 1969 [225 ILCS 10].

SOURCE: Adopted and codified at 5 Ill. Reg. 9548, effective October 1, 1981; emergency amendment at 6 Ill. Reg. 15580, effective December 15, 1982, for a maximum of 150 days; amended at 7 Ill. Reg. 3439, effective April 4, 1983; amended at 7 Ill. Reg. 13858, effective November 1, 1983; amended at 8 Ill. Reg. 23197, effective December 3, 1984; amended at 11 Ill. Reg. 4292, effective March 1, 1987; emergency amendment at 16 Ill. Reg. 11879, effective July 13, 1992, for a maximum of 150 days; amended at 17 Ill. Reg. 267, effective December 21, 1992; emergency amendment at 18 Ill. Reg. 8481, effective May 20, 1994, for a maximum of 150 days; emergency expired on October 17, 1994; amended at 19 Ill. Reg. 1801, effective February 1, 1995; amended at 19 Ill. Reg. 9463, effective July 1, 1995; emergency amendment at 19 Ill. Reg. 10743, effective July 1, 1995, for a maximum of 150 days; emergency expired November 27, 1995; amended at 20 Ill. Reg. 1589, effective January 10, 1996; emergency amendment at 20 Ill. Reg. 3954, effective February 16, 1996, for a maximum of 150 days; emergency expired July 15, 1996; amended at 21 Ill. Reg. 4548, effective April 1, 1997; amended at 22 Ill. Reg. 205, effective December 19, 1997; amended at 23 Ill. Reg. 7877, effective July 15, 1999; emergency amendment at 24 Ill. Reg. 6417, effective March 27, 2000, for a maximum of 150 days; emergency expired August 23, 2000; amended at 24 Ill. Reg. 17052, effective November 1, 2000; amended at 26 Ill. Reg. 2624, effective February 11, 2002; amended at 26 Ill. Reg. 11796, effective August 1, 2002; amended at 30 Ill. Reg. 6321, effective March 31, 2006.

Section 402.12 Qualifications of Foster Family

- a) The licensees shall be either a single person or a man and woman married to each other. Each foster parent shall be willing and able to assume appropriate responsibilities for the child or children received for care.
- b) An individual may be allowed to share the living arrangements only at the discretion of the supervising agency. The foster family is responsible for reporting to the supervising agency that an individual may be sharing the living arrangements prior to the individual moving into the home or prior to licensure. The individual will be subject to the same requirements as other members of the household, such as health certification and background checks as required in 89 Ill. Adm. Code 385 (Background Checks). The license capacity will be redetermined based on the new family composition.

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- c) Foster parents shall be stable, law abiding, responsible, mature individuals, at least 21 years of age.
- d) The capability of the foster parents to provide care shall be considered prior to licensure of the foster family home. A decision to establish the age and number of children permitted in the home shall be based on an assessment of the foster family and shall consider at least the following:
 - 1) the foster parents' capability to provide care including an evaluation of the caregivers' health, strength, and mobility;
 - 2) the number, chronological and functional age, and characteristics and needs of the children currently under the care of the foster parents. This shall include an assessment of the foster parent's own children under age 18, all other children under age 18 receiving full-time care, and children receiving day care services in the foster family home;
 - 3) the characteristics, limitations, and responsibilities of the caregivers. All members of the foster family shall be free from active alcohol or substance dependency;
 - 4) the caregivers' ability to appropriately care for and adequately supervise the children currently in the home, as well as their ability to care for and supervise the ages, needs, and behaviors of the children who may be placed in the foster family home; and
 - 5) the number of foster parents in the home and the availability and experience of child care assistants.
- e) All members of the household age 13 and older (except for foster children) shall have passed the background check required by 89 Ill. Adm. Code 385 (Background Checks).
- f) Foster parents shall accept agency supervision.
- g) Foster parents shall adequately supervise children in their care to assure compliance with laws including, but not limited to, criminal laws.
- h) Foster home applicants shall provide the names and addresses of at least three

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persons who are not related to them who can attest that the applicants are of reputable and responsible moral character.

- i) Unless parental rights have been terminated, foster parents shall respect and support a child's ties to his or her biological family and shall cooperate with the supervising agency and the service plan for the child and his/her family.
- j) The foster family shall have sufficient financial resources to provide basic necessities for themselves and their own children.
- k) As a condition of initial licensure, each foster parent shall complete Pre-licensure Foster PRIDE/Adopt PRIDE Training or an equivalent pre-licensure foster parent training that has been approved by the Department.
- l) As a condition of fostering unrelated children in a licensed foster home, each foster parent shall complete Pre-placement Foster PRIDE/Adopt PRIDE Training or an equivalent pre-placement foster parent training that has been approved by the Department.
- m) In addition, each foster parent shall complete, as a condition of license renewal, 16 clock hours of approved in-service training. The foster home license shall not be renewed until each single foster parent and at least one foster parent in a married couple has completed educational advocacy training by the Department or approved agency that, if completed in the most recent licensing cycle, may count toward the 16 clock hours of in-service training. Child welfare agencies may require foster families under their supervision to complete additional training as a condition of continued supervision by the agency.
- n) An expanded capacity license to allow foster homes to serve more than six children (including the foster parent's own children under age 18 and all other children under age 18 receiving full-time care) may be granted if the foster family home meets the requirements of Section 402.15(c). As a provision of retaining the expanded capacity license, foster parents shall complete a total of 9.0 clock hours of approved training each calendar year, beginning the calendar year the expanded capacity license is issued.
- o) A statement that describes how the foster family and the foster family's home comply with the requirements of this Part shall be placed in the permanent foster home record. If the foster family home is not in compliance with any of the licensing standards, these standards shall be specifically recorded and the plan for

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achieving compliance shall be outlined. The plan for achieving compliance shall indicate whether foster children can remain in the foster home and whether new placements may be made in the foster home while the foster home is achieving compliance with the licensing standards. The statement shall be updated to reflect any changes in the status of the foster family or the foster home. All such updates shall be entered within five working days after the change in status.

(Source: Amended at 30 Ill. Reg. 6321, effective March 31, 2006)

Section 402.13 Background Inquiry

- a) As a condition of issuance or renewal of a license by the Department, foster parents shall furnish information of:
- 1) any offenses (other than minor traffic violations) for which they have been convicted; and
 - 2) the disposition of the convictions.

The Department shall make a determination concerning the suitability of the foster parents in working with the child in accordance with this Part and 89 Ill. Adm. Code 385 (Background Checks).

- b) All members of the foster family who transport foster children shall submit to annual verification of their driver's license, automobile liability insurance, and driving records. Any vehicle used to transport foster children shall be equipped with safety restraints in accordance with Section 4b of the Child Passenger Protection Act [625 ILCS 25/4b]. Any foster family member transporting foster children shall comply with the child passenger restraint requirements of the Child Passenger Protection Act and any other state and local vehicle safety laws or ordinances and shall ensure that all foster children wear required safety restraints at all times while being transported.
- c) Persons who have been convicted of an offense shall not be automatically rejected as foster parents unless the offense is one of those listed in Part 402. Appendix A. Otherwise, the Department shall consider the following:
- 1) the type of crime for which the individual was convicted;
 - 2) the number of crimes for which the individual was convicted;

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- 3) the nature of the offenses;
- 4) the age of the individual at the time of conviction;
- 5) the length of time that has elapsed since the last conviction;
- 6) the relationship of the crime and the capacity to care for children;
- 7) evidence of rehabilitation; and
- 8) opinions of community members concerning the individual in question.

(Source: Amended at 30 Ill. Reg. 6321, effective March 31, 2006)

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NOTICE OF ADOPTED AMENDMENTS

- 1) Heading of the Part: Rules of Conduct
- 2) Code Citation: 20 Ill. Adm. Code 120
- 3)

| <u>Section Numbers:</u> | <u>Adopted Action:</u> |
|-------------------------|------------------------|
| 120.10 | Amend |
| 120.20 | Amend |
| 120.30 | Amend |
| 120.40 | Amend |
| 120.50 | Amend |
| 120.60 | Amend |
| 120.70 | Amend |
| 120.80 | Amend |
| 120.90 | Amend |
| 120.95 | New |
| 120.100 | Amend |
- 4) Statutory Authority: Implementing Section 3-2-2 and authorized by Section 3-7-1 of the Unified Code of Corrections [730 ILCS 5/3-2-2 and 3-7-1] and Sections 5-15, 10-10, 10-15, and 20-70 of the State Officials and Employees Ethics Act [5 ILCS 430/5-15, 10-10, 10-15, and 20-70] and Section 922 of the Federal Gun Control Act [18 USC 922] and Section 24-3.1(4) of the Illinois Criminal Code of 1961 [720 ILCS 5/24-3.1(4)]
- 5) Effective Date of Rulemaking: April 1, 2006
- 6) Does this rulemaking contain an automatic repeal date? No
- 7) Does this rulemaking contain incorporations by reference? No
- 8) A copy of the adopted amendments, including any material incorporated by reference, is on file in the agency's principal office and is available for public inspection.
- 9) Notice of Proposal Published in Illinois Register: 29 Ill. Reg. 19009; November 28, 2005
- 10) Has JCAR issued a Statement of Objection to this rulemaking? No
- 11) Differences between proposal and final version: Clarified applicability; deleted reference to domestic violence crimes prior to March 1, 1998 as those issues have been addressed by the Department; and minor format, grammatical, and typographical changes.

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- 12) Have all the changes agreed upon by the agency and JCAR been made as indicated in the agreements issued by JCAR? Yes
- 13) Will this rulemaking replace any emergency rulemaking currently in effect? No
- 14) Are there any amendments pending on this Part? No
- 15) Summary and Purpose of Rulemaking: To comply with the Ethics Act, these rules set forth language prohibiting political activities on State property or during compensated time other than benefit time such as vacation, personal, holiday, compensatory, or equivalent earned time; requiring employees to cooperate with investigations; and prohibiting employees from accepting gifts prohibited by the statute. To comply with the Federal Gun Control Act and the Criminal Code for Unlawful Possession of a Firearm and Ammunition, these rules require employees who are authorized to carry a weapon and who have been admitted as an inpatient in a mental hospital to report the hospitalization and clarify that they are prohibited from receiving a weapon or ammunition for 5 years and that failure to obtain a court order or ISP waiver shall result in termination. Additionally, the rulemaking clarifies the Department's current policies regarding driving under the influence, domestic violence, orders of protection, felony convictions, giving false information, confidentiality of information, and secondary employment.
- 16) Information and questions regarding these adopted amendments shall be directed to:

Beth Kiel
Department of Corrections
1301 Concordia Court
P. O. Box 19277
Springfield, Illinois 62794-9277

217/522-2666, extension 6511

The full text of the Adopted Amendments begins on the next page:

DEPARTMENT OF CORRECTIONS

NOTICE OF ADOPTED AMENDMENTS

TITLE 20: CORRECTIONS, CRIMINAL JUSTICE, AND LAW ENFORCEMENT
 CHAPTER I: DEPARTMENT OF CORRECTIONS
 SUBCHAPTER a: ADMINISTRATION AND RULES

PART 120
 RULES OF CONDUCT

| | |
|---------------|--------------------------------------|
| Section | |
| 120.10 | Applicability |
| 120.15 | Responsibilities |
| 120.20 | Definitions |
| 120.30 | Conduct of Individuals |
| 120.40 | Compliance with Laws and Regulations |
| 120.50 | Socializing with Committed Persons |
| 120.60 | Bribes, Gifts, and Gratuities |
| 120.70 | Trading or Trafficking |
| 120.80 | Conflicts of Interest |
| 120.90 | Information to be Reported |
| <u>120.95</u> | <u>Giving False Information</u> |
| 120.100 | Violation of Rules |

AUTHORITY: Implementing Section 3-2-2 and authorized by Section 3-7-1 of the Unified Code of Corrections [730 ILCS 5/3-2-2 and 3-7-1] and Sections 5-15, 10-10, 10-15, and 20-70 of the State Officials and Employees Ethics Act [5 ILCS 430/5-15, 10-10, 10-15, and 20-70] and Section 922 of the Federal Gun Control Act (18 USC 922) and Section 24-3.1(4) of the Illinois Criminal Code of 1961 [720 ILCS 5/24-3.1(4)].

SOURCE: Adopted at 11 Ill. Reg. 11517, effective July 1, 1987; amended at 30 Ill. Reg. 6329, effective April 1, 2006.

Section 120.10 Applicability

This Part applies to all persons who provide personal services or delivery of services, including Department of Corrections (Department) employees, contractual employees, and volunteers; ~~to any persons who have business dealings with the Department; and to any other persons, except committed person's visitors, who are admitted to Department facilities.~~ Offender's visitors ~~Visitors of committed persons~~ shall comply with the rules set forth in 20 Ill. Adm. Code 525.

(Source: Amended at 30 Ill. Reg. 6329, effective April 1, 2006)

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Section 120.20 Definitions

"Department" means the Department of Corrections.

"Employee", for the purposes of this Part, means persons who provide personal services or delivery of services, including Department employees, contractual employees, and volunteers.

"OffenderCommitted person" means any person committed to the custody of the Department, including those persons released on parole or mandatory supervised release.

(Source: Amended at 30 Ill. Reg. 6329, effective April 1, 2006)

Section 120.30 Conduct of Individuals

EmployeesIndividuals shall conduct themselves in a manner ~~thatwhich~~ will not reflect unfavorably on the Department and shall not engage in conduct ~~thatwhich~~ is unbecoming of an employee or that may reflect unfavorably on or ~~impairimpairs~~ the operations of the Department.

(Source: Amended at 30 Ill. Reg. 6329, effective April 1, 2006)

Section 120.40 Compliance with Laws and Regulations

- a) EmployeesIndividuals shall obey all federal, State, and local laws and applicable court decisions and orders related to the performance of their services to the Department.
- b) Employees shall verbally report as soon as possible andIndividuals shall submit a written report within five working days ~~after~~of any:
 - 1) Arrestarrest, indictment or conviction for a felony or a misdemeanor, other than a minor traffic offense such as a parking ticket, to their immediate supervisorthe Chief Administrative Officer of the facility or program. Driving under the influence is a reportable offense. The report shall specify the facts forming the basis for the arrest, indictment, or conviction and the caption of the case.

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- A) Any employee who is convicted after March 1, 1998 of a domestic violence crime as defined in the Federal Gun Control Act and who may be required to possess, transport, or receive a weapon or ammunition in the performance of his or her duties shall be terminated from employment.
- B) Any employee who is charged and convicted of a felony shall be terminated from employment.
- 2) Order of protection against any employee. The report shall specify the facts for the order of protection and include a caption of the case and the length of the order.
- A) Any employee who has an order of protection against him or her shall provide a copy of the order of protection or emergency or amended order of protection with his or her written report.
- B) Any employee who has an order of protection against him or her that prohibits the possession or use of a firearm shall not be issued a weapon for the duration of the order.
- C) Any employee whose order of protection prohibits the possession or use of firearms and is for a length of time exceeding 90 days and who may be required to possess, transport, or receive a weapon or ammunition in the performance of his or her duties shall be terminated from employment.
- 3) Admission as an inpatient in a mental hospital, if the employee is authorized to carry a firearm.
- A) Any employee who has been admitted as an inpatient in a mental health hospital in the last five years is prohibited from receiving a firearm or ammunition.
- B) Following an admission as an inpatient in a mental health hospital, employees authorized to carry a firearm shall submit either a court order or waiver from the State Police pursuant to 430 ILCS 65/10(c) lifting the prohibition from possession of a firearm and firearms ammunition or be terminated.

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- c) ~~Employees~~Individuals shall comply with departmental rules, written procedures, bulletins and written or verbal orders issued by Department authorities.
- d) ~~Employees~~Individuals shall ~~not~~ utilize State equipment, property, or services only as authorized by the job assignment~~without authorization or for personal use~~.
- e) ~~Employees~~Individuals shall have a valid driver's license and, at minimum, be covered by liability insurance prior to transporting ~~offenderseommitted persons~~ in vehicles.
- f) Employees shall cooperate with any investigation conducted by internal investigators and other investigative authorities, including the Office of the Executive Inspector General.
- g) Employees shall respect the confidentiality of information and shall be prohibited from accessing or disclosing information such as, but not limited to, investigations, offender records, and personnel issues, except to the extent required in the performance of their job duties.
- h) Employees shall not intentionally perform any prohibited political activity during any compensated time other than benefit time such as vacation, personal, holiday, compensatory, or equivalent earned time. Employees shall not intentionally misappropriate any State property or resources by engaging in prohibited political activity for the benefit of any campaign for elective office or any political organization.

(Source: Amended at 30 Ill. Reg. 6329, effective April 1, 2006)

Section 120.50 Socializing with Committed Persons

- a) ~~Employees~~Individuals shall not knowingly socialize with or engage in business transactions with any ~~offender or releasee~~committed person, or a relative or known close associate of ~~an offender or releasee~~a committed person, except in the performance of an assignment or as approved in writing by the Director. However, ~~employees~~individuals shall be permitted to purchase products of ~~offenderseommitted persons~~, such as arts, crafts, books, etc., ~~that~~which are offered through the ~~facility's~~institutional commissaries or offered to the general public in a public market place or forum.
- b) In determining whether to grant approval, the Director shall consider factors such as whether the ~~employee~~individual has direct custodial responsibility for the

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~~offender~~~~committed person~~; the nature of the business activity to be conducted; the nature of the relationship or association; the criminal and behavioral history of the ~~offender~~~~committed person~~; and employee history and conduct.

(Source: Amended at 30 Ill. Reg. 6329, effective April 1, 2006)

Section 120.60 Bribes, Gifts, and Gratuities

- a) ~~Employees~~~~Individuals~~ shall not accept or request bribes as an inducement to perform or not to perform any act related to their dealings with the Department.
- b) ~~Employees~~~~Individuals~~ shall not accept any gifts or gratuities or offers of the same from ~~offenders or releasees~~~~committed persons~~, persons who are known to the ~~employee~~~~individuals~~ to be ~~a relative, close associate, relatives~~ or ~~friend~~~~friends~~ of ~~offenders or releasees~~~~committed persons~~, or from anyone who has or expects to have business dealings with the Department.
- c) ~~Employees shall not intentionally solicit or accept any gift from any prohibited source in accordance with 5 ILCS 430/10. This ban applies to spouses of and immediate family living with employees.~~
- d)e) Such offers shall be reported immediately in writing to ~~the employee's supervisor~~~~the Director~~.

(Source: Amended at 30 Ill. Reg. 6329, effective April 1, 2006)

Section 120.70 Trading or Trafficking

Individuals shall not trade or ~~traffic~~~~traffick~~ with, or aid, ~~abet~~, or solicit unauthorized actions by, ~~offenders or releasees~~~~committed persons~~.

(Source: Amended at 30 Ill. Reg. 6329, effective April 1, 2006)

Section 120.80 Conflicts of Interest

- a) ~~Employees~~~~Individuals providing services to the Department~~ shall not engage in conduct ~~that~~~~which~~ impairs their ability to perform their duties and responsibilities in an impartial manner. ~~Employees~~~~Individuals~~ shall notify ~~their supervisor~~~~the Chief Administrative Officer of the facility or program~~ when their job duties may give rise to ~~or be construed as~~ a conflict of interest.

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- b) Employees' positions at the Department shall be considered primary employment. Employees shall not accept secondary employment unless the request is approved by the Department.

(Source: Amended at 30 Ill. Reg. 6329, effective April 1, 2006)

Section 120.90 Information to be Reported

- a) Employees~~Individuals~~ shall immediately report to their supervisor~~the Chief Administrative Officer~~ any information indicating a violation or attempted violation of criminal laws, or a threat to the safety and security of the facility, its property or any person, including information regarding a potential escape.
- b) Reports shall be made verbally, and, if requested by the Chief Administrative Officer~~or if required, reports shall be made in writing in the manner directed by the employee's supervisor~~~~the Chief Administrative Officer~~.

(Source: Amended at 30 Ill. Reg. 6329, effective April 1, 2006)

Sections 120.95 Giving False Information

Employees who knowingly provide false information shall be subject to disciplinary action, including termination of employment.

(Source: Added at 30 Ill. Reg. 6329, effective April 1, 2006)

Section 120.100 Violation of Rules

Failure to comply with any of the foregoing rules of conduct may result in discipline, termination of services, or restriction from entering all or some Department facilities.

(Source: Amended at 30 Ill. Reg. 6329, effective April 1, 2006)

STATE BOARD OF ELECTIONS

NOTICE OF ADOPTED AMENDMENT

TITLE 26: ELECTIONS

CHAPTER I: STATE BOARD OF ELECTIONS

PART 125

PRACTICE AND PROCEDURE

SUBPART A: DEFINITION AND GENERAL PROVISIONS

| Section | |
|---------|---|
| 125.5 | Applicability |
| 125.10 | Definitions |
| 125.15 | Board Offices and Business Hours |
| 125.20 | Documents Pertaining to Hearings |
| 125.30 | Form of Documents |
| 125.40 | Service of Documents |
| 125.50 | Computation of Time |
| 125.55 | Time of Notices |
| 125.60 | Appearances |
| 125.70 | Non-Legal Assistance |
| 125.75 | Parties |
| 125.80 | Answer |
| 125.90 | Qualifications of Hearing Examiner |
| 125.95 | Authority of Hearing Examiner |
| 125.100 | Disqualification of Hearing Examiner |
| 125.110 | Motions |
| 125.115 | Consolidation and Severance of Claims: Additional Parties |
| 125.120 | Amendments |
| 125.130 | Intervention |
| 125.135 | Pre-hearing Conferences |
| 125.140 | Settlement Pursuant to Conference |
| 125.150 | Record of Conferences |
| 125.160 | Continuances |
| 125.170 | Order of Proceedings |
| 125.175 | Failure of Party to Appear |
| 125.180 | Evidence |
| 125.185 | Official Notice |
| 125.190 | Examination of Adverse Party or Agent |
| 125.192 | Participation by Board Members and Staff |
| 125.195 | Hostile Witnesses |
| 125.197 | Admission of Business Records in Evidence |

STATE BOARD OF ELECTIONS

NOTICE OF ADOPTED AMENDMENT

125.199 Compelling Appearance at Hearing

SUBPART B: CLOSED PRELIMINARY HEARINGS

Section

125.210 Applicability
125.220 Commencement of Proceeding
125.230 Form of Complaint
125.235 Board Members as Complainants
125.240 Service of Complaint
125.245 Appointment of Examiner – Order of Closed Preliminary Hearing
125.250 Time of Preliminary Hearing (Repealed)
125.252 Scope of Preliminary Hearing – Procedures – Evidence
125.253 Responsibilities of the General Counsel
125.254 Stipulated Settlement
125.255 Transcript of Preliminary Hearing (Repealed)
125.260 Report of Hearing Examiner (Repealed)
125.262 Board Determination
125.265 Judicial Review
125.270 Record of Preliminary Hearing on Appeal Administrative Review
125.272 Order of Public Hearing
125.275 Time and Conduct of Public Hearing (Repealed)

SUBPART C: PUBLIC ADJUDICATIVE HEARINGS

Section

125.310 Applicability
125.320 Initiation of Hearing
125.330 Appointment of Hearing Examiner
125.340 Notice of Hearing
125.350 Discovery Procedures
125.360 Subpoenas
125.370 Transcript of Proceedings
125.380 Official Record
125.390 Briefs and Oral Argument

SUBPART D: FINAL ORDERS

Section

125.410 Hearing Examiners Report

STATE BOARD OF ELECTIONS

NOTICE OF ADOPTED AMENDMENT

- 125.420 Order of the Board; Civil Penalties
- 125.425 Civil Penalty Assessments
- 125.430 Enforcement Actions in the Circuit Court
- 125.440 Reconsideration

SUBPART E: INVESTIGATIONS, INQUIRIES AND HEARINGS
PURSUANT TO SECTION 9-18

- Section
- 125.510 Applicability (Repealed)
- 125.520 Staff Review and Enforcement of Reporting Requirements
- 125.530 Compliance Conference
- 125.540 Staff Initiated Complaint (Repealed)
- 125.550 Investigations, Inquiries or Hearings

SUBPART F: RULEMAKING AND NON-ADJUDICATIVE HEARINGS

- Section
- 125.610 Applicability
- 125.620 Adoption of Rules
- 125.630 Non-Adjudicative Hearings
- 125.640 Notice of Hearing
- 125.650 Conduct of the Hearing
- 125.660 Examination of Witness
- 125.670 Record
- 125.680 Report of Hearing

SUBPART G: ADVISORY OPINIONS

- Section
- 125.710 Advisory Opinions
- 125.720 Reconsideration of Advisory Opinions
- 125.730 Public Availability of Advisory Opinion
- 125.740 Conflict Between this Part and the APA

SUBPART H: MISCELLANEOUS PROVISIONS

- Section
- 125.810 Ex Parte Communications
- 125.820 Effective Date

STATE BOARD OF ELECTIONS

NOTICE OF ADOPTED AMENDMENT

125.830 Interpretation
125.840 Severability

AUTHORITY: Authorized by Sections 1A-8(9), 9-15(3), 9-21 and 9-23 of the Election Code [10 ILCS 5/1A-8(9), 9-15(3), 9-21 and 9-23].

SOURCE: Adopted at 5 Ill. Reg. 12115, effective October 26, 1981; amended at 7 Ill. Reg. 230, effective December 16, 1982; amended at 7 Ill. Reg. 239, effective December 16, 1982; amended at 7 Ill. Reg. 15803 and 15810, effective November 9, 1983; codified at 8 Ill. Reg. 3278; amended at 9 Ill. Reg. 4050, effective March 14, 1985; amended at 14 Ill. Reg. 10832, effective June 22, 1990; amended at 16 Ill. Reg. 6986, effective April 21, 1992; amended at 19 Ill. Reg. 6546, effective May 1, 1995; emergency amendment at 23 Ill. Reg. 1122, effective January 7, 1999, for a maximum of 150 days; amended at 23 Ill. Reg. 6807, effective May 24, 1999; amended at 24 Ill. Reg. 14203, effective September 11, 2000; emergency amendment at 28 Ill. Reg. 1408, effective January 5, 2004, for a maximum of 150 days; emergency expired June 2, 2004; amended at 29 Ill. Reg. 18796, effective November 7, 2005; amended at 30 Ill. Reg. 6337, effective April 3, 2006.

SUBPART A: DEFINITIONS AND GENERAL PROVISIONS

Section 125.60 Appearances

- a) Any person entitled to participate in Board proceedings may appear as follows:
 - 1) A natural person may appear in his own behalf or by an attorney at law licensed and registered to practice in the State of Illinois, or both;
 - 2) A business, unincorporated association, nonprofit, or government organization may appear by any bona fide officer, employee, or representative, or may be represented by an attorney licensed and registered to practice in the State of Illinois, or both.
- b) The Board is not authorized to permit attorneys not licensed in the State of Illinois to appear in its proceedings. However, attorneys licensed in states other than Illinois may apply to the Illinois Supreme Court for the right to practice before the Board. The title of the pleading should be "Motion to Appear Pro Hac Vice Before an Administrative Agency" and should be directed to the Clerk of the Illinois Supreme Court. The moving attorney must provide written confirmation of his successful admission to the Board's hearing officer prior to entering his appearance in any Board Proceeding. ~~Attorneys not licensed and registered to~~

STATE BOARD OF ELECTIONS

NOTICE OF ADOPTED AMENDMENT

~~practice in the State of Illinois may appear on motion.~~

- c) An attorney appearing in a representative capacity shall file a written notice of appearance with the Board, together with proof of service on all parties or their respective attorneys.

(Source: Amended at 30 Ill. Reg. 6337, effective April 3, 2006)

STATE BOARD OF ELECTIONS

NOTICE OF ADOPTED AMENDMENTS

- 1) Heading of the Part: Established Political Party and Independent Candidate Nominating Petitions
- 2) Code Citation: 26 Ill. Adm. Code 201
- 3)

| | |
|-------------------------|------------------------|
| <u>Section Numbers:</u> | <u>Adopted Action:</u> |
| 201.10 | Amendment |
| 201.30 | Amendment |
- 4) Statutory Authority: Implementing Articles 7, 8 and 10 of the Election Code [10 ILCS 5/Arts. 7, 8, and 10] and authorized by Section 1A-8(9) of the Election Code [10 ILCS 5/1A-8(9)]
- 5) Effective Date of Rulemaking: April 3, 2006
- 6) Does this rulemaking contain an automatic repeal date? No
- 7) Does this rulemaking contain incorporations by reference? No
- 8) A copy of the adopted amendments, including any material incorporated by reference, is on file in the agency's principal office and is available for public inspection.
- 9) Notice of Proposal Published in Illinois Register: 29 Ill. Reg. 18509; November 18, 2005
- 10) Has JCAR issued a Statement of Objection to this rulemaking? No
- 11) Differences between proposal and final version: No substantive differences.
- 12) Have all the changes agreed upon by the agency and JCAR been made as indicated in the agreements issued by JCAR? Yes
- 13) Will this rulemaking replace any emergency rulemaking currently in effect? No
- 14) Are there any amendments pending on this Part? No
- 15) Summary and Purpose of Rulemaking: Past experience has shown that a very small number of petitions and objections to petitions have been filed on Saturday. Therefore, the State Board of Elections did not feel it was necessary to maintain business hours for the sole purpose of receiving such items on the Saturday that falls within the time period during which petitions and objections are filed.

STATE BOARD OF ELECTIONS

NOTICE OF ADOPTED AMENDMENTS

- 16) Information and questions regarding these adopted amendments shall be directed to:

Steven S. Sandvoss
General Counsel
State Board of Elections
1020 S. Spring St.
Springfield IL 62708

217/557-9939

The full text of the Adopted Amendments begins on the next page.

STATE BOARD OF ELECTIONS

NOTICE OF ADOPTED AMENDMENTS

TITLE 26: ELECTIONS

CHAPTER I: STATE BOARD OF ELECTIONS

PART 201

ESTABLISHED POLITICAL PARTY AND
INDEPENDENT CANDIDATE NOMINATING PETITIONS

Section

| | |
|--------|--|
| 201.10 | Filing Times at the Office of the State Board of Elections |
| 201.20 | Determination of Nominating Petition's Official Time of Filing |
| 201.30 | Filing Times for Objections and Withdrawals |
| 201.40 | Simultaneous Filings for the Same Office – Lottery |

AUTHORITY: Implementing Articles 7, 8 and 10 of the Election Code [10 ILCS 5/Arts. 7, 8 and 10] and authorized by Section 1A-8(9) of the Election Code [10 ILCS 5/1A-8(9)].

SOURCE: Adopted at 2 Ill. Reg. 25, p. 70, effective July 3, 1978; amended at 5 Ill. Reg. 14140, effective December 4, 1981; codified at 6 Ill. Reg. 7213; emergency amendment at 8 Ill. Reg. 24311, effective November 29, 1984, for a maximum of 150 days; amended at 30 Ill. Reg. 6343, effective April 3, 2006.

Section 201.10 Filing Times at the Office of the State Board of Elections

- a) ~~Petitions~~All petitions for nomination to public office, including independent candidate petitions, and all petitions for nomination to political party office required by law to be filed with the State Board of Elections relating to offices to be ~~filled~~filed or for which party nominations are to be made at the ~~general~~regular Primary Election, shall be filed at the principal office of the State Board of Elections at 1020 South Spring Street, Springfield, Illinois 62704.
- b) During the statutory filing period, petitions will be received at the principal office of the State Board of Elections from 8:00 a.m. until 5:00 p.m., Monday through Friday, ~~and 8:00 a.m. until 12:00 noon on Saturday.~~

(Source: Amended at 30 Ill. Reg. 6343, effective April 3, 2006)

Section 201.30 Filing Times for Objections and Withdrawals

- a) Objections to or withdrawals of nominating petitions filed with the State Board of Elections shall be received either in the principal office of the State Board of

STATE BOARD OF ELECTIONS

NOTICE OF ADOPTED AMENDMENTS

Elections or at the permanent branch office at 100 W. Randolph, Suite 14-100, Chicago, Illinois 60601~~100 North LaSalle Street, Suite 300, Chicago, Illinois 60602~~, within five business days after the last day of the statutory period during which such petitions for nomination shall be filed.

- b) During the statutory period wherein objections and withdrawals shall be filed, objections and withdrawals will be received at the offices of the State Board of Elections from 8:00 a.m. until 5:00 p.m., Monday through Friday,~~and from 8:00 a.m. until 12:00 noon on Saturday, last day for filing objections or withdrawals.~~

(Source: Amended at 30 Ill. Reg. 6343, effective April 3, 2006)

STATE BOARD OF ELECTIONS

NOTICE OF ADOPTED AMENDMENTS

- 1) Heading of the Part: New Political Party Nominating Petitions
- 2) Code Citation: 26 Ill. Adm. Code 202
- 3)

| | |
|-------------------------|------------------------|
| <u>Section Numbers:</u> | <u>Adopted Action:</u> |
| 202.10 | Amendment |
| 202.30 | Amendment |
- 4) Statutory Authority: Implementing Article 10 of the Election Code [10 ILCS 5/Art. 10] and authorized by Section 1A-8(9) of the Election Code [10 ILCS 5/1A-8(9)]
- 5) Effective Date of Rulemaking: April 3, 2006
- 6) Does this rulemaking contain an automatic repeal date? No
- 7) Does this rulemaking contain incorporations by reference? No
- 8) A copy of the adopted amendments, including any material incorporated by reference, is on file in the agency's principal office and is available for public inspection.
- 9) Notice of Proposal Published in Illinois Register: 29 Ill. Reg. 18513; November 18, 2005
- 10) Has JCAR issued a Statement of Objection to this rulemaking? No
- 11) Differences between proposal and final version: No substantive differences.
- 12) Have all the changes agreed upon by the agency and JCAR been made as indicated in the agreements issued by JCAR? Yes
- 13) Will this rulemaking replace any emergency rulemaking currently in effect? No
- 14) Are there any amendments pending on this Part? No
- 15) Summary and Purpose of Rulemaking: Past experience has shown that a very small number of petitions and objections to petitions have been filed on Saturday. Therefore, the State Board of Elections did not feel it was necessary to maintain business hours for the sole purpose of receiving such items on the Saturday that falls within the time period during which petitions and objections are filed.
- 16) Information and questions regarding these Adopted Amendments shall be directed to:

STATE BOARD OF ELECTIONS

NOTICE OF ADOPTED AMENDMENTS

Steven S. Sandvoss
General Counsel
State Board of Elections
1020 S. Spring St.
Springfield IL 62708

217/557-9939

The full text of the Adopted Amendments begins on the next page.

STATE BOARD OF ELECTIONS

NOTICE OF ADOPTED AMENDMENTS

TITLE 26: ELECTIONS
CHAPTER I: STATE BOARD OF ELECTIONSPART 202
NEW POLITICAL PARTY NOMINATING PETITIONS

Section

| | |
|--------|--|
| 202.10 | Filing Times at the Office of the State Board of Elections |
| 202.20 | Determination of Nominating Petition's Official Time of Filing |
| 202.30 | Filing Times for Objections and Withdrawals |
| 202.40 | Simultaneous Filings for the Same Office – Lottery |
| 202.50 | Nominating Petitions Filed with County Clerks |

AUTHORITY: Implementing Article 10 of the Election Code [10 ILCS 5/Art. 10] and authorized by Section 1A-8(9) of the Election Code [10 ILCS 5/1A-8(9)].

SOURCE: Adopted at 2 Ill. Reg. 25, p. 70, effective July 3, 1978; amended at 5 Ill. Reg. 14144, effective December 4, 1981; codified at 6 Ill. Reg. 7214; amended at 30 Ill. Reg. 6347, effective April 3, 2006.

Section 202.10 Filing Times at the Office of the State Board of Elections

- a) All new political party petitions for the formation of such party and for the nomination of candidates to public office, ~~either statewide or in multi-county legislative, multi-county congressional and multi-county judicial districts or circuits, and independent petitions for trustees of either the University of Illinois or multi-county fire protection districts,~~ with regard to all the General Elections ~~Election~~ to be held on the first Tuesday after the first Monday in November of even numbered years, 7, 1978, shall be filed at the principal office of the State Board of Elections, 1020 South Spring Street, Springfield, Illinois 62704.
- b) During the statutory filing period, petitions will be received at the principal office of the State Board of Elections from 8:00 a.m. until 5:00 p.m., Monday through Friday, ~~and 8:00 a.m. until 12:00 noon on Saturday, August 5, 1978.~~

(Source: Amended at 30 Ill. Reg. 6347, effective April 3, 2006)

Section 202.30 Filing Times for Objections and Withdrawals

STATE BOARD OF ELECTIONS

NOTICE OF ADOPTED AMENDMENTS

- a) Objections to or withdrawals of the new political party petitions filed with the State Board of Elections shall be received either in the principal office of the State Board of Elections or at the permanent branch office at 100 West Randolph, Suite 14-100, Chicago, Illinois 60601~~100 North LaSalle Street, Suite 300, Chicago, Illinois 60602~~, within five business days after the last day of the statutory period during which new political party petitions for formation and nomination of candidates shall be filed.
- b) During the statutory period wherein objections and withdrawals shall be filed, objections and withdrawals will be received at the offices of the State Board of Elections from 8:00 a.m. until 5:00 p.m., Monday through Friday,~~and from 8:00 a.m. until 12:00 noon on Saturday, last day for filing objections or withdrawals.~~

(Source: Amended at 30 Ill. Reg. 6347, effective April 3, 2006)

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

NOTICE OF ADOPTED REPEALER

- 1) Heading of the Part: Accident and Health Risk Ratio Notice
- 2) Code Citation: 50 Ill. Adm. Code 938
- 3)

| <u>Section Numbers:</u> | <u>Adopted Action:</u> |
|-------------------------|------------------------|
| 938.10 | Repeal |
| 938.20 | Repeal |
| 938.30 | Repeal |
| 938.40 | Repeal |
| 938.45 | Repeal |
| 938.50 | Repeal |
| 938.60 | Repeal |
| 938.EXHIBIT A | Repeal |
| 938.EXHIBIT B | Repeal |
- 4) Statutory Authority: Implementing and authorized by Section 401 of the Illinois Insurance Code [215 ILCS 5/401].
- 5) Effective Date of Repealer: April 3, 2006
- 6) Does this repealer contain an automatic repeal date? No
- 7) Does this repealer contain incorporations by reference? No
- 8) A copy of the adopted repealer, including any material incorporated by reference, is on file in the principal office of the Division of Insurance and is available for public inspection.
- 9) Notice of Proposal Published in Illinois Register: September 16, 2005; 29 Ill. Reg. 13941
- 10) Has JCAR issued a Statement of Objection to this Repealer? No
- 11) Differences between proposal and final version: No substantive changes were made.
- 12) Have all changes agreed upon by the agency and JCAR been made as indicated in the agreements issued by JCAR? Yes
- 13) Will this repealer replace any emergency rulemaking currently in effect? No
- 14) Are there any amendments pending on this Part? No

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

NOTICE OF ADOPTED REPEALER

- 15) Summary and Purpose of Rulemaking: This Part was repealed because the policyholder surplus and premium information previously reported pursuant to this Part is now available to the Division through the National Association of Insurance Commissioners' (NAIC) Internet-State Interface Technology Enhancement (I-SITE) network. Repealing this Part will reduce unnecessary paperwork. There is no filing fee, so the elimination of this filing requirement would have no financial impact on the Division.
- 16) Information and questions regarding this adopted repealer shall be directed to:

Sara Ross, Supervisor
Department of Financial and Professional Regulation
Division of Insurance
L/A&H Financial Analysis Unit
320 West Washington Street
Springfield, Illinois 62767-0001

(217) 782-9760

The full text of the Adopted Repealer begins on the next page:

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

NOTICE OF ADOPTED RULES

- 1) Heading of the Part: Registration of Workers' Compensation Utilization Review Organizations
- 2) Code Citation: 50 Ill. Adm. Code 2905
- 3)

| <u>Section Numbers</u> : | <u>Adopted Action</u> : |
|--------------------------|-------------------------|
| 2905.10 | New Section |
| 2905.20 | New Section |
| 2905.30 | New Section |
| 2905.40 | New Section |
| 2905.50 | New Section |
| 2905.EXHIBIT A | New Section |
| 2905.EXHIBIT B | New Section |
- 4) Statutory Authority: Implementing Section 8.7 of the Worker's Compensation Act [820 ILCS 305/8.7] and authorized by Section 8.7 of the Worker's Compensation Act [820 ILCS 305/8.7] and Section 401 of the Illinois Insurance Code [215 ILCS 5/401].
- 5) Effective Date of Rulemaking: March 29, 2006
- 6) Does this rulemaking contain an automatic repeal date? No
- 7) Does this rulemaking contain incorporations by reference? No
- 8) A copy of the adopted rulemaking, including any material incorporated by reference, is on file in the principal office of the Division of Insurance and is available for public inspection.
- 9) Notice of Proposal Published in Illinois Register: October 14, 2005; 29 Ill. Reg. 15389
- 10) Has JCAR issued a Statement of Objection to this rulemaking? No
- 11) Differences between proposal and final version:
 - a) To the title of this Part, add "ORGANIZATIONS".
 - b) In Section 2905.10, add "Act means the Workers' Compensation Act [820 ILCS 305]".

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

NOTICE OF ADOPTED RULES

- c) In Section 2905.10, replace the proposed definition for "Utilization Review" with the following text: *"Utilization Review means the evaluation of proposed or provided health care services to determine the appropriateness of both the level of health care services medically necessary and the quality of health care services provided to a patient, including evaluation of their efficiency, efficacy, and appropriateness of treatment, hospitalization, or office visits based on medically accepted standards. The evaluation must be accomplished by means of a system that identifies the utilization of health care services based on standards of care or nationally recognized peer review guidelines as well as nationally recognized evidence based upon standards as provided in the Act. Utilization techniques may include prospective review, second opinions, concurrent review, discharge planning, peer review, independent medical examinations, and retrospective review (for purposes of this sentence, retrospective review shall be applicable to services rendered on or after July 20, 2005). Nothing in this definition applies to prospective review of necessary first aid or emergency treatment. [820 ILCS 305/8.7]"*
- d) In Section 2905.20 and Section 2905.40 on the last line, delete "within 60 days after the effective date of this Part" and add "by July 1, 2006" in lieu thereof.
- e) In 2905.Exhibit A, item 1, change "FEI Number" to "FEIN".
- f) In 2905.Exhibit A, item 2, in the first checklist, add "(as defined in 50 Ill. Adm. Code 5420.30)" following "Review"; delete "____ Comprehensive Utilization Review" and "____ Specialty Utilization Review" and add "(as defined in Section 2905.10 of this Part)" following "Review".
- g) In 2905.Exhibit A, item 2, in the second checklist, add "(as defined in 50 Ill. Adm. Code 5421.20)" following the first and second entry after "HMO".
- h) In 2905.Exhibit A, item 7(c), add "for the current year" following "program" on the second line. Immediately thereunder add:
"____ Health Reviews
____ Workers' Compensation Reviews"
- i) In 2905.Exhibit A, item 7 (g), immediately thereunder add:
"____ Health Reviews
____ Workers' Compensation Reviews"

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

NOTICE OF ADOPTED RULES

- j) In 2905.Exhibit A, item 8 (a), following "URAC", "NCQA" and "JCAHO", add "(as defined in 50 Ill. Adm. Code 5420.130(b))".
- 12) Have all changes agreed upon by the agency and JCAR been made as indicated in the agreements issued by JCAR? Yes
- 13) Will this rulemaking replace any emergency rulemaking currently in effect? No
- 14) Are there any amendments pending on this Part? No
- 15) Summary and Purpose of rulemaking: PA 92- 277 requires the registration of workers compensation utilization review organizations within the Department of Financial and Professional Regulation. This new rule establishes the format for registration based on existing registration requirements for health care utilization review organizations as provided in the Managed Care Reform and Patient Rights Act. With the addition of Exhibit A, the Department will be able to accommodate both health and workers compensation registration in its existing administrative scheme.
- 16) Information and questions regarding this adopted rulemaking shall be directed to:

Kelly Reim, Insurance Analyst
Department of Financial and Professional Regulation
Division of Insurance
Utilization Review/ Managed Care Unit
320 West Washington Street
Springfield, Illinois 62767-0001

(217) 558-2309

The full text of the Adopted Rules begins on the next page:

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

NOTICE OF ADOPTED RULES

TITLE 50: INSURANCE

CHAPTER I: DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION
SUBCHAPTER hh: WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY

PART 2905

REGISTRATION OF WORKERS' COMPENSATION
UTILIZATION REVIEW ORGANIZATIONS

Section

| | |
|----------------|---|
| 2905.10 | Definitions |
| 2905.20 | Registration |
| 2905.30 | Fees |
| 2905.40 | Material Changes |
| 2905.50 | Renewals and Appeals |
| 2905.EXHIBIT A | Application for Registration of a Utilization Review Organization |
| 2905.EXHIBIT B | Utilization Review Organization Officers and Directors Biographical Affidavit |

AUTHORITY: Implementing Section 8.7 of the Workers' Compensation Act [820 ILCS 305/8.7] and authorized by Section 8.7 of the Workers' Compensation Act and Section 401 of the Illinois Insurance Code [215 ILCS 5/401].

SOURCE: Adopted at 30 Ill. Reg. 6353, effective March 29, 2006.

Section 2905.10 Definitions

Act means the Workers' Compensation Act [820 ILCS 305].

Department means the Illinois Department of Financial and Professional Regulation.

Director means the Director of the Illinois Department of Financial and Professional Regulation-Division of Insurance.

Division means the Department of Financial and Professional Regulation-Division of Insurance.

Utilization Review means the evaluation of proposed or provided health care services to determine the appropriateness of both the level of health care services medically necessary and the quality of health care services provided to a patient,

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

NOTICE OF ADOPTED RULES

including evaluation of their efficiency, efficacy, and appropriateness of treatment, hospitalization, or office visits based on medically accepted standards. The evaluation must be accomplished by means of a system that identifies the utilization of health care services based on standards of care or nationally recognized peer review guidelines as well as nationally recognized evidence based upon standards as provided in the Act. Utilization techniques may include prospective review, second opinions, concurrent review, discharge planning, peer review, independent medical examinations, and retrospective review (for purposes of this sentence, retrospective review shall be applicable to services rendered on or after July 20, 2005). Nothing in this definition applies to prospective review of necessary first aid or emergency treatment. [820 ILCS 305/8.7]

Section 2905.20 Registration

On or after July 1, 2005, a workers' compensation utilization review organization may not conduct utilization review for workers' compensation services as provided by Section 8.7 of the Workers' Compensation Act [820 ILCS 305/8.7] unless the utilization review organization has registered with the Director. An application for registration shall be in a format as set forth in Exhibits A and B of this Part, and must be signed by an officer or director of the utilization review organization. Initial registration applications shall be deemed approved unless the Director finds the application to be noncompliant with either the standards set forth in Section 8.7 of the Workers' Compensation Act or this Part. Entities currently registered as health care utilization review organizations in accordance with the Managed Care Reform and Patient Rights Act [215 ILCS 134/85] that perform workers' compensation utilization review must revise Section 2 of their application forms (50 Ill. Adm. Code 5420.Exhibit D) by July 1, 2006.

Section 2905.30 Fees

A workers' compensation utilization review organization must register with the Director every two years. A fee of \$3,000 must be submitted with each application or renewal unless the utilization review organization is accredited under the Health Utilization Management Standards or the Workers' Compensation Utilization Management Standards of the American Accreditation Healthcare Commission (URAC), in which case the fee is \$1500.

Section 2905.40 Material Changes

Any material changes in the information filed pursuant to this Part shall be filed with the Director within 30 days after the change. Loss of accreditation status will require re-registration and payment of a \$3000 fee pursuant to Sections 2905.20 and 2905.30 of this Part. Entities currently registered as health care utilization review organizations in accordance with the

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

NOTICE OF ADOPTED RULES

Managed Care Reform and Patient Rights Act [215 ILCS 134/85] that perform workers' compensation utilization review must revise Section 2 of their application forms (50 Ill. Adm. Code 5420.Exhibit D) by July 1, 2006.

Section 2905.50 Renewals and Appeals

- a) If a renewal application and fee are not received prior to the renewal date, the registration will automatically expire and the utilization review organization must re-register and pay a fee pursuant to Sections 2905.20 and 2905.30 of this Part in order to conduct utilization review for workers' compensation services as provided by Section 8.7 of the Workers' Compensation Act [820 ILCS 305/8.7].
- b) If an application for registration or renewal is denied under this Part, the applicant may appeal that denial by requesting a hearing under the terms of Article 10 of the Illinois Administrative Procedure Act [5 ILCS 100/Art. 10] and 50 Ill. Adm. Code 2402. A petition for hearing must be postmarked no later than 30 days from the date of initial denial. A hearing shall be scheduled within 45 days after the petition is filed with the Director. A decision by the Director shall be rendered within 60 days after the close of the hearing.

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

NOTICE OF ADOPTED RULES

Section 2905.EXHIBIT A Application for Registration of a Utilization Review Organization

1. Name of Applicant _____

Type of Application (check one):

- Corporation
 Partnership
 Limited Liability Corporation
 Other (Describe) _____

FEIN _____

Contact Person _____

Business Telephone Number () _____

Fax Number () _____

Email Address _____

2. Type of Utilization Review Organization (check **all** that apply):

- Health Care Utilization Review (as defined in 50 Ill. Adm. Code 5420.30)
 Workers' Compensation Review (as defined in Section 2905.10 of this Part)

Check **all** categories that apply (as applicable)

- Licensed HMO providing utilization review services outside of the HMO (as defined in 50 Ill. Adm. Code 5421.20)
 Licensed HMO providing utilization review services only within that HMO (as defined in 50 Ill. Adm. Code 5421.20)
 Third Party Administrator
 Licensed Insurance Company providing utilization review services outside of that Insurance Company
 Licensed Insurance Company providing utilization review services only within that Insurance Company
 Hospital or Medical Group providing utilization review services for other than internal purposes
 Workers' Compensation Utilization Review Organization
 Other (Describe) _____

3. Business Address

Street (do not use P.O. Box) _____

City _____ State _____ Zip _____ - _____

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

NOTICE OF ADOPTED RULES

4. Mailing Address
 Street or P.O. Box _____
 City _____ State _____ Zip _____ - _____
5. Business Telephone Number () _____
 Toll Free Number () _____
 Fax Number () _____
 Email Address/Website _____
6. Agent for Service of Process **in Illinois**
 Name _____
 Street (do not use P.O. Box) _____
 City _____ State _____ Zip _____ - _____
7. For each Utilization Review Program supply the following information:
- The name, address, telephone number and normal business hours of the utilization review programs.
 - The organization and governing structure of the utilization review programs.
 - The number of reviews in Illinois for which utilization review is conducted by each utilization review program for the current year.
 - Health Reviews
 - Workers' Compensation Reviews
 - Hours of operation of each utilization review program.
 - Description of the grievance process for each utilization review program.
 - Please check (all that apply) to determine if you are using the Health Standards and/or the Workers' Compensation Standards in order to meet or exceed American Accreditation Healthcare Commission (URAC) Standards and provide the Division with a copy of your current certificates, if applicable.
 - Health Utilization Standards
 - Workers' Compensation Standards
 - Number of review in Illinois for which utilization review was conducted for the previous calendar year for each utilization review program.
 - Health Reviews
 - Workers' Compensation Reviews

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

NOTICE OF ADOPTED RULES

- h) Written policies and procedures for protection of confidential information according to applicable State and Federal laws for each utilization review program.
- i) Biographical information for organization officers and directors. Biographical affidavits shall be stamped "confidential" by the utilization review organization.

8. Indicate accreditation status below:

- a) Health accredited by:
 - URAC (as defined in 50 Ill. Adm. Code 5420.130(b))
 - NCQA (as defined in 50 Ill. Adm. Code 5420.130(b))
 - JCAHO (as defined in 50 Ill. Adm. Code 5420.130(b))

- b) Workers' compensation accredited under:
 - URAC Health Standards
 - URAC Workers' Compensation Standards

c) Unaccredited

9. Check Enclosed

- a) Accredited fee \$1500 biennially
- b) Unaccredited fee \$3000 biennially

10. Affirmation (to be signed by an officer or director of the utilization review organization only):

I, _____ do hereby certify that
(Typed name, title)

(Utilization Review Organization)

complies with the Health and/or Workers' Compensation Utilization Management Standards of the American Accreditation Healthcare Commission (URAC) sufficient to achieve American Accreditation Healthcare Commission (URAC) accreditation or submits evidence of accreditation by the American Accreditation Healthcare Commission (URAC) for its Health and/or Workers' Compensation Utilization Management Standards, and do hereby affirm that all of the information presented in this application is true and correct.

(Signature)

(Date)

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

NOTICE OF ADOPTED RULES

Please mail completed application to:

Illinois Department of Financial and Professional Regulation
Division of Insurance
Utilization Review Unit
320 West Washington Street
Springfield IL 62767-0001
(217) 558-2309

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

NOTICE OF ADOPTED RULES

**Section 2905.EXHIBIT B Utilization Review Organization Officers and Directors
Biographical Affidavit**

| | |
|--|----------------------------|
| Full name and address of company (do not use group name) | |
| | |
| | |
| In connection with the above-named company, I herewith make representations and supply information about myself as hereinafter set forth. (Attach addendum or separate sheet if space is insufficient to answer any question fully.) If answer is "No" or "None", so state. | |
| 1. Affiant's full name (initials not acceptable) | |
| 2a. Have you ever had your name changed? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, give the reason for the change. | |
| 2b. Give other names used at any time | |
| 3. Affiant's Social Security No. | 4. Date and place of birth |
| 5. Affiant's business address | Business telephone # |
| 6. List your residences for the last 10 years starting with your current address, giving: | |
| Date | Address City and State |
| | |
| | |
| 7. Education: List dates, names, locations and degrees | |
| College: | |
| Graduate Studies: | |
| Others: | |
| 8. List memberships in Professional Societies and Associations | |

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

NOTICE OF ADOPTED RULES

| 9. Present or proposed positions with the applicant company | | | | | | | | | |
|--|----------------------|----------------------|-------|--|--|--|--|--|--|
| 10. List complete employment record (up to and including present jobs, positions, directorates or officerships) for the past 20 years, giving: | | | | | | | | | |
| <table border="1"> <thead> <tr> <th>Dates</th> <th>Employer and Address</th> <th>Title</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table> | Dates | Employer and Address | Title | | | | | | |
| Dates | Employer and Address | Title | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| Please check one | | | | | | | | | |
| 11. May present employer be contacted? <input type="checkbox"/> Yes <input type="checkbox"/> No May former employers be contacted? <input type="checkbox"/> Yes <input type="checkbox"/> No | | | | | | | | | |
| 12a. Have you ever been in a position that required a fidelity bond? <input type="checkbox"/> Yes <input type="checkbox"/> No If any claims were made on the bond, give details. | | | | | | | | | |
| 12b. Have you ever been denied an individual or position schedule fidelity bond, or had a bond cancelled or revoked? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, give details. | | | | | | | | | |
| 13. List any professional, occupational, and vocational licenses issued by any public or governmental licensing agency or regulatory authority that you presently hold or have held in the past (state date, license issued, issuer of license, date terminated, reasons for termination). | | | | | | | | | |
| 14. During the last 10 years, have you ever been refused a professional, occupational or vocational license by any public or governmental licensing agency or regulatory authority, or has any such license held by you ever been suspended or revoked? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, give details. | | | | | | | | | |

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NOTICE OF ADOPTED RULES

15. List any administrators, insurers or HMOs in which you control directly or indirectly or own legally or beneficially 10% or more of the outstanding stock (in voting power).

If any of the stock is pledged or hypothecated in any way, give details.

16. Will you or members of your immediate family subscribe to or own, beneficially or of record, shares of stock of the applicant administrator or its affiliates? Yes No
If any of the shares of stock are pledged or hypothecated in any way, give details.

17. Have you ever been adjusted bankrupt? Yes No

18. Have you ever been convicted or had a sentence imposed or suspended or had pronouncement of a sentence suspended or been pardoned for conviction of or pleaded guilty or nolo contendere to any information or an indictment charging any felony or charging a misdemeanor involving embezzlement, theft, larceny, or mail fraud, or charging a violation of any corporate securities statute or any insurance law, or have you been the subject of any disciplinary proceedings of any federal or state regulatory agency? Yes No If yes, give details.

19. Has any company been charged as described in No. 18, allegedly as a result of any action or conduct on your part? Yes No If yes, give details.

20. Have you ever been an officer, director, trustee, investment committee member, key employee, or controlling stockholder of any insurer, HMO or administrator that, while you occupied such position or capacity, became insolvent or was placed under supervision or in receivership, rehabilitation, liquidation or conservatorship?
 Yes No

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

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21. Has the certificate of authority or license to do business of any insurance company or registration of any administrator of which you were an officer or director or key management person ever been suspended, revoked or denied while you occupied such position? Yes No If yes, give details.

Declaration

Dated and signed this _____ day of _____ at _____

I hereby certify under penalty of perjury that I am acting on my own behalf and that the foregoing statements are true and correct to the best of my knowledge and belief.

State of _____

County of _____

Personally appeared before me the above named _____

personally known to me who being duly sworn deposes and says that he or she executed the above instrument and that the statements and answers contained therein are true and correct to the best of his or her knowledge and belief.

Subscribed and sworn to before me this _____ day of _____ 20 _____

(Notary Public)

(SEAL)

My commission expires _____

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

NOTICE OF ADOPTED RULES

Important Notice: Disclosure of this information is required by 50 Ill. Adm. Code 2905

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

NOTICE OF ADOPTED AMENDMENT

- 1) Heading of the Part: Managed Care Reform & Patient Rights
- 2) Code Citation: 50 Ill. Adm. Code 5420
- 3) Section Number: 5420.EXHIBIT D Adopted Action: Amendment
- 4) Statutory Authority: Implementing the Managed Care Reform and Patient Rights Act [215 ILCS 134] and authorized by Section 401 of the Illinois Insurance Code [215 ILCS 5/401]
- 5) Effective Date of Amendments: March 29, 2006
- 6) Does this rulemaking contain an automatic repeal date? No
- 7) Does this rulemaking contain incorporations by reference? No
- 8) A copy of the adopted rulemaking, including any material incorporated by reference, is on file in the principal office of the Division of Insurance and is available for public inspection.
- 9) Notice of Proposal Published in Illinois Register: October 14, 2005; 29 Ill. Reg. 15403
- 10) Has JCAR issued a Statement of Objection to this Rulemaking? No
- 11) Differences between proposal and final version:
 - a) In Exhibit D, item 1, strike "~~FEI Number~~" and add "FEIN" in lieu thereof.
 - b) In Exhibit D, item 2, in the first checklist, add "(as defined in Section 5420.30 of this Part)" at the end of the first item following "Review"; strike " Comprehensive Utilization Review" and "Specialty Utilization Review", change "Worker's" to "Workers" and add "(as defined in 50 Ill. Adm. Code 2905.10)" at the end of the last item following "Review".
 - c) In Exhibit D, item 2, in the second checklist following the first and second items, add "(as defined in 50 Ill. Adm. Code 5421.20)"; in the fourth item, add "Insurance Company" and strike "~~insurance company~~" twice; in the fifth item, add "Insurance Company" and strike "~~insurance company~~"; in the sixth item, add "Medical Group" and strike "~~medical group~~" and finally, in the seventh item

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

NOTICE OF ADOPTED AMENDMENT

change "Worker's compensation utilization review organization" to "Workers' Compensation Utilization Review Organization".

- d) In Exhibit D, item 7 (c), on the second line, add "for the current year" following "program". Also, add immediately thereafter:
" Health Reviews
 Workers' Compensation Reviews"
- e) In Exhibit D, item 7 (f), change "Worker's" to "Workers" twice.
- f) In Exhibit D, item 7 (g), add the following check boxes:
" Health Reviews
 Workers' Compensation Reviews"
- g) In Exhibit D, item 8 (b), change "Worker's" to "Workers" twice.
- h) In Exhibit D, 8 (c), strike the period.
- i) In Exhibit D, 10, change "Worker's" to "Workers" on the first and sixth line of the affirmation.
- 12) Have all changes agreed upon by the agency and JCAR been made as indicated in the agreements issued by JCAR? Yes
- 13) Will this rulemaking replace any emergency rulemaking currently in effect? No
- 14) Are there any amendments pending on this Part? No
- 15) Summary and Purpose of Rulemaking: This amendment to Part 5420 will allow the Division to have one uniform registration standard for both health and workers compensation utilization review organizations. This amendment is being done in conjunction with the promulgation and now adoption of a new rule, Part 2905, also published in this *Illinois Register*.
- 16) Information and questions regarding this adopted amendment shall be directed to:

Kelly Reim, Insurance Analyst
Department of Financial and Professional Regulation
Division of Insurance
Utilization Review/ Managed Care Unit

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

NOTICE OF ADOPTED AMENDMENT

320 West Washington Street
Springfield, Illinois 62767-0001

(217) 558-2309

The full text of the Adopted Amendment begins on the next page:

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

NOTICE OF ADOPTED AMENDMENT

TITLE 50: INSURANCE

CHAPTER I: DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION
SUBCHAPTER kkk : HEALTH CARE SERVICE PLANS

PART 5420

MANAGED CARE REFORM & PATIENT RIGHTS

Section

| | |
|----------------|--|
| 5420.10 | Purpose |
| 5420.20 | Applicability and Scope |
| 5420.30 | Definitions |
| 5420.40 | Provision of Information |
| 5420.50 | Notice of Nonrenewal or Termination |
| 5420.60 | Transition of Services |
| 5420.70 | Health Care Services, Appeals, Complaints and External Independent Reviews |
| 5420.80 | Joint Resolution of Complaints – Department of Insurance and Department of Public Health – Notification and Resolution Process |
| 5420.90 | Record of Complaints |
| 5420.100 | Access and Quality of Care from Providers Without Primary Care Physician Referral or Authorization |
| 5420.110 | Emergency Services |
| 5420.120 | Post Stabilization Services |
| 5420.130 | Registration of Utilization Review Organizations |
| 5420.140 | Operational Requirements |
| 5420.EXHIBIT A | Description of Coverage – Cover Page |
| 5420.EXHIBIT B | Description of Coverage – Worksheet |
| 5420.EXHIBIT C | Complaint Reporting Column Descriptions |
| 5420.EXHIBIT D | Application for Registration of a Utilization Review Organization |
| 5420.EXHIBIT E | Utilization Review Organization Officers and Directors Biographical Affidavit |

AUTHORITY: Implementing the Managed Care Reform and Patient Rights Act [215 ILCS 134] and authorized by Section 401 of the Illinois Insurance Code [215 ILCS 5/401].

SOURCE: Emergency rules adopted at 23 Ill. Reg. 12466, effective September 27, 1999, for a maximum of 150 days; adopted at 24 Ill. Reg. 3374, effective February 10, 2000; amended at 24 Ill. Reg. 9429, effective July 1, 2000; amended at 28 Ill. Reg. 13711, effective September 28, 2004; amended at 30 Ill. Reg. 6368, effective March 29, 2006.

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

NOTICE OF ADOPTED AMENDMENT

Section 5420.EXHIBIT D Application for Registration of a Utilization Review Organization

1. Name of Applicant _____

Type of Applicant (check one):

- Corporation
 Partnership
 Limited Liability Corporation
 Other (Describe) _____

~~FEIN~~FEI Number _____

Contact Person _____

Business Telephone Number () _____

Fax Number () _____

Email Address _____

2. Type of Utilization Review Organization (check [all that apply](#)):

- Health Care Utilization [Review \(as defined in Section 5420.30 of this Part\)](#)
 ~~Comprehensive Utilization Review~~
 ~~Specialty Utilization Review~~
 [Workers' Compensation Review \(as defined in 50 Ill. Adm. Code 2905.10\)](#)

Check **all** categories that apply (as applicable):

- Licensed HMO providing utilization review services outside of the HMO [\(as defined in 50 Ill. Adm. Code 5421.20\)](#)
 Licensed HMO providing utilization review services only within that HMO [\(as defined in 50 Ill. Adm. Code 5421.20\)](#)
 Third Party Administrator
 Licensed [Insurance Company](#)~~insurance company~~ providing utilization review services outside of that [Insurance Company](#)~~insurance company~~
 Licensed Insurance Company providing utilization review services only within that [Insurance Company](#)~~insurance company~~
 Hospital or [Medical Group](#)~~medical group~~ providing utilization review services for other than internal purposes
 [Workers' Compensation Utilization Review Organization](#)
 Other (Describe) _____

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3. Business Address
Street (do not use PO Box) _____
City _____ State _____ Zip _____ - _____
4. Mailing Address
Street or P.O. Box _____
City _____ State _____ Zip _____ - _____
5. Business Telephone Number () _____
Toll Free Number () _____
FAX Number () _____
Email Address/Website _____
6. Agent for Service of Process **in Illinois**
Name _____
Street Address (do not use P. O. Box) _____
City _____ State _____ Zip _____ - _____
7. For each Utilization Review Program supply the following information:
- The name, address, telephone number and normal business hours of the utilization programs.
 - The organization and governing structure of the utilization review programs.
 - The number of [reviews in Illinois](#) ~~lives~~ for which utilization review is conducted by each utilization program [for the current year](#).
 [Health Reviews](#)
 [Workers' Compensation Reviews](#)
 - Hours of operation of each utilization review program.
 - Description of the grievance process for each utilization program.
 - [Please check \(all that apply\) to determine if you are using the Health Standards and/or the Workers' Compensation Standards in order to meet or exceed American Accreditation Healthcare Commission \(URAC\) Standards and provide the Division with a copy of your current certificates, if applicable.](#)
 [Health Utilization Standards](#)

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[Workers' Compensation Standards](#)

g) Number of [reviews in Illinois covered lives](#) for which utilization review was conducted for the previous calendar year for each utilization review program.

[Health Reviews](#)

[Workers' Compensation Reviews](#)

hg) Written policies and procedures for protecting confidential information according to applicable State and Federal laws for each utilization review program.

ih) Biographical information for organization officers and directors ~~as set forth in Exhibit E of this Part~~. Biographical affidavits shall be stamped "confidential" by the utilization review organization.

8. Indicate accreditation status below.

a) [Health accredited](#)~~Accredited~~ by:

- URAC
 NCQA
 JCAHO

b) [Workers' Compensation accredited by:](#)

- [URAC Health Standards](#)
 [URAC Workers' Compensation Standards](#)

c) Unaccredited-

9. [Check Enclosed](#)

a) [Accredited fee \\$1500 biennially](#)

b) [Unaccredited fee \\$3000 biennially](#)

10. Affirmation (to be signed by an officer or director of the utilization review organization only):

I, _____
 (typed name, title)

do hereby certify
 that

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

NOTICE OF ADOPTED AMENDMENT

(utilization review organization)

complies with the Health [and/or Workers' Compensation](#) Utilization Management Standards of the American Accreditation Healthcare Commission (URAC) sufficient to achieve American Accreditation Healthcare Commission (URAC) accreditation or submits evidence of accreditation by the American Accreditation Healthcare Commission (URAC) [accreditation or submits evidence of accreditation by the American Accreditation Healthcare Commission \(URAC\)](#) for its Health [and/or Workers' Compensation](#) Utilization Management Standards, and do hereby affirm that all of the information presented in this application is true and correct.

(signature)

(date)

Please mail completed application to:

Illinois Department of Financial and Professional Regulation
Division of Insurance
Utilization Review Unit
320 West Washington Street
Springfield IL 62767-0001
(217) 558-2309

(Source: Amended at 30 Ill. Reg. 6368, effective March 29, 2006)

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

NOTICE OF ADOPTED RULES

- 1) Heading of the Part: Viatical Settlement Provider Reporting Requirements
- 2) Code Citation: 50 Ill. Adm. Code 5701
- 3)

| <u>Section Number</u> : | <u>Adopted Action</u> : |
|-------------------------|-------------------------|
| 5701.10 | New Section |
| 5701.20 | New Section |
| 5701.100 | New Section |
| 5701.EXHIBIT A | New Section |
| 5701.EXHIBIT B | New Section |
| 5701.EXHIBIT C | New Section |
| 5701.EXHIBIT D | New Section |
- 4) Statutory Authority: Implementing and authorized by the Viatical Settlements Act [215 ILCS 158] and further authorized by Sections 25 and 50 [215 ILCS 158/25 and 50] of the Act.
- 5) Effective Date of Rules: April 3, 2006
- 6) Does this rulemaking contain an automatic repeal date? No
- 7) Does this rulemaking contain incorporations by reference? No
- 8) A copy of the adopted rulemaking, including any material incorporated by reference, is on file in the principal office of the Division of Insurance and is available for public inspection.
- 9) Notice of Proposal Published in Illinois Register: October 28, 2005, 29 Ill. Reg. 16138
- 10) Has JCAR issued a Statement of Objection to this Rulemaking? No
- 11) Differences between proposal and final version:
 - a) Section 5701.20, in the definition for "Viatical Settlement Provider", in the first subparagraph, on the fourth line, delete "9" from the citation.
 - b) Section 5701.Exhibit B & Exhibit C, under the table, underline the "Instructions" heading for consistency.

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- 12) Have all changes agreed upon by the agency and JCAR been made as indicated in the agreements issued by JCAR? Yes
- 13) Will this rulemaking replace an emergency rulemaking currently in effect? No
- 14) Are there any amendments pending on this Part? No
- 15) Summary and Purpose of Rulemaking: The Division is promulgating this new Part to ensure that the reporting requirements of Section 25 of the Viatical Settlement Act [215 ILCS 158/25] are clearly defined and are being met as required by law. This new Part will also serve as the vehicle for any future rulemaking that may be necessary for regulating viaticals.
- 16) Information and questions regarding this adopted rulemaking shall be directed to:

Scott Richardson
Department of Financial and Professional Regulation
Division of Insurance
L/ A&H Compliance Unit
320 West Washington Street
Springfield, Illinois 62767-0001

(217) 558-4584

The full text of the Adopted Rules begins on the next page:

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

NOTICE OF ADOPTED RULES

TITLE 50: INSURANCE

CHAPTER I: DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION
SUBCHAPTER nnn: VIATICAL SETTLEMENTS

PART 5701

VIATICAL SETTLEMENT PROVIDER REPORTING REQUIREMENTS

Section

| | |
|----------------|---|
| 5701.10 | Purpose |
| 5701.20 | Definitions |
| 5701.100 | Reporting Requirements |
| 5701.EXHIBIT A | Viatical Settlement Provider Report and Instructions – All States and Territories |
| 5701.EXHIBIT B | Viatical Settlement Provider Report and Instructions – Illinois Transactions Only |
| 5701.EXHIBIT C | Individual Mortality Report and Instructions – Illinois Transactions Only |
| 5701.EXHIBIT D | Viatical Settlement Provider Certification |

AUTHORITY: Implementing and authorized by the Viatical Settlements Act [215 ILCS 158] and further authorized by Sections 25 and 50 [215 ILCS 158/25 and 50] of the Act.

SOURCE: Old Part 5701 (Internal Security Standard and Fidelity Bonds) recodified to 50 Ill. Adm. Code 5460 at 20 Ill. Reg. 6593; new Part 5701 adopted at 30 Ill. Reg. 6376, effective April 3, 2006.

Section 5701.10 Purpose

The purpose of this Part is to implement the Viatical Settlements Act, which, in part, establishes registration requirements for viatical settlement providers and requires the Director to prescribe reporting requirements for viatical settlement providers.

Section 5701.20 Definitions

An Individual with a Catastrophic Illness or Condition or Who Is Chronically Ill means the individual is:

Unable to perform at least 2 activities of daily living (i.e., eating, toileting, transferring, bathing, dressing or continence), or as determined by the Secretary of Health and Human Services; or

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Requires substantial supervision to protect the individual from threats to health and safety due to severe cognitive impairment.

Department means the Illinois Department of Financial and Professional Regulation.

Director means the Director of the Illinois Department of Financial and Professional Regulation-Division of Insurance.

Division means the Department of Financial and Professional Regulation-Division of Insurance.

Life Threatening Illness or Condition means having an illness or sickness that can reasonably be expected to result in death in 24 months or less.

Viatical Settlement Contract means a written agreement entered into between a viatical settlement provider and a person who owns a life insurance policy, or who owns or is covered under a group policy, insuring the life of a person who has a catastrophic or life threatening illness or condition. The agreement shall establish the terms under which the viatical settlement provider will pay compensation or anything of value, which compensation or value is less than the expected death benefit of the insurance policy or certificate, in return for the policyowner's assignment, transfer, sale, devise, or bequest of the death benefit or ownership of the insurance policy or certificate to the viatical settlement provider.

Viatical Settlement Provider means an individual, partnership, corporation, or other entity that enters into an agreement with a person who owns a life insurance policy, or who owns or is covered under a group policy, insuring the life of a person who has a catastrophic or life threatening illness or condition, under the terms of which the viatical settlement provider pays compensation or anything of value, which compensation or value is less than the expected death benefit of the insurance policy or certificate, in return for the policyowner's assignment, transfer, sale, devise, or bequest of the death benefit or ownership of the insurance policy or certificate to the viatical settlement provider. Viatical settlement provider does not include:

a licensed insurance company, bank, savings bank, savings and loan association, credit union, commercial finance company or other licensed lending institution, investment company registered under the federal Investment Company Act of 1940 (15 USC 80a-1 et seq.), pension plan

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NOTICE OF ADOPTED RULES

qualified under section 401(a) of the Internal Revenue Code of 1986 (26 USC 401), or trust funding such a pension plan that takes an assignment of a life insurance policy only as collateral for a loan;

sophisticated investors meeting the standards of subsection H of Section 4 of the Illinois Securities Law of 1953 [815 ILCS 5/4] who invest in or lend to a licensed viatical settlement provider or other persons who so invest pursuant to a registered security offering; or

the issuer of a life insurance policy providing accelerated benefits under the Illinois Insurance Code [215 ILCS 5].

Viaticated Policy means a life insurance policy held by a viatical settlement provider, directly or indirectly, through a viatical settlement contract.

Viator means a person who owns a life insurance policy, or who owns or is covered under a group policy, insuring the life of a person with a catastrophic or life threatening illness or condition who enters into an agreement under which the viatical settlement provider will pay compensation or anything of value, which compensation or value is less than the expected death benefit of the insurance policy or certificate, in return for the viator's assignment, transfer, sale, devise, or bequest of the death benefit or ownership of the insurance policy or certificate to the viatical settlement provider. [215 ILCS 158/5]

Section 5701.100 Reporting Requirements

- a) On or before March 1 of each year, viatical settlement providers must file the following reports listed as Exhibits to this Part:
 - 1) Viatical Settlement Provider Report – All States and Territories;
 - 2) Viatical Settlement Provider Report – Illinois Transactions Only;
 - 3) Individual Mortality Report – Illinois Transactions Only; and
 - 4) Viatical Settlement Provider Certification.
- b) All reports shall be completed for all policies viaticated or considered for viatication, as provided in the Exhibits to this Part, that insure the lives of persons with catastrophic or life threatening illnesses or conditions.

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- c) All reports for policies insuring persons without catastrophic or life threatening illnesses or conditions (life settlements) may be submitted, but must be separately reported from those required in subsection (b) and must be clearly identified as "Life Settlement Annual Statements".
- d) The information required to be reported shall not include individual transaction data regarding the business of viatical settlements or data that compromises the privacy of personal, financial, and health information of the viator or insured.
- e) All filings required pursuant to this Part are to be submitted to the Life, Accident and Health Compliance Unit of the Department of Financial and Professional Regulation-Division of Insurance. Preferably, these reports should be filed with the Director electronically; however, hard copy reports will be accepted.

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| | | | | | | | | | |
|--------------------|--|--|--|--|--|--|--|--|--|
| South Carolina | | | | | | | | | |
| South Dakota | | | | | | | | | |
| Tennessee | | | | | | | | | |
| Texas | | | | | | | | | |
| Utah | | | | | | | | | |
| Vermont | | | | | | | | | |
| Virginia | | | | | | | | | |
| Washington | | | | | | | | | |
| West Virginia | | | | | | | | | |
| Wisconsin | | | | | | | | | |
| Wyoming | | | | | | | | | |
| American Samoa | | | | | | | | | |
| Guam | | | | | | | | | |
| Puerto Rico | | | | | | | | | |
| U.S Virgin Islands | | | | | | | | | |
| Canada | | | | | | | | | |
| TOTALS | | | | | | | | | |

Name of Preparer: _____

Instructions for Viatical Settlement Provider Report – All States and Territories

1. Have you done business in this state during the calendar year being reported. Yes No
2. For that state or territory, indicate the total number of policies reviewed for consideration for that state or territory.
3. For that state or territory, indicate the total number of policies where an offer was made.
4. For that state or territory, indicate the total number of policies where an offer was refused.
5. For that state or territory, indicate the total number of policies purchased.
6. List the total aggregate net death benefit of the policies viaticated in that state or territory.
7. List the total aggregate amount paid to viators in that state or territory.
8. List the total number of policies purchased and/or sold in the secondary market for that state or territory.

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3. List the net amount (in dollars) being viaticated.
4. List the age (in years) of the person insured by the policy being viaticated, at the time of the viatical settlement contract.
5. List the life expectancy (in months) of the insured individual at the time of the viatical settlement contract.
6. List the net amount (in dollars) paid to the viator.
7. Identify whether the policy was an individual policy (I) or a group policy (G).
8. List the type of funding for the transaction: "F" for a licensed financial institution (policies collateralized), "P" for private (purchaser) funding, "I" for internal funding, "T" for trust, and "RPT" for related provider trust.
9. Indicate the purchase source of the policy. Use "B" for viatical settlement broker, "D" for direct from the viator, "I" for insurance agent/producer, "SM" for a secondary market or viatical settlement provider, "P" for private (purchaser) funding or "O" for other.
10. List the amount of commissions (in dollars) paid to viator source involved in the transaction whether that be a viatical settlement broker, an insurance producer or other licensed entity authorized to be viator source.
11. List the name of the source of the viatical settlement transaction. If it is a broker, producer or other licensee, name that person; if it is direct, from a relative, from the corporation of the insured or any other entity that could possibly reveal the insured, designate by writing "Direct", "Relative", "Corporation", or other nondesignating word.

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Section 5701.EXHIBIT C Individual Mortality Report and Instructions – Illinois Transactions Only**Individual Mortality Report**
*Illinois Transactions Only*Calendar year
20__

Viatical Settlement Provider's Name _____

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|--|---------------|------------------------------------|-------------------------------------|---------------------------|---------------|--|-------------------------|---|---|
| Viatical settlement provider's settlement number | Contract date | Age of insured at time of contract | Life expectancy at time of contract | Net amount paid to viator | Date of death | Total premiums paid to maintain policy | Death benefit collected | Number of months between date of contract and date of death | Number of months between life expectancy at contract date and date of death (+ / -) |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |

Name of Preparer: _____

Instructions for Individual Mortality Report – Illinois Transactions Only

- List the settlement number, case number, or unique identifying number used to identify the specific viatical settlement transaction.
- List the date of the viatical settlement contract.
- List the age of the insured at the time of the contract.
- List the life expectancy (in months) of the insured individual at the time of the viatical settlement contract. For first to die policies, use the shortest life expectancy of the two lives. For second to die policies, use the longest life expectancy of the two lives.
- List the "Net" amount paid to the viator.
- Indicate the insured's date of death. For first to die policies, use the date of the first insured's death. For second to die policies, use the date of the last insured's death.

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7. List the total amount of premiums (in dollars) required to be paid to the insurer to maintain the policy from the date of viatication to the date of death.
8. List the total death benefit collected from the insurer.
9. List the number of months between the date of contract and the insured's date of death.
10. List the number of months between the life expectancy of the insured at the time of contract and the insured's date of death. This should be noted as a plus (+) figure if the insured died after the estimated life expectancy or a minus (-) if the insured died prior to the estimated life expectancy.

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- 1) Heading of the Part: Income Tax
 - 2) Code Citation: 86 Ill. Adm. Code 100
 - 3) Section Number: 100.9400 Adopted Action:
Amendment
 - 4) Statutory Authority: 35 ILCS 5/909
 - 5) Effective Date of Amendment: March 30, 2006
 - 6) Does this rulemaking contain an automatic repeal date? No
 - 7) Does this rulemaking contain incorporations by reference? No
 - 8) A copy of the adopted amendment, including any material incorporated by reference, is on file in the agency's principal office and is available for public inspection.
 - 9) Notices of Proposal Published in Illinois Register: 29 Ill. Reg. 20318; December 16, 2005
 - 10) Has JCAR issued a Statement of Objection to this rulemaking? No
 - 11) Differences between proposal and final version: The only changes made were the ones agreed upon with JCAR. The changes made were in grammar and punctuation or were technical. No substantive changes were made.
 - 12) Have all the changes agreed upon by the agency and JCAR been made as indicated in the agreements issued by JCAR? Yes
 - 13) Will this rulemaking replace any emergency rulemaking currently in effect? No
 - 14) Are there any amendments pending on this Part? Yes
- | <u>Section Numbers</u> | <u>Proposed Action</u> | <u>IL Register Citation</u> |
|------------------------|------------------------|-----------------------------|
| 100.3015 | New Section | 30 Ill. Reg. 95, 01/06/06 |
| 100.2580 | Amendment | |
- 15) Summary and Purpose of Amendment: IITA Section 909(b) authorizes the Department to adopt regulations allowing taxpayers who report an overpayment on their returns to

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elect to apply that overpayment against their liability to pay estimated taxes in the subsequent year. The Department has done so in 86 Ill. Adm. Code 100.9400(b). IITA Section 909(a) allows the Department to offset an overpayment against any outstanding income tax liability of the taxpayer. In the past, when the Department has exercised this authority in situations where the taxpayer has elected to apply the overpayment against its estimated tax liability, taxpayers have found themselves subject to penalty for underpayment of estimated tax. To avoid these problems in the future, this rulemaking amends 86 Ill. Adm. Code 100.9400(b) to provide that, if the Department applies some or all of the reported overpayment against another liability, it will notify the taxpayer and no underpayment penalty will be imposed if the taxpayer makes up the resulting shortfall in its estimated tax payments within a grace period after the notice is sent to the taxpayer.

- 16) Information and questions regarding this rulemaking shall be directed to:

Paul Caselton
Deputy General Counsel - Income Tax
Legal Services Office
Illinois Department of Revenue
101 West Jefferson
Springfield, Illinois 62794

(217) 782-7055

The full text of the Adopted Amendment begins on the next page:

DEPARTMENT OF REVENUE

NOTICE OF ADOPTED AMENDMENT

TITLE 86: REVENUE
CHAPTER I: DEPARTMENT OF REVENUEPART 100
INCOME TAX

SUBPART A: TAX IMPOSED

Section

- 100.2000 Introduction
100.2050 Net Income (IITA Section 202)

SUBPART B: CREDITS

Section

- 100.2100 Replacement Tax Investment Credit Prior to January 1, 1994 (IITA 201(e))
100.2101 Replacement Tax Investment Credit (IITA 201(e))
100.2110 Investment Credit; Enterprise Zone (IITA 201(f))
100.2120 Jobs Tax Credit; Enterprise Zone and Foreign Trade Zone or Sub-Zone (IITA 201(g))
100.2130 Investment Credit; High Impact Business (IITA 201(h))
100.2140 Credit Against Income Tax for Replacement Tax (IITA 201(i))
100.2150 Training Expense Credit (IITA 201(j))
100.2160 Research and Development Credit (IITA 201(k))
100.2163 Environmental Remediation Credit (IITA 201(l))
100.2165 Education Expense Credit (IITA 201(m))
100.2170 Tax Credits for Coal Research and Coal Utilization Equipment (IITA 206)
100.2180 Credit for Residential Real Property Taxes (IITA 208)
100.2185 Film Production Services Credit (IITA 213)
100.2190 Tax Credit for Affordable Housing Donations (IITA Section 214)
100.2195 Dependent Care Assistance Program Tax Credit (IITA 210)
100.2196 Employee Child Care Assistance Program Tax Credit (IITA Section 210.5)
100.2197 Foreign Tax Credit (IITA Section 601(b)(3))
100.2198 Economic Development for a Growing Economy Credit (IITA 211)
100.2199 Illinois Earned Income Tax Credit (IITA 212)

SUBPART C: NET OPERATING LOSSES OF UNITARY BUSINESS GROUPS
OCCURRING PRIOR TO DECEMBER 31, 1986

Section

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- 100.2200 Net Operating Losses Occurring Prior to December 31, 1986, of Unitary Business Groups: Treatment by Members of the Unitary Business Group. (IITA Section 202) – Scope
- 100.2210 Net Operating Losses Occurring Prior to December 31, 1986, of Unitary Business Groups: Treatment by Members of the Unitary Business Group (IITA Section 202) – Definitions
- 100.2220 Net Operating Losses Occurring Prior to December 31, 1986, of Unitary Business Groups: Treatment by Members of the Unitary Business Group. (IITA Section 202) – Current Net Operating Losses: Offsets Between Members
- 100.2230 Net Operating Losses Occurring Prior to December 31, 1986, of Unitary Business Groups: Treatment by Members of the Unitary Business Group. (IITA Section 202) – Carrybacks and Carryforwards
- 100.2240 Net Operating Losses Occurring Prior to December 31, 1986, of Unitary Business Groups: Treatment by Members of the Unitary Business Group: (IITA Section 202) – Effect of Combined Net Operating Loss in Computing Illinois Base Income
- 100.2250 Net Operating Losses Occurring Prior to December 31, 1986, of Unitary Business Groups: Treatment by Members of the Unitary Business Group: (IITA Section 202) – Deadline for Filing Claims Based on Net Operating Losses Carried Back From a Combined Apportionment Year

SUBPART D: ILLINOIS NET LOSS DEDUCTIONS FOR LOSSES
OCCURRING ON OR AFTER DECEMBER 31, 1986

Section

- 100.2300 Illinois Net Loss Deduction for Losses Occurring On or After December 31, 1986 (IITA 207)
- 100.2310 Computation of the Illinois Net Loss Deduction for Losses Occurring On or After December 31, 1986 (IITA 207)
- 100.2320 Determination of the Amount of Illinois Net Loss for Losses Occurring On or After December 31, 1986
- 100.2330 Illinois Net Loss Carrybacks and Net Loss Carryovers for Losses Occurring On or After December 31, 1986
- 100.2340 Illinois Net Losses and Illinois Net Loss Deductions for Losses Occurring On or After December 31, 1986, of Corporations that are Members of a Unitary Business Group: Separate Unitary Versus Combined Unitary Returns
- 100.2350 Illinois Net Losses and Illinois Net Loss Deductions, for Losses Occurring On or After December 31, 1986, of Corporations that are Members of a Unitary Business Group: Changes in Membership

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SUBPART E: ADDITIONS TO AND SUBTRACTIONS FROM TAXABLE INCOME OF INDIVIDUALS, CORPORATIONS, TRUSTS AND ESTATES AND PARTNERSHIPS

Section

- 100.2410 Net Operating Loss Carryovers for Individuals, and Capital Loss and Other Carryovers for All Taxpayers (IITA Section 203)
- 100.2470 Subtraction of Amounts Exempt from Taxation by Virtue of Illinois Law, the Illinois or U.S. Constitutions, or by Reason of U.S. Treaties or Statutes (IITA Sections 203(a)(2)(N), 203(b)(2)(J), 203(c)(2)(K) and 203(d)(2)(G))
- 100.2480 Enterprise Zone Dividend Subtraction (IITA Sections 203(a)(2)(J), 203(b)(2)(K), 203(c)(2)(M) and 203(d)(2)(K))
- 100.2490 Foreign Trade Zone/High Impact Business Dividend Subtraction (IITA Sections 203(a)(2)(K), 203(b)(2)(L), 203(c)(2)(O), 203(d)(2)(M))

SUBPART F: BASE INCOME OF INDIVIDUALS

Section

- 100.2580 Medical Care Savings Accounts (IITA Sections 203(a)(2)(D-5), 203(a)(2)(S) and 203(a)(2)(T))
- 100.2590 Taxation of Certain Employees of Railroads, Motor Carriers, Air Carriers and Water Carriers

SUBPART G: BASE INCOME OF TRUSTS AND ESTATES

Section

- 100.2680 Capital Gain Income of Estates and Trusts Paid to or Permanently Set Aside for Charity (Repealed)

SUBPART I: GENERAL RULES OF ALLOCATION AND APPORTIONMENT OF BASE INCOME

Section

- 100.3000 Terms Used in Article 3 (IITA Section 301)
- 100.3010 Business and Nonbusiness Income (IITA Section 301)
- 100.3020 Resident (IITA Section 301)

SUBPART J: COMPENSATION

Section

- 100.3100 Compensation (IITA Section 302)

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- 100.3110 State (IITA Section 302)
100.3120 Allocation of Compensation Paid to Nonresidents (IITA Section 302)

SUBPART K: NON-BUSINESS INCOME OF PERSONS OTHER THAN RESIDENTS

Section

- 100.3200 Taxability in Other State (IITA Section 303)
100.3210 Commercial Domicile (IITA Section 303)
100.3220 Allocation of Certain Items of Nonbusiness Income by Persons Other Than Residents (IITA Section 303)

SUBPART L: BUSINESS INCOME OF PERSONS OTHER THAN RESIDENTS

Section

- 100.3300 Allocation and Apportionment of Base Income (IITA Section 304)
100.3310 Business Income of Persons Other Than Residents (IITA Section 304) – In General
100.3320 Business Income of Persons Other Than Residents (IITA Section 304) – Apportionment (Repealed)
100.3330 Business Income of Persons Other Than Residents (IITA Section 304) – Allocation
100.3340 Business Income of Persons Other Than Residents (IITA Section 304)
100.3350 Property Factor (IITA Section 304)
100.3360 Payroll Factor (IITA Section 304)
100.3370 Sales Factor (IITA Section 304)
100.3380 Special Rules (IITA Section 304)
100.3390 Petitions for Alternative Allocation or Apportionment (IITA Section 304(f))
100.3400 Apportionment of Business Income of Financial Organizations (IITA Section 304(c))
100.3500 Allocation and Apportionment of Base Income by Nonresident Partners

SUBPART M: ACCOUNTING

Section

- 100.4500 Carryovers of Tax Attributes (IITA Section 405)

SUBPART N: TIME AND PLACE FOR FILING RETURNS

Section

- 100.5000 Time for Filing Returns: Individuals (IITA Section 505)

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| 100.5010 | Place for Filing Returns: All Taxpayers (IITA Section 505) |
| 100.5020 | Extensions of Time for Filing Returns: All Taxpayers (IITA Section 505) |
| 100.5030 | Taxpayer's Notification to the Department of Certain Federal Changes Arising in Federal Consolidated Return Years, and Arising in Certain Loss Carryback Years (IITA Section 506) |
| 100.5040 | Innocent Spouses |
| 100.5050 | Frivolous Returns |
| 100.5060 | Reportable Transactions |

SUBPART O: COMPOSITE RETURNS

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| Section | |
| 100.5100 | Composite Returns: Eligibility |
| 100.5110 | Composite Returns: Responsibilities of Authorized Agent |
| 100.5120 | Composite Returns: Individual Liability |
| 100.5130 | Composite Returns: Required forms and computation of Income |
| 100.5140 | Composite Returns: Estimated Payments |
| 100.5150 | Composite Returns: Tax, Penalties and Interest |
| 100.5160 | Composite Returns: Credits for Resident Individuals |
| 100.5170 | Composite Returns: Definition of a "Lloyd's Plan of Operation" |

SUBPART P: COMBINED RETURNS

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| Section | |
| 100.5200 | Filing of Combined Returns |
| 100.5201 | Definitions and Miscellaneous Provisions Relating to Combined Returns |
| 100.5205 | Election to File a Combined Return |
| 100.5210 | Procedures for Elective and Mandatory Filing of Combined Returns |
| 100.5215 | Filing of Separate Unitary Returns |
| 100.5220 | Designated Agent for the Members |
| 100.5230 | Combined Estimated Tax Payments |
| 100.5240 | Claims for Credit of Overpayments |
| 100.5250 | Liability for Combined Tax, Penalty and Interest |
| 100.5260 | Combined Amended Returns |
| 100.5265 | Common Taxable Year |
| 100.5270 | Computation of Combined Net Income and Tax |
| 100.5280 | Combined Return Issues Related to Audits |

SUBPART Q: REQUIREMENT AND AMOUNT OF WITHHOLDING

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| 100.7000 | Requirement of Withholding (IITA Section 701) |
| 100.7010 | Compensation Paid in this State (IITA Section 701) |
| 100.7020 | Transacting Business Within this State (IITA Section 701) |
| 100.7030 | Payments to Residents (IITA Section 701) |
| 100.7040 | Employer Registration (IITA Section 701) |
| 100.7050 | Computation of Amount Withheld (IITA Section 702) |
| 100.7060 | Additional Withholding (IITA Section 701) |
| 100.7070 | Voluntary Withholding (IITA Section 701) |
| 100.7080 | Correction of Underwithholding or Overwithholding (IITA Section 701) |
| 100.7090 | Reciprocal Agreement (IITA Section 701) |
| 100.7095 | Cross References |

SUBPART R: AMOUNT EXEMPT FROM WITHHOLDING

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| 100.7100 | Withholding Exemption (IITA Section 702) |
| 100.7110 | Withholding Exemption Certificate (IITA Section 702) |
| 100.7120 | Exempt Withholding Under Reciprocal Agreements (IITA Section 702) |

SUBPART S: INFORMATION STATEMENT

Section

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| 100.7200 | Reports for Employee (IITA Section 703) |
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SUBPART T: EMPLOYER'S RETURN AND PAYMENT OF TAX WITHHELD

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| 100.7310 | Quarterly Returns Filed on Annual Basis (IITA Section 704) |
| 100.7320 | Time for Filing Returns (IITA Section 704) |
| 100.7330 | Payment of Tax Deducted and Withheld (IITA Section 704) |
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SUBPART V: NOTICE AND DEMAND

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100.9100 Notice and Demand (IITA Section 902)

SUBPART W: ASSESSMENT

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100.9200 Assessment (IITA Section 903)
100.9210 Waiver of Restrictions on Assessment (IITA Section 907)

SUBPART X: DEFICIENCIES AND OVERPAYMENTS

Section
100.9300 Deficiencies and Overpayments (IITA Section 904)
100.9310 Application of Tax Payments Within Unitary Business Groups (IITA Section 603)
100.9320 Limitations on Notices of Deficiency (IITA Section 905)
100.9330 Further Notices of Deficiency Restricted (IITA Section 906)

SUBPART Y: CREDITS AND REFUNDS

Section
100.9400 Credits and Refunds (IITA Section 909)
100.9410 Limitations on Claims for Refund (IITA Section 911)
100.9420 Recovery of Erroneous Refund (IITA Section 912)

SUBPART Z: INVESTIGATIONS AND HEARINGS

Section
100.9500 Access to Books and Records (IITA Section 913)
100.9505 Access to Books and Records – 60-Day Letters (IITA Section 913) (Repealed)
100.9510 Taxpayer Representation and Practice Requirements
100.9520 Conduct of Investigations and Hearings (IITA Section 914)
100.9530 Books and Records

SUBPART AA: JUDICIAL REVIEW

Section
100.9600 Administrative Review Law (IITA Section 1201)

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SUBPART BB: DEFINITIONS

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| 100.9700 | Unitary Business Group Defined (IITA Section 1501) |
| 100.9710 | Financial Organizations (IITA Section 1501) |
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SUBPART CC: LETTER RULING PROCEDURES

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| 100.9800 | Letter Ruling Procedures |

SUBPART DD: MISCELLANEOUS

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| 100.9900 | Tax Shelter Voluntary Compliance Program |
| 100.APPENDIX A | Business Income Of Persons Other Than Residents |
| 100.TABLE A | Example of Unitary Business Apportionment |
| 100.TABLE B | Example of Unitary Business Apportionment for Groups Which Include Members Using Three-Factor and Single-Factor Formulas |

AUTHORITY: Implementing the Illinois Income Tax Act [35 ILCS 5] and authorized by Section 1401 of the Illinois Income Tax Act [35 ILCS 5/1401].

SOURCE: Filed July 14, 1971, effective July 24, 1971; amended at 2 Ill. Reg. 49, p. 84, effective November 29, 1978; amended at 5 Ill. Reg. 813, effective January 7, 1981; amended at 5 Ill. Reg. 4617, effective April 14, 1981; amended at 5 Ill. Reg. 4624, effective April 14, 1981; amended at 5 Ill. Reg. 5537, effective May 7, 1981; amended at 5 Ill. Reg. 5705, effective May 20, 1981; amended at 5 Ill. Reg. 5883, effective May 20, 1981; amended at 5 Ill. Reg. 6843, effective June 16, 1981; amended at 5 Ill. Reg. 13244, effective November 13, 1981; amended at 5 Ill. Reg. 13724, effective November 30, 1981; amended at 6 Ill. Reg. 579, effective December 29, 1981; amended at 6 Ill. Reg. 9701, effective July 26, 1982; amended at 7 Ill. Reg. 399, effective December 28, 1982; amended at 8 Ill. Reg. 6184, effective April 24, 1984; codified at 8 Ill. Reg. 19574; amended at 9 Ill. Reg. 16986, effective October 21, 1985; amended at 9 Ill. Reg. 685, effective December 31, 1985; amended at 10 Ill. Reg. 7913, effective April 28, 1986; amended at 10 Ill. Reg. 19512, effective November 3, 1986; amended at 10 Ill. Reg. 21941,

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effective December 15, 1986; amended at 11 Ill. Reg. 831, effective December 24, 1986; amended at 11 Ill. Reg. 2450, effective January 20, 1987; amended at 11 Ill. Reg. 12410, effective July 8, 1987; amended at 11 Ill. Reg. 17782, effective October 16, 1987; amended at 12 Ill. Reg. 4865, effective February 25, 1988; amended at 12 Ill. Reg. 6748, effective March 25, 1988; amended at 12 Ill. Reg. 11766, effective July 1, 1988; amended at 12 Ill. Reg. 14307, effective August 29, 1988; amended at 13 Ill. Reg. 8917, effective May 30, 1989; amended at 13 Ill. Reg. 10952, effective June 26, 1989; amended at 14 Ill. Reg. 4558, effective March 8, 1990; amended at 14 Ill. Reg. 6810, effective April 19, 1990; amended at 14 Ill. Reg. 10082, effective June 7, 1990; amended at 14 Ill. Reg. 16012, effective September 17, 1990; emergency amendment at 17 Ill. Reg. 473, effective December 22, 1992, for a maximum of 150 days; amended at 17 Ill. Reg. 8869, effective June 2, 1993; amended at 17 Ill. Reg. 13776, effective August 9, 1993; recodified at 17 Ill. Reg. 14189; amended at 17 Ill. Reg. 19632, effective November 1, 1993; amended at 17 Ill. Reg. 19966, effective November 9, 1993; amended at 18 Ill. Reg. 1510, effective January 13, 1994; amended at 18 Ill. Reg. 2494, effective January 28, 1994; amended at 18 Ill. Reg. 7768, effective May 4, 1994; amended at 19 Ill. Reg. 1839, effective February 6, 1995; amended at 19 Ill. Reg. 5824, effective March 31, 1995; emergency amendment at 20 Ill. Reg. 1616, effective January 9, 1996, for a maximum of 150 days; amended at 20 Ill. Reg. 6981, effective May 7, 1996; amended at 20 Ill. Reg. 10706, effective July 29, 1996; amended at 20 Ill. Reg. 13365, effective September 27, 1996; amended at 20 Ill. Reg. 14617, effective October 29, 1996; amended at 21 Ill. Reg. 958, effective January 6, 1997; emergency amendment at 21 Ill. Reg. 2969, effective February 24, 1997, for a maximum of 150 days; emergency expired July 24, 1997; amended at 22 Ill. Reg. 2234, effective January 9, 1998; amended at 22 Ill. Reg. 19033, effective October 1, 1998; amended at 22 Ill. Reg. 21623, effective December 15, 1998; amended at 23 Ill. Reg. 3808, effective March 11, 1999; amended at 24 Ill. Reg. 10593, effective July 7, 2000; amended at 24 Ill. Reg. 12068, effective July 26, 2000; emergency amendment at 24 Ill. Reg. 17585, effective November 17, 2000, for a maximum of 150 days; amended at 24 Ill. Reg. 18731, effective December 11, 2000; amended at 25 Ill. Reg. 4640, effective March 15, 2001; amended at 25 Ill. Reg. 4929, effective March 23, 2001; amended at 25 Ill. Reg. 5374, effective April 2, 2001; amended at 25 Ill. Reg. 6687, effective May 9, 2001; amended at 25 Ill. Reg. 7250, effective May 25, 2001; amended at 25 Ill. Reg. 8333, effective June 22, 2001; amended at 26 Ill. Reg. 192, effective December 20, 2001; amended at 26 Ill. Reg. 1274, effective January 15, 2002; amended at 26 Ill. Reg. 9854, effective June 20, 2002; amended at 26 Ill. Reg. 13237, effective August 23, 2002; amended at 26 Ill. Reg. 15304, effective October 9, 2002; amended at 26 Ill. Reg. 17250, effective November 18, 2002; amended at 27 Ill. Reg. 13536, effective July 28, 2003; amended at 27 Ill. Reg. 18225, effective November 17, 2003; emergency amendment at 27 Ill. Reg. 18464, effective November 20, 2003, for a maximum of 150 days; emergency expired April 17, 2004; amended at 28 Ill. Reg. 1378, effective January 12, 2004; amended at 28 Ill. Reg. 5694, effective March 17, 2004; amended at 28 Ill. Reg. 7125, effective April 29, 2004; amended at 28 Ill. Reg. 8881, effective June 11, 2004; emergency amendment at 28 Ill. Reg. 14271, effective October 18, 2004, for a maximum

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of 150 days; amended at 28 Ill. Reg. 14868, effective October 26, 2004; emergency amendment at 28 Ill. Reg. 15858, effective November 29, 2004, for a maximum of 150 days; amended at 29 Ill. Reg. 2420, effective January 28, 2005; amended at 29 Ill. Reg. 6986, effective April 26, 2005; amended at 29 Ill. Reg. 13211, effective August 15, 2005; amended at 29 Ill. Reg. 20516, effective December 2, 2005; amended at 30 Ill. Reg. 6389, effective March 30, 2006.

SUBPART Y: CREDITS AND REFUNDS

Section 100.9400 Credits and Refunds (IITA Section 909)

- a) In general. The Department ~~shall~~may credit the amount of any overpayment including interest allowed thereon against any liability for tax imposed under the IITA or any other Act administered by the Department on the person who made the overpayment, and it shall refund the balance to such person. (See Section 2505-275 of the Civil Administrative Code of Illinois [20 ILCS 2505/2505-275].)~~(See Section 39e of the Civil Adm. Code of Illinois, Ill. Rev. Stat. 1991, ch. 127, par. 39e) [20 ILCS 2502/39e].~~
- b) Credit against estimated tax. A taxpayer may elect to have any portion of any overpayment shown on a timely original return applied against the taxpayer's estimated tax liability for the taxable year immediately following the taxable year for which the return is filed. (See IITA Section 909(b).) Such election shall be made on the form prescribed by the Department and, once made, shall be irrevocable. After an election is properly made and before the return for the immediately following taxable year is filed, the Department shall apply the amount of the overpayment against other liabilities of the taxpayer and apply only the balance (if any) of the overpayment against the taxpayer's estimated tax liability. (See IITA Section 909(a) and Section 2505-275 of the Department of Revenue Law [20 ILCS 2505/2505-275].) If the Department applies a portion of an overpayment against a liability other than the estimated tax liability for the immediately following taxable year, the Department shall issue a notice to the taxpayer stating the amount so applied and the liability against which the application was made, and no penalty for late payment of estimated taxes under IITA Section 804(a) or for underpayment of tax under IITA Section 1005(a) shall accrue with respect to the amount so applied, if the full amount of the liability that was due as of the date the notice was issued is paid prior to the later of:
- 1) 30 days after the date the notice is issued; or

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2) the unextended due date of the return for the year for which the estimated tax credit was requested or, in the case of the penalty for late payment of estimated taxes, the due date of the next estimated tax installment (if any) due after the date of the notice.

~~An individual or corporate taxpayer by filing a return for the taxable year using the appropriate form and checking the appropriate box thereon in accord with the instructions shall have the amount of any overpayment or portion thereof credited thereafter against his estimated tax liability for the next succeeding taxable year.~~

c) Interest on overpayments.

1) General rule. Subject to the provisions of this paragraph interest shall be allowed and paid upon any overpayment in respect of the tax imposed by the Act at a rate determined by reference to IITA Section 909(c). Where there is a dispute between a taxpayer and the Department regarding the amount of interest that is due, see 86 Ill. Adm. Code 100.9400(f)(6).

2) Overpayments. The overpayment in respect of any tax imposed by the Act includes any penalties assessed under IITA Section 1002(e), any interest assessed on tax or on penalty under IITA Section 1003. For this purpose, an overpayment is any creditable or refundable portion of taxes, penalty, or interest which was previously paid.

3) Date of overpayment.

A) The date of overpayment is the date of payment of any tax which thereafter becomes or is determined to be refundable or creditable for the taxable year, except as provided in subsection (c)(3)(B). There can be no overpayment of tax prior to the last day prescribed for filing the return, nor until the entire tax liability for the taxable year is satisfied, nor until the return is filed for the taxable year. Therefore, the date or dates of overpayment are the date of payment of the first amount which (when added to previous payments) exceeds the tax liability (including any interest or penalties) for the taxable year and the date or dates of any subsequent ~~payments~~ payment(s) made with respect to such tax liability, which in any event cannot be earlier than the last day prescribed for filing the return for the year, nor earlier than the date the return is filed. The "last day prescribed for filing the return" for purposes of this subsection and subsection (d) is the original due

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date, not the extended due date, if any.

- B) In the case of a federal change due to the final allowance of a carryback from a loss year ending prior to December 31, 1986, under the provisions of the federal Internal Revenue Code, the date of overpayment shall be as of the close of the taxable year in which the deduction, losses, or other item or event occurred which created the federal carryback, or the date when the return for the carryback year is filed, which ever is later.
 - C) In the case of a federal change due to the final allowance of a carryback or carryforward from a loss year ending on or after December 31, 1986, and in the case of an Illinois change due to the carryforward or carryback of an Illinois net loss, Illinois investment credit, jobs credit, replacement tax credit, or other credit (other than estimated or tentative tax credit) from a loss or credit year ending on or after December 31, 1986, the date of overpayment shall be the date the claim for refund is filed, except that if any overpayment is refunded within 3 months of the date the claim for refund is filed, determined without regard to processing by the Comptroller, no interest shall be allowed on such overpayment.
 - D) Beginning January 1, 1994, *if a claim for refund relates to an overpayment attributable to a net loss carryback as provided by Section 207 of the Illinois Income Tax Act, the date of overpayment shall be the last day of the taxable year in which the loss was incurred.* (see Section 3-2(d) of the Uniform Penalty and Interest Act)
- d) Period for which interest is allowable
- 1) In general.
 - A) Prior to January 1, 1994, interest shall be allowed and paid from the date of overpayment to a date determined by the Director or his [or her designee-delegate](#), which shall be not more than 30 days prior to the date of any refund or credit. However, no interest shall be allowed on the amount of tax overpaid if such amount is refunded or credited within the later of three months after the last

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date prescribed for filing the return of such tax or within three months after the return was filed, determined without regard to processing by the Comptroller.

- B) On and after January 1, 1994 interest shall be allowed and paid in the manner prescribed under the UPIA.
- 2) Estimated tax for succeeding year. Notwithstanding any other provision of this ~~Section~~~~section~~, if a taxpayer elects on ~~the~~~~his~~ return for the taxable year to have all or part of an overpayment shown on ~~the~~~~sueh~~ return applied as an estimated tax payment for the succeeding taxable year, no interest shall be allowed on ~~that~~~~sueh~~ portion of the overpayment so credited and ~~that~~~~sueh~~ amount shall be applied as a payment on account of the estimated tax for ~~the~~~~sueh~~ succeeding year or the installments thereof.
- e) Examples. This Section may be illustrated by the following examples:
- 1) Example 1: T, a calendar year taxpayer, receives an extension to June 30, 1972, to file ~~a~~~~his~~ 1971 return. On April 15, 1972, T files a tentative return pursuant to IITA Section 602(a) showing an estimated liability of \$500 which has been paid through withholding, estimated tax payments, or as a payment with the tentative return of the tax properly estimated to be due. On June 15, 1972, T files ~~a~~~~his~~ 1971 return showing a tax liability of \$3,000 including interest for late payment and remits \$2,500 which in addition to the \$500 paid as indicated satisfies the liability shown on ~~the~~~~his~~ return. On August 15, 1972, T files a claim for refund for \$1,500 as an overpayment of 1971 tax. The date of overpayment for the computation of any interest thereon would be June 15₂ which is the date when payments first exceeded ~~his~~ liability₂ as now shown as a result of ~~the~~~~his~~ claim for refund, and which is the date when the return for the taxable year was first filed. See Example 2 for application for the 3 month rule.
- 2) Example 2: Assume the same facts as in Example ~~(1)~~ and that T's refund claim of \$1,500 was allowed and paid on September 1. No interest would be allowed because the refund was made within 3 months of June 15, the date the return for the taxable year was filed. If the refund was made on October 1, interest would be allowed from June 15 to a date which would be not more than 30 days prior to October 1.
- 3) Example 3: W, a calendar year taxpayer, files ~~a~~~~his~~ return on March 7 and

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claims a refund as a result of excess withholding. The refund is made July 1. No interest would be allowed for the refund was made within 3 months after April 15, which is the later of the last day prescribed for filing the return or the date the return was filed. If with the same facts the refund is made July 28, interest would be allowed from April 15 (the date of overpayment).

- 4) Example 4: X, a calendar year corporation, sustains a federal net operating loss in 1973. X files a federal claim for refund, carrying the loss back to 1970 and receives a refund of federal taxes for 1970 based on the net operating loss ~~carryback~~~~carry back~~. (Refer to subsection (f)(4), ~~below~~ respecting a federal application for tentative carryback adjustment.) X then files Form IL-1120X claiming an overpayment of 1970 Illinois tax as a result of a federal change in its reported taxable income for 1970. The date of overpayment would be December 31, 1973, the close of the taxable year in which the federal net operating loss occurred (provided an original 1970 IL-1120 had been filed by this date).

f) Refund claim.

- 1) In general. A claim for refund of an overpayment of income tax may be filed with the Department only if a return for the taxable year for which the refund is claimed has been filed. Although a timely return may have the effect of a claim for refund of tax over payment (due to excess withholding or payment under Articles 7 or 8 of the Act) it does not constitute a claim for refund under IITA Section 909(d) and (e) of the Act calling for consideration. A separate claim shall be filed for each taxable year for which an income tax overpayment was made. Every claim for refund shall be in writing, shall be on the appropriate form prescribed by the Department, and (using attachments if necessary) shall state the specific grounds upon which it is founded.
- 2) Evidence of claim filing. In preparing and filing a claim on either an amended return before the return due date, or after such date has passed on Form IL-843, Form IL-1040X, or Form IL-1120X, a taxpayer may attach two photocopies of page 1 of the original executed claim being filed as a pro form a claim receipt form identifying the claim with a written request that one photocopy be returned to the claimant as a receipt. Upon the Department's receiving the claim and the two photocopies of page 1 thereof if attached, the Director's designee shall place there on the

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Department's Date Received Stamp and ~~initial the stamp in ink~~~~sign in ink~~~~his initials therein~~, after which one photocopy shall be removed and mailed to the claimant for ~~his~~ use as a receipt. In absence of a photocopy of the claim form (so stamped and initialed) being attached to the original claim or being produced by the claimant, copies of the Department's records certified true by the Director or his ~~or her~~ designee shall be deemed prima facie correct to show whether or not a claim was filed and if so the date upon which it was received by the Department. Furthermore, the Department's records as to the date that the claim was date received in the Department's mail room shall be prima facie evidence that the postmark date on the claim was ten days prior to that date.

- 3) Amended return as claim; limited use. In an instance where a return for the taxable year is filed early, the latest received by the Department of any further return or amended return filed by the taxpayer on or before the last day prescribed for timely filing shall constitute and be accepted as ~~the~~~~his~~ return for the taxable year. Therefore, if a return showing a tax liability for the taxable year has been filed with the Department and the tax paid and the due date prescribed for filing that return has not passed, any claim for refund filed prior to that date shall be made by the filing of a further return marked "CORRECTED", showing the amount of the tax overpayment to be refundable. Form IL-1040X and Form IL-1120X shall be used for this purpose by individuals and corporations.
- 4) Claim form; federal change. If, on the other hand, the due date for filing a return has passed and under the Act an overpayment based on a federal change has arisen, in addition to meeting the requirements of IITA Section 506 a claim for refund based on such change should be made by the filing (following the instructions thereon) of a notice of such change on Illinois Form IL-843, Form IL-1040X, or Form IL-1120X, as appropriate. To meet the requirements of IITA Section 909(d) for stating specific grounds, there should be within the Form or on an attachment an explanation in detail sufficient to ~~show~~~~shown~~ the nature of the items of change or alteration. If helpful or otherwise appropriate to show the grounds and to compute the amount claimed as refundable, another return marked "AMENDED" may be attached or filed in connection with the Form IL-843. Further, where a claim for refund is filed based on a federal change giving rise to an overpayment, documentation in form of the original federal documents or correspondence furnished the taxpayer or other satisfactory proof in connection with the change (or true and correct fully

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legible photocopies thereof) shall be attached evidencing that such federal change, represents an agreed to or final federal Internal Revenue Service (or court imposed) acceptance, recomputation, redetermination, change, tentative carryback adjustment or settlement; and it shall be stated or shown that no contest thereof is pending. In this connection, the payment received as the result of the filing of an application for a tentative carryback adjustment (on Form 1045 or Form 1139) pursuant to 26 ~~USC~~ 6411 is a change reportable under IITA Section 506. A claim for refund of an overpayment of Illinois income tax occasioned by the payment of a tentative carryback adjustment may be filed on Form IL-1040X and Form IL-1120X. A premature or incomplete claim on Form IL-843, Form IL-1040X, or Form IL-1120X shall not constitute a claim for refund within the meaning of IITA Section 909(d), nor for purposes of commencing the 6-month period in subsection (g) ~~below~~. Upon any claim being received and identified as premature, incomplete, or otherwise defective under the Act, the Department as soon as practicable shall notify the taxpayer thereof in writing to enable if possible the timely submission of a mature and perfected claim.

- 5) Claim form; no federal change. If a return showing tax due for the taxable year has been filed and the tax paid and an overpayment based on a purely Illinois change has arisen and not based to any extent on a change in federal income tax liability, any claim for refund should be made by the filing (following the instructions thereon) of Illinois Form IL-843, Form IL-1040X (individuals), or Form IL-1120X (corporations), as appropriate, using if necessary an attachment to set forth in detail each specific ground for refund, and if appropriate another return marked "AMENDED" may be attached to or filed in connection with the Form IL-843. Pertaining to purely Illinois changes, Forms IL-843, IL-1040X and IL-1120X are designed for use not only to claim a refund of tax overpayment but also to report an increase in the amount of previously reported or determined income tax liability for the taxable year.
- 6) Informal claim not permitted; disputes regarding the amount of interest due. In all cases where the original return due date has passed, claims for refund shall be filed using the following forms, as appropriate: Form IL-843, Form IL-1040X and Form IL-1120X. These forms may also be used by taxpayers to claim additional interest where there is a dispute regarding the amount of interest that is due from the Department relative to a refund. Such claims for additional interest must be filed either within the 60-day

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protest period for claim denials (see IITA Section 910) or within the limitations period for filing claims for refund for the taxable year for which the interest is due (see IITA Section 911). See 86 Ill. Adm. Code 200.120 for procedure on protest. An "informal claim", such as a letter from the taxpayer, is insufficient for the purpose of establishing or extending any of the limitations in IITA Section 911 or in subsections (g) and (h) of this ~~Section~~section.

- g) Notices of refund or denial.
- 1) In general. The Department shall examine a claim for refund, in connection as appropriate with the return for the taxable year to which it relates, as soon as practicable after it is filed to determine the correct amount of tax and the amount of any refundable overpayment to which the claimant-taxpayer may be entitled. If for the taxable year involved the Department finds the claimant entitled to a refund in any amount, it shall issue an appropriate notice of refund, abatement, or credit (see ~~subsection~~paragraph (b)). If the Department has failed to approve or deny the claim before the expiration of 6 months ~~after~~from the date the claim was filed, the claimant may nevertheless thereafter file with the Department a written protest addressed in accordance with the instructions in the applicable claim form (IL-1040-X, IL-1120-X, or IL-843). If a protest is filed, the Department shall consider the claim and, if the taxpayer has so requested, shall grant the taxpayer or the taxpayer's authorized representative a hearing within 6 months after the date such request is filed.
 - 2) Notice of denial; notice of deficiency as denial. However, if the Department finds that the claim for refund is not allowable and proposes to issue a notice of denial or if taking into account the claim nevertheless finds adjustments which are a basis for proposing an increase in the amount of tax liability over that shown on the return, or decreasing it by an amount less than that claimed as refundable, the Department shall issue a notice of deficiency under IITA Section 904(c) (see 86 Ill. Adm. Code 100.9300(a)) or it shall issue a notice of denial or partial denial of the claim. In the event that a notice of deficiency is issued which indicates that the claim for refund was considered, such notice (of deficiency) shall constitute (concurrently) a notice of denial of the claim. Note that, in the absence of a written protest of the notice (of deficiency or denial) so issued (see 86 Ill. Adm. Code 200.120(b)), the Department's final action

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thereunder is not an administrative decision subject to judicial review (except as to jurisdictional questions) under the provisions of the Administrative Review Act (see 86 Ill. Adm. Code 100.9600).

- h) Effect of denial. Denial of a claim becomes final 60 days thereafter (irrespective of whether the claimant is outside the United States) except to the extent (in whole or part) that the claimant in the meantime shall have filed a protest, as provided by IITA Section 910 (see 86 Ill. Adm. Code 200.120(b)), against the denial of amounts claimed as refundable. In the absence of a written protest of the denial of the claim for refund, the Department's final action thereunder is not an administrative decision subject to judicial review (except as to jurisdictional questions) under the provisions of the Code of Civil Procedure (see 86 Ill. Adm. Code 100.9600).
- i) Time for protest. If after a claim for refund is denied by issuance of a notice of denial (see 86 Ill. Adm. Code 100.9400(g)(2)) a written protest against such denial is filed by the taxpayer within 60 days thereafter (irrespective of whether the taxpayer is outside the United States), the Department shall reconsider the denial and, if requested, shall grant the taxpayer or the taxpayer's authorized representative a hearing, as provided for in IITA Section 914. See 86 Ill. Adm. Code 200 for protest and hearing procedures.

(Source: Amended at 30 Ill. Reg. 6389, effective March 30, 2006)

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

NOTICE OF PEREMPTORY AMENDMENT

- 1) Heading of the Part: Pay Plan
- 2) Code Citation: 80 Ill. Adm. Code 310
- 3) Section Number: 310.APPENDIX A TABLE K Peremptory Action: Amendment
- 4) Reference to the Specific State or Federal Court Order, Federal Rule or Statute which Requires this Peremptory Rulemaking: The Department of Central Management Services (CMS) is amending the Pay Plan 80 Ill. Adm. Code 310.Appendix A Table K RC-023 (Registered Nurses, INA) to reflect the Memorandum of Understanding between the State of Illinois and the Illinois Nurses Association (INA) signed and effective March 22, 2006. The Memorandum of Understanding assigns contractual nurses in the Department of Human Services (DHS) Client Services Unit to the RC-023 bargaining unit, position classification titles, and special hourly rates. Each contractual nurse in the DHS Client Services Unit is assigned to either the Registered Nurse I or II position classification, and a special hourly rate. For the Registered Nurse I position classification, the special hourly rate is based on the individual's prior State contractual service on March 22, 2006.
- 5) Statutory Authority: Authorized by Sections 8 and 8a of the Personnel Code [20 ILCS 415/8 and 20 ILCS 415/8a].
- 6) Effective Date: March 30, 2006
- 7) A Complete Description of the Subjects and Issues Involved: CMS is amending the Pay Plan 80 Ill. Adm. Code 310.Appendix A Table K to include a rate table effective April 1, 2006 for special hourly rates assigned to the Registered Nurse I and II position classifications. The special hourly rates only apply to Registered Nurse I and II positions in the DHS Client Assessment Unit. Within the rate table and the Registered Nurse I position classification, two special hourly rates are assigned based on whether the individual possesses 10 or more years of prior State contractual service on March 22, 2006.
- 8) Does this rulemaking contain an automatic repeal date? No
- 9) Date filed with the Index Department: March 30, 2006
- 10) This and other Pay Plan amendments are available in the Division of Technical Services of the Bureau of Personnel.

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

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- 11) Is this in compliance with Section 5-50 of the Illinois Administrative Procedure Act?
Yes
- 12) Are there any other proposed amendments pending on this Part?

| <u>Section Numbers</u> | <u>Proposed Action</u> | <u>Ill. Reg. Citation</u> |
|-------------------------|------------------------|----------------------------|
| 310.50 | Amendment | 30 Ill. Reg. 231, 1/13/06 |
| 310.80 | Amendment | 30 Ill. Reg. 231, 1/13/06 |
| 310.90 | Amendment | 30 Ill. Reg. 231, 1/13/06 |
| 310.100 | Amendment | 30 Ill. Reg. 231, 1/13/06 |
| 310.230 | Amendment | 30 Ill. Reg. 231, 1/13/06 |
| 310.240 | Amendment | 30 Ill. Reg. 231, 1/13/06 |
| 310.260 | Amendment | 30 Ill. Reg. 231, 1/13/06 |
| 310.280 | Amendment | 30 Ill. Reg. 231, 1/13/06 |
| 310.290 | Amendment | 30 Ill. Reg. 231, 1/13/06 |
| 310.460 | Amendment | 30 Ill. Reg. 231, 1/13/06 |
| 310.470 | Amendment | 30 Ill. Reg. 231, 1/13/06 |
| 310.480 | Amendment | 30 Ill. Reg. 231, 1/13/06 |
| 310.490 | Amendment | 30 Ill. Reg. 231, 1/13/06 |
| 310.500 | Amendment | 30 Ill. Reg. 231, 1/13/06 |
| 310.Appendix A Table L | Amendment | 30 Ill. Reg. 231, 1/13/06 |
| 310.Appendix A Table T | Amendment | 30 Ill. Reg. 231, 1/13/06 |
| 310.Appendix A Table U | Amendment | 30 Ill. Reg. 231, 1/13/06 |
| 310.Appendix B | Amendment | 30 Ill. Reg. 231, 1/13/06 |
| 310.Appendix C | Amendment | 30 Ill. Reg. 231, 1/13/06 |
| 310.Appendix D | Amendment | 30 Ill. Reg. 231, 1/13/06 |
| 310.Appendix G | Amendment | 30 Ill. Reg. 231, 1/13/06 |
| 310.280 | Amendment | 30 Ill. Reg. 1937, 2/17/06 |
| 310.490 | Amendment | 30 Ill. Reg. 1937, 2/17/06 |
| 310.Appendix A Table D | Amendment | 30 Ill. Reg. 1937, 2/17/06 |
| 310.Appendix A Table E | Amendment | 30 Ill. Reg. 1937, 2/17/06 |
| 310.Appendix A Table F | Amendment | 30 Ill. Reg. 1937, 2/17/06 |
| 310.Appendix A Table W | Amendment | 30 Ill. Reg. 1937, 2/17/06 |
| 310.Appendix A Table AA | Amendment | 30 Ill. Reg. 1937, 2/17/06 |
| 310.30 | Amendment | 30 Ill. Reg. 4215, 3/17/06 |
| 310.45 | New Section | 30 Ill. Reg. 4215, 3/17/06 |
| 310.50 | Amendment | 30 Ill. Reg. 4215, 3/17/06 |
| 310.80 | Amendment | 30 Ill. Reg. 4215, 3/17/06 |
| 310.100 | Amendment | 30 Ill. Reg. 4215, 3/17/06 |
| 310.110 | Amendment | 30 Ill. Reg. 4215, 3/17/06 |

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| <u>Section Numbers</u> | <u>Proposed Action</u> | <u>Ill. Reg. Citation</u> |
|-------------------------|------------------------|----------------------------|
| 310.130 | Amendment | 30 Ill. Reg. 4215, 3/17/06 |
| 310.220 | Amendment | 30 Ill. Reg. 4215, 3/17/06 |
| 310.280 | Amendment | 30 Ill. Reg. 4215, 3/17/06 |
| 310.290 | Amendment | 30 Ill. Reg. 4215, 3/17/06 |
| 310.420 | Amendment | 30 Ill. Reg. 4215, 3/17/06 |
| 310.450 | Repeal | 30 Ill. Reg. 4215, 3/17/06 |
| 310.455 | Repeal | 30 Ill. Reg. 4215, 3/17/06 |
| 310.490 | Amendment | 30 Ill. Reg. 4215, 3/17/06 |
| 310.500 | Amendment | 30 Ill. Reg. 4215, 3/17/06 |
| 310.530 | Amendment | 30 Ill. Reg. 4215, 3/17/06 |
| 310.540 | Repeal | 30 Ill. Reg. 4215, 3/17/06 |
| 310.Appendix A Table D | Amendment | 30 Ill. Reg. 4215, 3/17/06 |
| 310.Appendix A Table E | Amendment | 30 Ill. Reg. 4215, 3/17/06 |
| 310.Appendix A Table F | Amendment | 30 Ill. Reg. 4215, 3/17/06 |
| 310.Appendix A Table G | Amendment | 30 Ill. Reg. 4215, 3/17/06 |
| 310.Appendix A Table H | Amendment | 30 Ill. Reg. 4215, 3/17/06 |
| 310.Appendix A Table I | Amendment | 30 Ill. Reg. 4215, 3/17/06 |
| 310.Appendix A Table J | Amendment | 30 Ill. Reg. 4215, 3/17/06 |
| 310.Appendix A Table K | Amendment | 30 Ill. Reg. 4215, 3/17/06 |
| 310.Appendix A Table L | Amendment | 30 Ill. Reg. 4215, 3/17/06 |
| 310.Appendix A Table M | Amendment | 30 Ill. Reg. 4215, 3/17/06 |
| 310.Appendix A Table N | Amendment | 30 Ill. Reg. 4215, 3/17/06 |
| 310.Appendix A Table O | Amendment | 30 Ill. Reg. 4215, 3/17/06 |
| 310.Appendix A Table P | Amendment | 30 Ill. Reg. 4215, 3/17/06 |
| 310.Appendix A Table Q | Amendment | 30 Ill. Reg. 4215, 3/17/06 |
| 310.Appendix A Table R | Amendment | 30 Ill. Reg. 4215, 3/17/06 |
| 310.Appendix A Table T | Amendment | 30 Ill. Reg. 4215, 3/17/06 |
| 310.Appendix A Table U | Amendment | 30 Ill. Reg. 4215, 3/17/06 |
| 310.Appendix A Table V | Amendment | 30 Ill. Reg. 4215, 3/17/06 |
| 310.Appendix A Table W | Amendment | 30 Ill. Reg. 4215, 3/17/06 |
| 310.Appendix A Table X | Amendment | 30 Ill. Reg. 4215, 3/17/06 |
| 310.Appendix A Table Y | Amendment | 30 Ill. Reg. 4215, 3/17/06 |
| 310.Appendix A Table Z | Amendment | 30 Ill. Reg. 4215, 3/17/06 |
| 310.Appendix A Table AA | Amendment | 30 Ill. Reg. 4215, 3/17/06 |
| 310.Appendix B | Amendment | 30 Ill. Reg. 4215, 3/17/06 |
| 310.Appendix C | Amendment | 30 Ill. Reg. 4215, 3/17/06 |
| 310.Appendix D | Amendment | 30 Ill. Reg. 4215, 3/17/06 |
| 310.Appendix G | Amendment | 30 Ill. Reg. 4215, 3/17/06 |
| 310.100 | Amendment | 30 Ill. Reg. 6024, 4/7/06 |

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| <u>Section Numbers</u> | <u>Proposed Action</u> | <u>Ill. Reg. Citation</u> |
|------------------------|------------------------|---------------------------|
| 310.280 | Amendment | 30 Ill. Reg. 6024, 4/7/06 |
| 310.470 | Amendment | 30 Ill. Reg. 6024, 4/7/06 |
| 310.490 | Amendment | 30 Ill. Reg. 6024, 4/7/06 |
| 310.495 | Amendment | 30 Ill. Reg. 6024, 4/7/06 |

13) Statement of Statewide Policy Objectives: These amendments to the Pay Plan affect only the employees subject to the Personnel Code and do not set out any guidelines that affect local or other jurisdictions in the State.

14) Information and questions regarding this peremptory amendment shall be directed to:

Mr. Jason Doggett
Acting Manager
Compensation Section
Division of Technical Services and Agency Training and Development
Bureau of Personnel
Department of Central Management Services
504 William G. Stratton Building
Springfield IL 62706

(217) 782-7964
Fax: (217) 524-4570

The full text of the Peremptory Amendment begins on the next page:

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

NOTICE OF PEREMPTORY AMENDMENT

TITLE 80: PUBLIC OFFICIALS AND EMPLOYEES
SUBTITLE B: PERSONNEL RULES, PAY PLANS, AND
POSITION CLASSIFICATIONS

CHAPTER I: DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

PART 310
PAY PLAN

SUBPART A: NARRATIVE

| | |
|---------|--|
| Section | |
| 310.20 | Policy and Responsibilities |
| 310.30 | Jurisdiction |
| 310.40 | Pay Schedules |
| 310.50 | Definitions |
| 310.60 | Conversion of Base Salary to Pay Period Units |
| 310.70 | Conversion of Base Salary to Daily or Hourly Equivalents |
| 310.80 | Increases in Pay |
| 310.90 | Decreases in Pay |
| 310.100 | Other Pay Provisions |
| 310.110 | Implementation of Pay Plan Changes for Fiscal Year 2006 |
| 310.120 | Interpretation and Application of Pay Plan |
| 310.130 | Effective Date |
| 310.140 | Reinstitution of Within Grade Salary Increases (Repealed) |
| 310.150 | Fiscal Year 1985 Pay Changes in Schedule of Salary Grades, effective July 1, 1984 (Repealed) |

SUBPART B: SCHEDULE OF RATES

| | |
|---------|---|
| Section | |
| 310.205 | Introduction |
| 310.210 | Prevailing Rate |
| 310.220 | Negotiated Rate |
| 310.230 | Part-Time Daily or Hourly Special Services Rate |
| 310.240 | Hourly Rate |
| 310.250 | Member, Patient and Inmate Rate |
| 310.260 | Trainee Rate |
| 310.270 | Legislated and Contracted Rate |
| 310.280 | Designated Rate |
| 310.290 | Out-of-State or Foreign Service Rate |

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

NOTICE OF PEREMPTORY AMENDMENT

- 310.300 Educator Schedule for RC-063 and HR-010
 310.310 Physician Specialist Rate
 310.320 Annual Compensation Ranges for Executive Director and Assistant Executive Director, State Board of Elections (Repealed)
 310.330 Excluded Classes Rate (Repealed)

SUBPART C: MERIT COMPENSATION SYSTEM

Section

- 310.410 Jurisdiction
 310.420 Objectives
 310.430 Responsibilities
 310.440 Merit Compensation Salary Schedule
 310.450 Procedures for Determining Annual Merit Increases
 310.455 Intermittent Merit Increase
 310.456 Merit Zone (Repealed)
 310.460 Other Pay Increases
 310.470 Adjustment
 310.480 Decreases in Pay
 310.490 Other Pay Provisions
 310.495 Broad-Band Pay Range Classes
 310.500 Definitions
 310.510 Conversion of Base Salary to Pay Period Units (Repealed)
 310.520 Conversion of Base Salary to Daily or Hourly Equivalents
 310.530 Implementation
 310.540 Annual Merit Increase Guidechart for Fiscal Year 2006
 310.550 Fiscal Year 1985 Pay Changes in Merit Compensation System, effective July 1, 1984 (Repealed)

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 310.TABLE B HR-200 (Department of Labor – Chicago, Illinois – SEIU) (Repealed)
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AUTHORITY: Implementing and authorized by Sections 8 and 8a of the Personnel Code [20 ILCS 415/8 and 8a].

SOURCE: Filed June 28, 1967; codified at 8 Ill. Reg. 1558; emergency amendment at 8 Ill. Reg. 1990, effective January 31, 1984, for a maximum of 150 days; amended at 8 Ill. Reg. 2440, effective February 15, 1984; emergency amendment at 8 Ill. Reg. 3348, effective March 5, 1984, for a maximum of 150 days; emergency amendment at 8 Ill. Reg. 4249, effective March 16, 1984, for a maximum of 150 days; emergency amendment at 8 Ill. Reg. 5704, effective April 16, 1984, for a maximum of 150 days; emergency amendment at 8 Ill. Reg. 7290, effective May 11, 1984, for a maximum of 150 days; amended at 8 Ill. Reg. 11299, effective June 25, 1984;

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emergency amendment at 8 Ill. Reg. 12616, effective July 1, 1984, for a maximum of 150 days; emergency amendment at 8 Ill. Reg. 15007, effective August 6, 1984, for a maximum of 150 days; amended at 8 Ill. Reg. 15367, effective August 13, 1984; emergency amendment at 8 Ill. Reg. 21310, effective October 10, 1984, for a maximum of 150 days; amended at 8 Ill. Reg. 21544, effective October 24, 1984; amended at 8 Ill. Reg. 22844, effective November 14, 1984; emergency amendment at 9 Ill. Reg. 1134, effective January 16, 1985, for a maximum of 150 days; amended at 9 Ill. Reg. 1320, effective January 23, 1985; amended at 9 Ill. Reg. 3681, effective March 12, 1985; emergency amendment at 9 Ill. Reg. 4163, effective March 15, 1985, for a maximum of 150 days; emergency amendment at 9 Ill. Reg. 9231, effective May 31, 1985, for a maximum of 150 days; amended at 9 Ill. Reg. 9420, effective June 7, 1985; amended at 9 Ill. Reg. 10663, effective July 1, 1985; emergency amendment at 9 Ill. Reg. 15043, effective September 24, 1985, for a maximum of 150 days; preemptory amendment at 10 Ill. Reg. 3325, effective January 22, 1986; amended at 10 Ill. Reg. 3230, effective January 24, 1986; emergency amendment at 10 Ill. Reg. 8904, effective May 13, 1986, for a maximum of 150 days; preemptory amendment at 10 Ill. Reg. 8928, effective May 13, 1986; emergency amendment at 10 Ill. Reg. 12090, effective June 30, 1986, for a maximum of 150 days; preemptory amendment at 10 Ill. Reg. 13675, effective July 31, 1986; preemptory amendment at 10 Ill. Reg. 14867, effective August 26, 1986; amended at 10 Ill. Reg. 15567, effective September 17, 1986; emergency amendment at 10 Ill. Reg. 17765, effective September 30, 1986, for a maximum of 150 days; preemptory amendment at 10 Ill. Reg. 19132, effective October 28, 1986; preemptory amendment at 10 Ill. Reg. 21097, effective December 9, 1986; amended at 11 Ill. Reg. 648, effective December 22, 1986; preemptory amendment at 11 Ill. Reg. 3363, effective February 3, 1987; preemptory amendment at 11 Ill. Reg. 4388, effective February 27, 1987; preemptory amendment at 11 Ill. Reg. 6291, effective March 23, 1987; amended at 11 Ill. Reg. 5901, effective March 24, 1987; emergency amendment at 11 Ill. Reg. 8787, effective April 15, 1987, for a maximum of 150 days; emergency amendment at 11 Ill. Reg. 11830, effective July 1, 1987, for a maximum of 150 days; preemptory amendment at 11 Ill. Reg. 13675, effective July 29, 1987; amended at 11 Ill. Reg. 14984, effective August 27, 1987; preemptory amendment at 11 Ill. Reg. 15273, effective September 1, 1987; preemptory amendment at 11 Ill. Reg. 17919, effective October 19, 1987; preemptory amendment at 11 Ill. Reg. 19812, effective November 19, 1987; emergency amendment at 11 Ill. Reg. 20664, effective December 4, 1987, for a maximum of 150 days; amended at 11 Ill. Reg. 20778, effective December 11, 1987; preemptory amendment at 12 Ill. Reg. 3811, effective January 27, 1988; preemptory amendment at 12 Ill. Reg. 5459, effective March 3, 1988; amended at 12 Ill. Reg. 6073, effective March 21, 1988; preemptory amendment at 12 Ill. Reg. 7783, effective April 14, 1988; emergency amendment at 12 Ill. Reg. 7734, effective April 15, 1988, for a maximum of 150 days; preemptory amendment at 12 Ill. Reg. 8135, effective April 22, 1988; preemptory amendment at 12 Ill. Reg. 9745, effective May 23, 1988; emergency amendment at 12 Ill. Reg. 11778, effective July 1, 1988, for a maximum of 150 days; emergency amendment at 12 Ill. Reg. 12895, effective July 18, 1988, for a maximum of 150 days; preemptory amendment at 12 Ill. Reg. 13306, effective July 27,

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1988; corrected at 12 Ill. Reg. 13359; amended at 12 Ill. Reg. 14630, effective September 6, 1988; amended at 12 Ill. Reg. 20449, effective November 28, 1988; preemptory amendment at 12 Ill. Reg. 20584, effective November 28, 1988; preemptory amendment at 13 Ill. Reg. 8080, effective May 10, 1989; amended at 13 Ill. Reg. 8849, effective May 30, 1989; preemptory amendment at 13 Ill. Reg. 8970, effective May 26, 1989; emergency amendment at 13 Ill. Reg. 10967, effective June 20, 1989, for a maximum of 150 days; emergency amendment expired on November 17, 1989; amended at 13 Ill. Reg. 11451, effective June 28, 1989; emergency amendment at 13 Ill. Reg. 11854, effective July 1, 1989, for a maximum of 150 days; corrected at 13 Ill. Reg. 12647; preemptory amendment at 13 Ill. Reg. 12887, effective July 24, 1989; amended at 13 Ill. Reg. 16950, effective October 20, 1989; amended at 13 Ill. Reg. 19221, effective December 12, 1989; amended at 14 Ill. Reg. 615, effective January 2, 1990; preemptory amendment at 14 Ill. Reg. 1627, effective January 11, 1990; amended at 14 Ill. Reg. 4455, effective March 12, 1990; preemptory amendment at 14 Ill. Reg. 7652, effective May 7, 1990; amended at 14 Ill. Reg. 10002, effective June 11, 1990; emergency amendment at 14 Ill. Reg. 11330, effective June 29, 1990, for a maximum of 150 days; amended at 14 Ill. Reg. 14361, effective August 24, 1990; emergency amendment at 14 Ill. Reg. 15570, effective September 11, 1990, for a maximum of 150 days; emergency amendment expired on February 8, 1991; corrected at 14 Ill. Reg. 16092; preemptory amendment at 14 Ill. Reg. 17098, effective September 26, 1990; amended at 14 Ill. Reg. 17189, effective October 2, 1990; amended at 14 Ill. Reg. 17189, effective October 19, 1990; amended at 14 Ill. Reg. 18719, effective November 13, 1990; preemptory amendment at 14 Ill. Reg. 18854, effective November 13, 1990; preemptory amendment at 15 Ill. Reg. 663, effective January 7, 1991; amended at 15 Ill. Reg. 3296, effective February 14, 1991; amended at 15 Ill. Reg. 4401, effective March 11, 1991; preemptory amendment at 15 Ill. Reg. 5100, effective March 20, 1991; preemptory amendment at 15 Ill. Reg. 5465, effective April 2, 1991; emergency amendment at 15 Ill. Reg. 10485, effective July 1, 1991, for a maximum of 150 days; amended at 15 Ill. Reg. 11080, effective July 19, 1991; amended at 15 Ill. Reg. 13080, effective August 21, 1991; amended at 15 Ill. Reg. 14210, effective September 23, 1991; emergency amendment at 16 Ill. Reg. 711, effective December 26, 1991, for a maximum of 150 days; amended at 16 Ill. Reg. 3450, effective February 20, 1992; preemptory amendment at 16 Ill. Reg. 5068, effective March 11, 1992; preemptory amendment at 16 Ill. Reg. 7056, effective April 20, 1992; emergency amendment at 16 Ill. Reg. 8239, effective May 19, 1992, for a maximum of 150 days; amended at 16 Ill. Reg. 8382, effective May 26, 1992; emergency amendment at 16 Ill. Reg. 13950, effective August 19, 1992, for a maximum of 150 days; emergency amendment at 16 Ill. Reg. 14452, effective September 4, 1992, for a maximum of 150 days; amended at 17 Ill. Reg. 238, effective December 23, 1992; preemptory amendment at 17 Ill. Reg. 498, effective December 18, 1992; amended at 17 Ill. Reg. 590, effective January 4, 1993; amended at 17 Ill. Reg. 1819, effective February 2, 1993; amended at 17 Ill. Reg. 6441, effective April 8, 1993; emergency amendment at 17 Ill. Reg. 12900, effective July 22, 1993, for a maximum of 150 days; amended at 17 Ill. Reg. 13409, effective July 29, 1993; emergency amendment at 17 Ill. Reg. 13789, effective

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August 9, 1993, for a maximum of 150 days; emergency amendment at 17 Ill. Reg. 14666, effective August 26, 1993, for a maximum of 150 days; amended at 17 Ill. Reg. 19103, effective October 25, 1993; emergency amendment at 17 Ill. Reg. 21858, effective December 1, 1993, for a maximum of 150 days; amended at 17 Ill. Reg. 22514, effective December 15, 1993; amended at 18 Ill. Reg. 227, effective December 17, 1993; amended at 18 Ill. Reg. 1107, effective January 18, 1994; amended at 18 Ill. Reg. 5146, effective March 21, 1994; preemptory amendment at 18 Ill. Reg. 9562, effective June 13, 1994; emergency amendment at 18 Ill. Reg. 11299, effective July 1, 1994, for a maximum of 150 days; preemptory amendment at 18 Ill. Reg. 13476, effective August 17, 1994; emergency amendment at 18 Ill. Reg. 14417, effective September 9, 1994, for a maximum of 150 days; amended at 18 Ill. Reg. 16545, effective October 31, 1994; preemptory amendment at 18 Ill. Reg. 16708, effective October 28, 1994; amended at 18 Ill. Reg. 17191, effective November 21, 1994; amended at 19 Ill. Reg. 1024, effective January 24, 1995; preemptory amendment at 19 Ill. Reg. 2481, effective February 17, 1995; preemptory amendment at 19 Ill. Reg. 3073, effective February 17, 1995; amended at 19 Ill. Reg. 3456, effective March 7, 1995; preemptory amendment at 19 Ill. Reg. 5145, effective March 14, 1995; amended at 19 Ill. Reg. 6452, effective May 2, 1995; preemptory amendment at 19 Ill. Reg. 6688, effective May 1, 1995; amended at 19 Ill. Reg. 7841, effective June 1, 1995; amended at 19 Ill. Reg. 8156, effective June 12, 1995; amended at 19 Ill. Reg. 9096, effective June 27, 1995; emergency amendment at 19 Ill. Reg. 11954, effective August 1, 1995, for a maximum of 150 days; preemptory amendment at 19 Ill. Reg. 13979, effective September 19, 1995; preemptory amendment at 19 Ill. Reg. 15103, effective October 12, 1995; amended at 19 Ill. Reg. 16160, effective November 28, 1995; amended at 20 Ill. Reg. 308, effective December 22, 1995; emergency amendment at 20 Ill. Reg. 4060, effective February 27, 1996, for a maximum of 150 days; preemptory amendment at 20 Ill. Reg. 6334, effective April 22, 1996; preemptory amendment at 20 Ill. Reg. 7434, effective May 14, 1996; amended at 20 Ill. Reg. 8301, effective June 11, 1996; amended at 20 Ill. Reg. 8657, effective June 20, 1996; amended at 20 Ill. Reg. 9006, effective June 26, 1996; amended at 20 Ill. Reg. 9925, effective July 10, 1996; emergency amendment at 20 Ill. Reg. 10213, effective July 15, 1996, for a maximum of 150 days; amended at 20 Ill. Reg. 10841, effective August 5, 1996; preemptory amendment at 20 Ill. Reg. 13408, effective September 24, 1996; amended at 20 Ill. Reg. 15018, effective November 7, 1996; preemptory amendment at 20 Ill. Reg. 15092, effective November 7, 1996; emergency amendment at 21 Ill. Reg. 1023, effective January 6, 1997, for a maximum of 150 days; amended at 21 Ill. Reg. 1629, effective January 22, 1997; amended at 21 Ill. Reg. 5144, effective April 15, 1997; amended at 21 Ill. Reg. 6444, effective May 15, 1997; amended at 21 Ill. Reg. 7118, effective June 3, 1997; emergency amendment at 21 Ill. Reg. 10061, effective July 21, 1997, for a maximum of 150 days; emergency amendment at 21 Ill. Reg. 12859, effective September 8, 1997, for a maximum of 150 days; preemptory amendment at 21 Ill. Reg. 14267, effective October 14, 1997; preemptory amendment at 21 Ill. Reg. 14589, effective October 15, 1997; preemptory amendment at 21 Ill. Reg. 15030, effective November 10, 1997; amended at 21 Ill. Reg. 16344, effective December 9, 1997; preemptory amendment at 21 Ill. Reg. 16465, effective

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December 4, 1997; preemptory amendment at 21 Ill. Reg. 17167, effective December 9, 1997; preemptory amendment at 22 Ill. Reg. 1593, effective December 22, 1997; amended at 22 Ill. Reg. 2580, effective January 14, 1998; preemptory amendment at 22 Ill. Reg. 4326, effective February 13, 1998; preemptory amendment at 22 Ill. Reg. 5108, effective February 26, 1998; preemptory amendment at 22 Ill. Reg. 5749, effective March 3, 1998; amended at 22 Ill. Reg. 6204, effective March 12, 1998; preemptory amendment at 22 Ill. Reg. 7053, effective April 1, 1998; preemptory amendment at 22 Ill. Reg. 7320, effective April 10, 1998; preemptory amendment at 22 Ill. Reg. 7692, effective April 20, 1998; emergency amendment at 22 Ill. Reg. 12607, effective July 2, 1998, for a maximum of 150 days; preemptory amendment at 22 Ill. Reg. 15489, effective August 7, 1998; amended at 22 Ill. Reg. 16158, effective August 31, 1998; preemptory amendment at 22 Ill. Reg. 19105, effective September 30, 1998; preemptory amendment at 22 Ill. Reg. 19943, effective October 27, 1998; preemptory amendment at 22 Ill. Reg. 20406, effective November 5, 1998; amended at 22 Ill. Reg. 20581, effective November 16, 1998; amended at 23 Ill. Reg. 664, effective January 1, 1999; preemptory amendment at 23 Ill. Reg. 730, effective December 29, 1998; emergency amendment at 23 Ill. Reg. 6533, effective May 10, 1999, for a maximum of 150 days; amended at 23 Ill. Reg. 7065, effective June 3, 1999; emergency amendment at 23 Ill. Reg. 8169, effective July 1, 1999, for a maximum of 150 days; amended at 23 Ill. Reg. 11020, effective August 26, 1999; amended at 23 Ill. Reg. 12429, effective September 21, 1999; preemptory amendment at 23 Ill. Reg. 12493, effective September 23, 1999; amended at 23 Ill. Reg. 12604, effective September 24, 1999; amended at 23 Ill. Reg. 13053, effective September 27, 1999; preemptory amendment at 23 Ill. Reg. 13132, effective October 1, 1999; amended at 23 Ill. Reg. 13570, effective October 26, 1999; amended at 23 Ill. Reg. 14020, effective November 15, 1999; amended at 24 Ill. Reg. 1025, effective January 7, 2000; preemptory amendment at 24 Ill. Reg. 3399, effective February 3, 2000; amended at 24 Ill. Reg. 3537, effective February 18, 2000; amended at 24 Ill. Reg. 6874, effective April 21, 2000; amended at 24 Ill. Reg. 7956, effective May 23, 2000; emergency amendment at 24 Ill. Reg. 10328, effective July 1, 2000, for a maximum of 150 days; emergency expired November 27, 2000; preemptory amendment at 24 Ill. Reg. 10767, effective July 3, 2000; amended at 24 Ill. Reg. 13384, effective August 17, 2000; preemptory amendment at 24 Ill. Reg. 14460, effective September 14, 2000; preemptory amendment at 24 Ill. Reg. 16700, effective October 30, 2000; preemptory amendment at 24 Ill. Reg. 17600, effective November 16, 2000; amended at 24 Ill. Reg. 18058, effective December 4, 2000; preemptory amendment at 24 Ill. Reg. 18444, effective December 1, 2000; amended at 25 Ill. Reg. 811, effective January 4, 2001; amended at 25 Ill. Reg. 2389, effective January 22, 2001; amended at 25 Ill. Reg. 4552, effective March 14, 2001; preemptory amendment at 25 Ill. Reg. 5067, effective March 21, 2001; amended at 25 Ill. Reg. 5618, effective April 4, 2001; amended at 25 Ill. Reg. 6655, effective May 11, 2001; amended at 25 Ill. Reg. 7151, effective May 25, 2001; preemptory amendment at 25 Ill. Reg. 8009, effective June 14, 2001; emergency amendment at 25 Ill. Reg. 9336, effective July 3, 2001, for a maximum of 150 days; amended at 25 Ill. Reg. 9846, effective July 23, 2001; amended at 25 Ill. Reg. 12087, effective September 6, 2001; amended at 25 Ill. Reg. 15560, effective November 20,

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2001; preemptory amendment at 25 Ill. Reg. 15671, effective November 15, 2001; amended at 25 Ill. Reg. 15974, effective November 28, 2001; emergency amendment at 26 Ill. Reg. 223, effective December 21, 2001, for a maximum of 150 days; amended at 26 Ill. Reg. 1143, effective January 17, 2002; amended at 26 Ill. Reg. 4127, effective March 5, 2002; preemptory amendment at 26 Ill. Reg. 4963, effective March 15, 2002; amended at 26 Ill. Reg. 6235, effective April 16, 2002; emergency amendment at 26 Ill. Reg. 7314, effective April 29, 2002, for a maximum of 150 days; amended at 26 Ill. Reg. 10425, effective July 1, 2002; emergency amendment at 26 Ill. Reg. 10952, effective July 1, 2002, for a maximum of 150 days; amended at 26 Ill. Reg. 13934, effective September 10, 2002; amended at 26 Ill. Reg. 14965, effective October 7, 2002; emergency amendment at 26 Ill. Reg. 16583, effective October 24, 2002, for a maximum of 150 days; emergency expired March 22, 2003; preemptory amendment at 26 Ill. Reg. 17280, effective November 18, 2002; amended at 26 Ill. Reg. 17374, effective November 25, 2002; amended at 26 Ill. Reg. 17987, effective December 9, 2002; amended at 27 Ill. Reg. 3261, effective February 11, 2003; expedited correction at 28 Ill. Reg. 6151, effective February 11, 2003; amended at 27 Ill. Reg. 8855, effective May 15, 2003; amended at 27 Ill. Reg. 9114, effective May 27, 2003; emergency amendment at 27 Ill. Reg. 10442, effective July 1, 2003, for a maximum of 150 days; emergency expired November 27, 2003; preemptory amendment at 27 Ill. Reg. 17433, effective November 7, 2003; amended at 27 Ill. Reg. 18560, effective December 1, 2003; preemptory amendment at 28 Ill. Reg. 1441, effective January 9, 2004; amended at 28 Ill. Reg. 2684, effective January 22, 2004; amended at 28 Ill. Reg. 6879, effective April 30, 2004; preemptory amendment at 28 Ill. Reg. 7323, effective May 10, 2004; amended at 28 Ill. Reg. 8842, effective June 11, 2004; preemptory amendment at 28 Ill. Reg. 9717, effective June 28, 2004; amended at 28 Ill. Reg. 12585, effective August 27, 2004; preemptory amendment at 28 Ill. Reg. 13011, effective September 8, 2004; preemptory amendment at 28 Ill. Reg. 13247, effective September 20, 2004; preemptory amendment at 28 Ill. Reg. 13656, effective September 27, 2004; emergency amendment at 28 Ill. Reg. 14174, effective October 15, 2004, for a maximum of 150 days; emergency expired March 13, 2005; preemptory amendment at 28 Ill. Reg. 14689, effective October 22, 2004; preemptory amendment at 28 Ill. Reg. 15336, effective November 15, 2004; preemptory amendment at 28 Ill. Reg. 16513, effective December 9, 2004; preemptory amendment at 29 Ill. Reg. 726, effective December 15, 2004; amended at 29 Ill. Reg. 1166, effective January 7, 2005; preemptory amendment at 29 Ill. Reg. 1385, effective January 4, 2005; preemptory amendment at 29 Ill. Reg. 1559, effective January 11, 2005; preemptory amendment at 29 Ill. Reg. 2050, effective January 19, 2005; preemptory amendment at 29 Ill. Reg. 4125, effective February 23, 2005; amended at 29 Ill. Reg. 5375, effective April 4, 2005; preemptory amendment at 29 Ill. Reg. 6105, effective April 14, 2005; preemptory amendment at 29 Ill. Reg. 7217, effective May 6, 2005; preemptory amendment at 29 Ill. Reg. 7840, effective May 10, 2005; amended at 29 Ill. Reg. 8110, effective May 23, 2005; preemptory amendment at 29 Ill. Reg. 8214, effective May 23, 2005; preemptory amendment at 29 Ill. Reg. 8418, effective June 1, 2005; amended at 29 Ill. Reg. 9319, effective July 1, 2005; preemptory amendment at 29 Ill. Reg. 12076, effective July 15, 2005; preemptory amendment at 29 Ill. Reg. 13265, effective

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August 11, 2005; amended at 29 Ill. Reg. 13540, effective August 22, 2005; peremptory amendment at 29 Ill. Reg. 14098, effective September 2, 2005; amended at 29 Ill. Reg. 14166, effective September 9, 2005; amended at 29 Ill. Reg. 19551, effective November 21, 2005; emergency amendment at 29 Ill. Reg. 20554, effective December 2, 2005, for a maximum of 150 days; peremptory amendment at 29 Ill. Reg. 20693, effective December 12, 2005; peremptory amendment at 30 Ill. Reg. 623, effective December 28, 2005; peremptory amendment at 30 Ill. Reg. 1382, effective January 13, 2006; amended at 30 Ill. Reg. 2289, effective February 6, 2006; peremptory amendment at 30 Ill. Reg. 4157, effective February 22, 2006; peremptory amendment at 30 Ill. Reg. 5687, effective March 7, 2006; peremptory amendment at 30 Ill. Reg. 6409, effective March 30, 2006.

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NOTICE OF PEREMPTORY AMENDMENT

Section 310.APPENDIX A Negotiated Rates of Pay**Section 310.TABLE K RC-023 (Registered Nurses, INA)**

Effective July 1, 2005
Bargaining Unit: RC-023

| Title | Title Code | Pay Plan Code | S T E P S | | | | | | | |
|--------------------------------------|------------|---------------|-----------|------|------|------|------|------|------|------|
| | | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| Child Welfare Nurse Specialist | 07197 | B | 3849 | 4029 | 4223 | 4417 | 4699 | 4864 | 5034 | 5185 |
| Corrections Nurse I | 09825 | Q | 3623 | 3791 | 3970 | 4141 | 4412 | 4567 | 4726 | 4867 |
| Corrections Nurse I | 09825 | S | 3684 | 3853 | 4031 | 4201 | 4472 | 4626 | 4788 | 4931 |
| Corrections Nurse II | 09826 | Q | 4071 | 4261 | 4466 | 4673 | 4969 | 5144 | 5323 | 5483 |
| Corrections Nurse II | 09826 | S | 4132 | 4322 | 4526 | 4733 | 5032 | 5205 | 5385 | 5547 |
| Health Facilities Surveillance Nurse | 18150 | B | 3849 | 4029 | 4223 | 4417 | 4699 | 4864 | 5034 | 5185 |
| Nursing Act Assistant Coordinator | 29731 | B | 4089 | 4297 | 4495 | 4701 | 4996 | 5169 | 5351 | 5511 |
| Registered Nurse I | 38131 | B | 3425 | 3588 | 3753 | 3919 | 4170 | 4317 | 4468 | 4601 |
| Registered Nurse I | 38131 | Q | 3451 | 3615 | 3780 | 3948 | 4200 | 4348 | 4500 | 4636 |
| Registered Nurse II | 38132 | B | 3849 | 4029 | 4223 | 4417 | 4699 | 4864 | 5034 | 5185 |
| Registered Nurse II | 38132 | Q | 3878 | 4060 | 4254 | 4449 | 4734 | 4900 | 5070 | 5222 |

NOTE: Longevity Pay – The Step 8 rate shall be increased by \$25 per month for those employees who have attained 3 or more years of creditable service on Step 8 in the same pay grade. The Step 8 rate shall be increased \$50 per month for those employees who have attained 6 or more years of creditable service on Step 8 in the same pay grade.

Effective January 1, 2006
Bargaining Unit: RC-023

| Title | Title Code | Pay Plan Code | S T E P S | | | | | | | |
|--------------------------------|------------|---------------|-----------|------|------|------|------|------|------|------|
| | | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| Child Welfare Nurse Specialist | 07197 | B | 3964 | 4150 | 4350 | 4550 | 4840 | 5010 | 5185 | 5341 |

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| | | | | | | | | | | |
|---|-------|---|------|------|------|------|------|------|------|------|
| Corrections Nurse I | 09825 | Q | 3759 | 3933 | 4119 | 4296 | 4577 | 4738 | 4903 | 5050 |
| Corrections Nurse I | 09825 | S | 3822 | 3997 | 4182 | 4359 | 4640 | 4799 | 4968 | 5116 |
| Corrections Nurse II | 09826 | Q | 4224 | 4421 | 4633 | 4848 | 5155 | 5337 | 5523 | 5689 |
| Corrections Nurse II | 09826 | S | 4287 | 4484 | 4696 | 4910 | 5221 | 5400 | 5587 | 5755 |
| Health Facilities Surveillance Nurse | 18150 | B | 3964 | 4150 | 4350 | 4550 | 4840 | 5010 | 5185 | 5341 |
| Nursing Act Assistant Coordinator | 29731 | B | 4212 | 4426 | 4630 | 4842 | 5146 | 5324 | 5512 | 5676 |
| Registered Nurse I | 38131 | B | 3528 | 3696 | 3866 | 4037 | 4295 | 4447 | 4602 | 4739 |
| Registered Nurse I | 38131 | Q | 3580 | 3751 | 3922 | 4096 | 4358 | 4511 | 4669 | 4810 |
| Registered Nurse II | 38132 | B | 3964 | 4150 | 4350 | 4550 | 4840 | 5010 | 5185 | 5341 |
| Registered Nurse II | 38132 | Q | 4023 | 4212 | 4414 | 4616 | 4912 | 5084 | 5260 | 5418 |

NOTE: Longevity Pay – The Step 8 rate shall be increased by \$25 per month for those employees who have attained 3 or more years of creditable service on Step 8 in the same pay grade. The Step 8 rate shall be increased \$50 per month for those employees who have attained 6 or more years of creditable service on Step 8 in the same pay grade.

Effective April 1, 2006
Bargaining Unit: RC-023
Special Hourly Rates

| <u>Title</u> | <u>Title Code</u> | <u>Pay Plan Code</u> | <u>Rate</u> |
|---|-----------------------|------------------------------|--------------|
| <u>Registered Nurse I (DHS Client Assessment Unit) (Possessing less than 10 years of prior State contractual service on March 22, 2006)</u> | <u>38131</u> | <u>B</u> | <u>24.41</u> |
| <u>Registered Nurse I (DHS Client Assessment Unit) (Possessing 10 or more years of prior State contractual service on March 22, 2006)</u> | <u>38131</u> | <u>B</u> | <u>24.75</u> |
| <u>Registered Nurse II (DHS Client Assessment Unit)</u> | <u>38132</u> | <u>B</u> | <u>26.67</u> |

(Source: Peremptory amendment at 30 Ill. Reg. 6409, effective March 30, 2006)

JOINT COMMITTEE ON ADMINISTRATIVE RULES
ILLINOIS GENERAL ASSEMBLY

SECOND NOTICES RECEIVED

The following second notices were received by the Joint Committee on Administrative Rules during the period of March 28, 2006 through April 3, 2006 and have been scheduled for review by the Committee at its May 9, 2006 meeting. Other items not contained in this published list may also be considered. Members of the public wishing to express their views with respect to a rulemaking should submit written comments to the Committee at the following address: Joint Committee on Administrative Rules, 700 Stratton Bldg., Springfield IL 62706.

| <u>Second Notice Expires</u> | <u>Agency and Rule</u> | <u>Start Of First Notice</u> | <u>JCAR Meeting</u> |
|--------------------------------------|---|--------------------------------------|-------------------------|
| 5/14/06 | <u>Department of Central Management Services,</u> Standard Procurement (44 Ill. Adm. Code 1) | 12/16/05 29 Ill. Reg. 20140 | 5/9/06 |
| 5/17/06 | <u>Department of Revenue,</u> Income Tax (86 Ill. Adm. Code 100) | 1/6/06 30 Ill. Reg. 95 | 5/9/06 |
| 5/17/06 | <u>Department of Revenue,</u> Uniform Penalty and Interest Act (86 Ill. Adm. Code 700) | 12/30/05 29 Ill. Reg. 20742 | 5/9/06 |

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**EXECUTIVE ORDER TO CONSOLIDATE CERTAIN HUMAN RESOURCES,
PERSONNEL, PAYROLL, TIMEKEEPING, PROCUREMENT,
AND FINANCIAL PROCESSES**

- WHEREAS, numerous State agencies independently perform similar administrative functions, including human resources, personnel, payroll, timekeeping, procurement, and financial processes (the "Common Administrative Functions");
- WHEREAS, State agencies charged with executive and regulatory duties perform Common Administrative Functions, including: the Department of Central Management Services, the Department of Revenue, and the Department of Financial and Professional Regulation (the "Executive and Regulatory Affected Agencies");
- WHEREAS, State agencies charged with public safety duties perform Common Administrative Functions, including: the Department of State Police, the Department of Corrections, the Department of Juvenile Justice, the Prisoner Review Board, the Law Enforcement Training and Standards Board, the Illinois Criminal Justice Information Authority, the Illinois Emergency Management Agency, the Office of the State Fire Marshal, and the Department of Military Affairs (the "Public Safety Affected Agencies," collectively with the Executive and Regulatory Affected Agencies the "Affected Agencies");
- WHEREAS, State agencies, including the Affected Agencies, employ different standards and procedures to deliver the Common Administrative Functions, reducing the ability of all State agencies to share management knowledge and capitalize on synergies and economies of scale to the ultimate benefit of the taxpayers and all Illinoisans;
- WHEREAS, combining Common Administrative Functions would, among other things, improve the State's ability to effectively provide services to State agencies, promote cross-training, improve career development for State employees, improve interactivity of State operations, and eliminate duplicate functions within State agencies;
- WHEREAS, combining Common Administrative Functions facilitates the establishment of uniform accounting, payroll, and human resource processes with the Illinois Office of the Comptroller and the Office of the Auditor General;
- WHEREAS, Article V, Section 11 of the Illinois Constitution authorizes the Governor to reassign functions or reorganize executive agencies that are directly responsible to him by means of executive order; and

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**EXECUTIVE ORDER TO CONSOLIDATE CERTAIN HUMAN RESOURCES,
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WHEREAS, Section 3.2 of the Executive Reorganization Implementation Act, 15 ILCS 15/3.2, provides that "Reorganization" includes the transfer of functions from one agency to another.

THEREFORE, I hereby order:

I. TRANSFER OF FUNCTIONS AND CREATION OF NEW DIVISIONS

- A. Effective June 1, 2006, a Division of Shared Services is created within the Department of Revenue. The Executive and Regulatory Affected Agencies' Common Administrative Functions and all associated powers, duties, rights, and responsibilities attendant thereto shall be transferred to and consolidated under the jurisdiction of the Department of Revenue, Division of Shared Services, which will provide services for the benefit of the Executive and Regulatory Affected Agencies, provided however, that those functions that are unique to an Executive and Regulatory Affected Agency or that are inextricably integrated with the statutory mandate of such Executive and Regulatory Affected Agency shall not be deemed Common Administrative Functions and shall not be transferred pursuant to this Executive Order. Functions inextricably integrated with the statutory mandate of Executive and Regulatory Affected Agencies include, but are not limited to, the authority to: collect taxes and administrative fees; issue refunds; impose statutory fines, penalties, and restitution; issue, revoke or otherwise discipline licenses; and administer statewide personnel, labor relations, and procurement rules and standards.
- B. Effective June 1, 2006, a Division of Shared Services is created within the Department of Corrections. The Public Safety Affected Agencies' Common Administrative Functions and all associated powers, duties, rights, and responsibilities attendant thereto shall be transferred to and consolidated under the jurisdiction of the Department of Corrections, Division of Shared Services, which will provide services for the benefit of the Public Safety Affected Agencies, provided however, that the functions that are unique to a Public Safety Affected Agency or that are inextricably integrated with the statutory mandate of such Public Safety Affected Agency shall not be deemed Common Administrative Functions and shall not be transferred pursuant to this Executive Order. Functions inextricably integrated with the statutory mandate of Public Safety

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Affected Agencies include, but are not limited to, the public safety training of sworn police officers and correctional officers.

- C. The statutory powers, duties, rights, responsibilities, and liabilities of the Affected Agencies associated with the Common Administrative Functions derive from, among others, the following statutory provisions:
1. Civil Administrative Code of Illinois (Executive Branch): 20 ILCS 5/5-645.
 2. Department of Central Management Services: 20 ILCS 405/405-10, 100, 200.
 3. Department of Revenue: 20 ILCS 2505/2505-10 *et seq.*
 4. Department of Financial and Professional Regulation: 20 ILCS 1205/6, 8; 20 ILCS 1405/1405-5; 20 ILCS 2105/2105-15; 20 ILCS 3205/5 *et seq.*; 205 ILCS 5/1 *et seq.*; 215 ILCS 5/1 *et seq.*; 225 ILCS 2/1 through 225 ILCS 745/175; Executive Order Number 6 (2004).
 5. Department of State Police: 20 ILCS 2605/15, 45, 400, 550.
 6. Office of the State Fire Marshal: 20 ILCS 2905/2.
 7. Department of Corrections: 730 ILCS 5/3-2-2, 2.1, 2.2.
 8. Department of Juvenile Justice: 730 ILCS 5/3-2.5-15, 20, 50.
 9. Prisoner Review Board: 730 ILCS 5/3-3-2.
 10. Law Enforcement Training and Standards Board: 50 ILCS 705/5, 9, 9.1.
 11. Illinois Criminal Justice Information Authority: 20 ILCS 3930/7, 9.
 12. Illinois Emergency Management Agency: 20 ILCS 3305/5 *et seq.*
 13. Department of Military Affairs: 20 ILCS 1805/20 *et seq.*; 20 ILCS 1805/48-56-1; 20 ILCS 1805/92.1.

II. EFFECT OF TRANSFERS

The powers, duties, rights, and responsibilities transferred by the Affected Agencies and consolidated in the new Divisions of Shared Services shall not be affected by this Executive Order, except that such Common Administrative Functions shall be performed by the new Divisions of Shared Services as of the effective date of the transfers.

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- A. Personnel employed by the Executive and Regulatory Affected Agencies who are engaged in the performance of those Common Administrative Functions transferred to the Department of Revenue, Division of Shared Services, by this Executive Order may be transferred to the Department of Revenue, Division of Shared Services, pursuant to the direction of the Governor or his designee. Personnel employed by the Public Safety Affected Agencies who are engaged in the performance of those Common Administrative Functions transferred by this Executive Order may be transferred to the Department of Corrections, Division of Shared Services, pursuant to the direction of the Governor or his designee.
- B. All books, records, papers, documents, state property (real and personal), contracts, and pending business pertaining exclusively to the powers, duties, rights, and responsibilities transferred by this Executive Order from the Affected Agencies to the appropriate Division of Shared Services, including but not limited to, material in electronic or magnetic format and necessary computer hardware and software, shall be delivered to the Divisions of Shared Services.
- C. All unexpended appropriations and balances and other funds available for use in connection with any of the Common Administrative Functions of the Affected Agencies transferred by this Executive Order to the appropriate Division of Shared Services may be transferred for use by the appropriate Division of Shared Services for the Common Administrative Functions pursuant to the direction of the Governor. Unexpended balances transferred must be expended for the purpose for which the appropriations were originally made.

II. SAVINGS CLAUSE

- A. The rights, powers, duties, and functions transferred to the Department of Revenue and the Department of Corrections by this Executive Order shall be vested in, and shall be exercised by, the respective Departments. Each act done in exercise of such rights,

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powers, duties, and functions shall have the same legal effect as if done by the Affected Agencies or the divisions, officers, or employees from which they were transferred.

- B. Every person or officer shall be subject to the same obligations and duties and any penalties, civil or criminal, arising therefrom, and shall have the same rights arising from the exercise of such rights, powers, and duties as had been exercised by the Affected Agencies from which they were transferred.
- C. Notwithstanding any provision to the contrary in Illinois law, no ticket or share in any Illinois Lottery game shall be purchased by, and no prize shall be paid to, an employee of any Executive and Regulatory Affected Agency, or any contract employee thereof, who is involved with the Common Administrative Functions being transferred pursuant to this Executive Order and has any duty or responsibility associated with Illinois Lottery drawings or game operations, including, but not limited to, the selection of vendors or the administration of contracts associated with such drawings or game operations. All other employees of the Affected Agencies may purchase tickets or shares in any Illinois Lottery game and may receive Lottery game prize payments.
- D. Whenever reports or notices are now required to be made or given or paper or documents furnished or served by any person in regard to the Common Administrative Functions transferred to or upon the Affected Agencies from which the Common Administrative Functions were transferred, the same shall be made, given, furnished, or served in the same manner to or upon the Department of Revenue, Division of Shared Services, or the Department of Corrections, Division of Shared Services, as appropriate.
- E. This Executive Order shall not affect any act completed, ratified, or canceled as well as any right occurring or established, or any action or proceeding had or commenced in an administrative, civil, or criminal cause regarding the Common Administrative Functions transferred, but such proceedings may be continued by the Department of Revenue, Division of Shared Services or the

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**EXECUTIVE ORDER TO CONSOLIDATE CERTAIN HUMAN RESOURCES,
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Department of Corrections, Division of Shared Services, as appropriate.

- F. This Executive Order shall not affect the legality of any rules in the Illinois Administrative Code regarding the Common Administrative Functions transferred in this Executive Order that are in force on the effective date of this Executive Order. If necessary, however, the Affected Agencies shall propose, adopt, or repeal rules, rule amendments, and rule recodifications as appropriate to effectuate this Executive Order.

IV. SEVERABILITY

If any provision of this Executive Order or its application to any person or circumstances is held invalid by any court of competent jurisdiction, this invalidity does not affect any other provision or application of this Executive Order which should be given effect without the invalid provision or application. To achieve this purpose, the provisions of this Executive Order are declared severable.

V. EFFECTIVE DATE

This Executive Order shall become effective on the 61st day after its delivery to the General Assembly.

ROD R. BLAGOJEVICH
Governor

Issued by Governor: March 31, 2006
Filed with Secretary of State: March 31, 2006

PROCLAMATIONS

2006-97**ILLINOIS ELECTRIC AND TELEPHONE COOPERATIVES YOUTH DAY**

- WHEREAS, for the past 47 years, the Electric and Telephone Cooperatives of Illinois have sponsored a paid tour of Washington, D.C., for approximately 60 outstanding Illinois high school students; and
- WHEREAS, the selection criteria for students to participate includes essay and youth leadership contests that are sponsored by member cooperatives; and
- WHEREAS, students from Illinois, along with nearly 1,500 contest winners from other states, will have an opportunity to witness their federal government in action during the "Youth to Washington" tour taking place on June 9 – 16, 2006; and
- WHEREAS, in an effort to provide a broader educational experience for students throughout the state, the Electric and Telephone Cooperatives of Illinois will also sponsor a trip to our state capitol April 5, 2006 for 250 contest finalists; and
- WHEREAS, these hard-working young men and women are the future of our state and country, and deserve to be commended for their achievements and their desire to learn more about their nation's governing bodies:

THEREFORE, I, Rod R. Blagojevich, Governor of the State of Illinois, do hereby proclaim April 5, 2006 as **ILLINOIS ELECTRIC AND TELEPHONE COOPERATIVES YOUTH DAY** in Illinois, and encourage all citizens to support youth programs that assist those interested in learning about the United States government.

Issued by the Governor on March 28, 2006.

Filed by the Secretary of State March 28, 2006.

2006-98**NATIONAL DAY OF PRAYER**

- WHEREAS, in times of peril both at home and abroad, many American citizens turn to prayer for help and guidance; and
- WHEREAS, millions of men and women across the nation gratefully continue the tradition of prayer in churches, synagogues, temples, mosques, and other houses of worship across our country; and
- WHEREAS, established in 1952 by an act of Congress, the National Day of Prayer is now observed nationally every year on the first Thursday in May; and

PROCLAMATIONS

WHEREAS, the National Day of Prayer is a celebration of American citizens' freedom of religion, set forth in the First Amendment. Americans treasure their religious freedom, which embraces the many diverse communities of faith that have infused our society and our cultural heritage over more than two centuries; and

WHEREAS, the theme for the National Day of Prayer 2006 is America, Honor God, inspired by the passage found in I Samuel 2:30: "Those who honor me I will honor":

THEREFORE, I, Rod R. Blagojevich, Governor of the State of Illinois, do hereby proclaim May 4, 2006 as **NATIONAL DAY OF PRAYER** in Illinois.

Issued by the Governor on March 28, 2006.

Filed by the Secretary of State March 28, 2006.

2006-99**PUBLIC SERVICE RECOGNITION WEEK**

WHEREAS, Americans are served every single day by public servants at the federal, state, county and city levels. These unsung heroes do the work that keeps our nation functioning; and

WHEREAS, many public servants, including military personnel, police officers, firefighters, border patrol officers, embassy employees, health care professionals and others, risk their lives each day in service to the people of the United States; and

WHEREAS, public servants include teachers, mail carriers, doctors and scientists, train conductors and astronauts, nurses and safety inspectors, laborers, computer technicians and social workers, and many other occupations. Day in and day out, they provide the diverse services demanded by the American people of their government with efficiency and integrity; and

WHEREAS, for more than 20 years, the Public Employees Roundtable at the Council for Excellence in Government (a national, nonpartisan/nonprofit organization) has sought to highlight the accomplishments of the dedicated people who work tirelessly on behalf of all Americans; and

WHEREAS, without these public servants at every level, continuity would be impossible in a democracy that regularly changes its leaders and elected officials:

THEREFORE, I, Rod R. Blagojevich, Governor of the State of Illinois, do hereby proclaim May 1-7, 2006 as **PUBLIC SERVICE RECOGNITION WEEK** in Illinois, and encourage all

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citizens to recognize the accomplishments and contributions of government employees at all levels – federal, state, county and municipal – to our great State.

Issued by the Governor on March 28, 2006.

Filed by the Secretary of State March 28, 2006.

2006-100
PUBLIC HEALTH WEEK

- WHEREAS, across the country, the modern built environment – our buildings, roads, sidewalks and neighborhood design – adversely affects the health and safety of our children; and
- WHEREAS, April 3 – 9, 2006 has been designated as National Public Health Week by the American Public Health Association and other distinguished state and national organizations; and
- WHEREAS, this year's theme for Public Health Week is Designing Healthy Communities: Raising Healthy Kids!; and
- WHEREAS, all observances during National Public Health Week will be used to promote a healthy built environment and balanced solutions to create healthier communities and healthier kids; and
- WHEREAS, the observation is a cooperative effort of state and local health departments, academic institutions, allied organizations, community groups, and professional and trade associations which have joined together to promote a common interest in public health; and
- WHEREAS, communities are encouraged to assess the status of the built environment and children's health, identify areas for improvement and implement model programs; and
- WHEREAS, other public health initiatives in Illinois include the FamilyCare, KidCare and All Kids programs, which provide health care coverage and insurance for working families and children. These programs are helping to make sure all children are able to receive medical care when they need it; and
- WHEREAS, the Illinois Public Health Association is a voluntary professional society whose members strive to improve the health of Illinois residents through leadership in and advancement of the practice of public health:

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THEREFORE, I, Rod R. Blagojevich, Governor of the State of Illinois, do hereby proclaim April 3 – 9, 2006 as **PUBLIC HEALTH WEEK** in Illinois, and encourage all citizens to take part in the events planned for this observance.

Issued by the Governor on March 28, 2006.

Filed by the Secretary of State March 28, 2006.

2006-101**FEDERATION OF WOMEN CONTRACTORS DAY**

WHEREAS, there has been a continuous struggle in our society for women to receive the same rights as their male counterparts. Equally as pervasive is their struggle for equality in the workplace; and

WHEREAS, males continue to have a seat at the decision-making table, especially in fields historically dominated by men, such as the construction industry; and

WHEREAS, the Federation of Women Contractors (FWC), created in 1989, is "committed to the advancement of entrepreneurial women in the construction industry;" and

WHEREAS, through educational, social and professional efforts, FWC provides an arena for its more than 100 members to have a voice; and

WHEREAS the breadth of their message reaches far beyond the FWC membership, joining in alliance with other associations in the industry and other professional women's organizations to make a difference:

THEREFORE, I, Rod R. Blagojevich, Governor of the State of Illinois, do hereby proclaim May 18, 2006 as **FEDERATION OF WOMEN CONTRACTORS DAY** in Illinois, and join FWC in celebration of their 17th Anniversary and 14th Annual Awards Reception.

Issued by the Governor on March 28, 2006.

Filed by the Secretary of State March 28, 2006.

2006-102**NATIONAL CANCER REGISTRARS WEEK**

WHEREAS, chartered in May 1974, the National Cancer Registrars Association (NCRA) is a non-profit organization that represents more than 4,000 cancer registry professionals and Certified Tumor Registrars. The mission of NCRA is to promote education, credentialing, and advocacy for cancer registry professionals; and

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WHEREAS, cancer registrars are healthcare professionals and data management experts that capture a complete summary of patient history, diagnosis, treatment, and status for every cancer patient in the United States, and other countries as well. This data is fundamental to the nation's cancer prevention and treatment efforts; and

WHEREAS, cancer registrars advocate at state and local levels on issues related to cancer surveillance and privacy of patient medical records. This year's theme is "Cancer Registrars...Advocates in Action," and was chosen to acknowledge the growing impact cancer registrars make in the nation's response to public health challenges; and

WHEREAS, researchers working on epidemiological studies and public health officials developing cancer prevention programs use data collected by cancer registrars. Local and state data is also submitted to the National Cancer Database, a nationwide oncology outcomes database maintained by the American College of Surgeons that provides the basis for many patterns of care studies; and

WHEREAS, during the week of April 3-7, 2006, Cancer Registrars will be honored by observing National Cancer Registrars Week. This annual observance, organized by the National Cancer Registrars Association, honors their members and Cancer Registry professionals whose vision and core values are set in making a difference in the "war on cancer":

THEREFORE, I, Rod R. Blagojevich, Governor of the State of Illinois, do hereby proclaim April 3-7, 2006 as **NATIONAL CANCER REGISTRARS WEEK** in Illinois, and encourage all citizens to recognize these healthcare professionals for their tireless work in the fight against cancer.

Issued by the Governor on March 28, 2006.

Filed by the Secretary of State March 28, 2006.

2006-103**CENTER ON HALSTED DAY**

WHEREAS, this is the 17th year of the Human First gala celebration; and

WHEREAS, Center on Halsted will be a multi-purpose, multi-functional facility for the lesbian, gay, bisexual, and transgender (LGBT) community of Chicago and the Midwest; and

PROCLAMATIONS

WHEREAS, all the historical perspective of a successful 33-year-old social services agency (Horizons Community Services) is being brought to bear as the Center benefits the organization's focus in three main areas: youth, mental health, and community programming; and

WHEREAS, in a safe and nurturing environment, Center on Halsted will serve as a catalyst that links and provides community resources and enriches life experiences; and

WHEREAS, the Center will empower individuals to live full, healthy, and integrated lives, and will help to strengthen the community by respecting all differences, celebrating diversity, and fostering collaborative responses to community needs; and

WHEREAS, the life-saving dream of the Center on Halsted is being realized through the generosity of the City, the community, and the neighborhood:

THEREFORE, I, Rod R. Blagojevich, Governor of the State of Illinois, do hereby proclaim April 8, 2006, as **CENTER ON HALSTED DAY** in Illinois, and encourage citizens to join in recognizing the terrific efforts that the Center on Halsted puts forth in service to the LGBT community of Chicago and the Midwest.

Issued by the Governor on March 28, 2006.

Filed by the Secretary of State March 28, 2006.

2006-104**TELECOMMUNICATIONS WEEK**

WHEREAS, public safety telecommunicators, specialists in operating state-of-the-art radio and computer systems, are a cornerstone of the public safety community; and

WHEREAS, using state-of-the-art radio and computer systems, telecommunications professionals help to save countless lives by responding to emergency 9-1-1 calls, dispatching emergency professionals and equipment, and providing moral support to citizens in distress; and

WHEREAS, telecommunications professionals display poise under pressure, use critical decision making skills, and offer aid and compassion in times of crisis; and

WHEREAS, these dedicated men and women effectively and efficiently perform their duties to help ensure the safety and protection of life, property, and individual rights of all people in Illinois; and

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WHEREAS, one of the most important duties of telecommunications professionals is operation of the Illinois Amber Alert System, which allows storm warnings, abduction cases, and any other emergency messages to be immediately distributed to broadcasters, and in turn, to all citizens of Illinois:

THEREFORE, I, Rod R. Blagojevich, Governor of the State of Illinois, do hereby proclaim April 9-15, 2006 as **TELECOMMUNICATIONS WEEK** in Illinois, in recognition of the vital contributions telecommunication professionals make to the safety and well-being of our citizens.

Issued by the Governor on March 28, 2006.

Filed by the Secretary of State March 28, 2006.

2006-105
ASPCA DAY

WHEREAS, the American Society for the Prevention of Cruelty to Animals (ASPCA) has provided service to millions of people and their animals since its establishment in 1866 by Henry Bergh; and

WHEREAS, the ASPCA was the first humane society established in the Western Hemisphere; and

WHEREAS, compassion, kindness, and respect for all God's creatures are among the character-building virtues taught to children by the ASPCA; and

WHEREAS, through its promotion of humane animal treatment with programs on law enforcement, education, shelter outreach, poison control, government affairs, counseling, veterinary services, and behavioral training, the ASPCA has provided invaluable services to the people of the State of Illinois and their animals; and

WHEREAS, the dedicated veterinarians, directors, and staff of the ASPCA Animal Poison Control Center offer life-saving advice and services for animals all over the United States via its hotline from its office in Urbana, Illinois 24 hours per day, 7 days per week, 365 days per year; and

WHEREAS, the ASPCA Animal poison Control Center provides extensive veterinary toxicology expert consulting on a wide array of subjects including legal cases, formulation issues, product liability and regulatory reporting and has been doing so since its doors opened in 1978; and

WHEREAS, April 10, 2006 is the 140th Anniversary of the founding of ASPCA:

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THEREFORE, I, Rod R. Blagojevich, Governor of the State of Illinois, hereby proclaim April 10, 2006 as **ASPCA DAY** in Illinois in recognition of its honorable service to people and their animals for 140 years.

Issued by the Governor on March 28, 2006.

Filed by the Secretary of State March 28, 2006.

2006-106**ANGE MILNER DAY**

WHEREAS, Illinois State University celebrates the 150th birth date of its first librarian, Angeline Vernon Milner (Ange) on April 10, 2006; and

WHEREAS, born on April 9, 1856, Illinois State Normal University's (ISNU) first librarian served from 1890-1928. Through Ange Milner's tireless work in cataloging and classification, extending more than 37 years, she transformed several thousand books into a systematically arranged collection totaling more than 40,000; and

WHEREAS, Ange Milner was active in the American Library Association, the National Education Association, and was a founder of the Illinois Library Association, for which she served as vice president and president; and

WHEREAS, Ange Milner was legendary for her service and devotion to library users - she initiated library instruction at ISNU and was recognized and emulated nationally. Her legacy continues today in the strong emphasis placed on library instruction and the use of library resources within the curriculum. She was also a prolific author of more than 70 articles and short monographs in library and educational journals; and

WHEREAS, on April 10, 2006, the faculty and staff of Milner Library will honor Ange Milner who passed away on January 13, 1928, by placing a monument on her grave:

THEREFORE, I, Rod R. Blagojevich, Governor of the State of Illinois, do hereby proclaim April 10, 2006 as **ANGE MILNER DAY** in Illinois, and honor Illinois State University's first librarian for her remarkable, dedicated service.

Issued by the Governor on March 31, 2006.

Filed by the Secretary of State March 31, 2006.

2006-107**PASTOR THOMAS H. CROSS, SR. DAY**

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- WHEREAS, born in Gadsden, Alabama on February 2, 1936, Pastor Thomas H. Cross was born in a hospital that his grandfather not only owned, but also worked as a surgeon; and
- WHEREAS, in 1957, Pastor Cross obtained a Bachelor of Arts at Birmingham Southern College, graduated Vanderbilt University Divinity School in 1961, and received a Masters in Counseling at Northern Illinois University in 1977; and
- WHEREAS, after moving to Illinois on June 18, 1966, Pastor Cross served at his first church in Chicago in the West Pullman neighborhood; and
- WHEREAS, for 45 years, Pastor Thomas H. Cross has served the United Methodist Church, which has the slogan of "Open Hearts, Open Minds, Open Doors"; and
- WHEREAS, Pastor Cross founded a lectionary study group of fellow pastors who strove for theological integrity in their preaching; and
- WHEREAS, Pastor Cross initiated endowment funds to support church ministries, as well as provide a push to institute viable stewardship programs. Additionally, over the years he has written 540 Pastor's columns for various church newsletters; and
- WHEREAS, on May 19, 2006, as Pastor Thomas H. Cross, Sr. is honored for his accomplishments and contributions to the community, I am proud to recognize his exemplary service to the State of Illinois and to the First United Methodist Church of Elmhurst, Illinois for over 45 years, and I join his family and friends in commemorating this special day:
- THEREFORE, I, Rod R. Blagojevich, Governor of the State of Illinois, do hereby proclaim May 19, 2006 as **PASTOR THOMAS H. CROSS, SR. DAY** in Illinois.

Issued by the Governor on March 31, 2006.

Filed by the Secretary of State March 31, 2006.

2006-108**NATIONAL ENVIRONMENTAL EDUCATION WEEK**

- WHEREAS, environmental education bolsters core environmental literacy in our k-12 students by featuring actual grade-appropriate "e-literacy" goals and content standards. It also encourages schools to partner with local museums, nature centers, zoos, science centers, aquariums, and local parks; and

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WHEREAS, National Environmental Education Week, created as a full week of educational preparation for Earth day, involves many k-12 classrooms, university campuses, and informal settings such as nature centers, zoos, aquariums, and museums; and

WHEREAS, collaborative efforts will increase the amount of environmental education taking place in America's classrooms prior to Earth Day, while drawing educator attention to the larger opportunities and value of environmental education for both education and environmental stewardship; and

WHEREAS, also during this week, the professional environmental education community will have an opportunity to annually feature its accomplishments with the nation's educational leaders; and

WHEREAS, National Environmental Education Week, coordinated by the National Environmental Education & Training Foundation in cooperation with hundreds of outstanding environmental education organizations, education associations, and agencies, will become an annually anticipated event for local participation in schools and various education centers in this state:

THEREFORE, I, Rod R. Blagojevich, Governor of the State of Illinois, do hereby proclaim April 16 - 22, 2006 as **NATIONAL ENVIRONMENTAL EDUCATION WEEK** in Illinois, and encourage all citizens to recognize the importance of our environment by participating in the week's festivities in preparation for Earth Day 2006.

Issued by the Governor on March 31, 2006.

Filed by the Secretary of State March 31, 2006.

2006-109**PLAYGROUND SAFETY WEEK**

WHEREAS, the safety and well being of children is a priority of this state; and

WHEREAS, more than 200,000 children are injured on playgrounds in the United States each year, equaling an average of one playground-related emergency room visit every two-and-one-half minutes; and

WHEREAS, the National Program for Playground Safety was created at the University of Northern Iowa to help inform the nation about playground injuries, and possible ways to reduce them; and

WHEREAS, the National Program for Playground Safety has identified key areas that could help substantially reduce the number of playground injuries and keep our children

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SAFE – providing: proper Supervision, Age appropriate equipment, materials to soften Falls to the surface, and Equipment maintenance; and

WHEREAS, spring is often a time that children head to the playground; as a result, a large percentage of playground injuries occur in the months of April through June; and

WHEREAS, it is essential that we take the time to inspect, repair, and sustain the many playgrounds that provide our children with much needed exercise and enjoyment; and

WHEREAS, the State of Illinois is committed to the notion that no child should play on an unsafe playground:

THEREFORE, I, Rod R. Blagojevich, Governor of the State of Illinois, do hereby proclaim April 24 – 28, 2006 as **PLAYGROUND SAFETY WEEK** in Illinois, and encourage all citizens to help to keep our children safe on community playgrounds.

Issued by the Governor on March 31, 2006.

Filed by the Secretary of State March 31, 2006.

2006-110**HEALTH CARE WORKERS DAY**

WHEREAS, the health and well-being of our citizens is a major concern of Illinois health care professionals; and

WHEREAS, the Chicago area is recognized as a preeminent medical resource and its commitment to the community is evident in its health care organizations; and

WHEREAS, a health care team, as a vital component in the provision of modern health care, consists of nurses, allied health professionals, support staff, financial services personnel, administrative staff, physicians and volunteers, and each of those individuals serve a vital role in the success of the team as a whole; and

WHEREAS, health care employees make much-needed contributions in every health care facility and help increase the greater Chicagoland area's reputation for health care excellence; and

WHEREAS, the 140 hospitals and health care organizations that are members of the Metropolitan Chicago Healthcare Council honor health care workers for their many contributions to the health and well-being of the people in their communities:

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THEREFORE, I, Rod R. Blagojevich, Governor of the State of Illinois, do hereby proclaim May 12, 2006 as **HEALTH CARE WORKERS DAY** in Illinois, and urge all citizens to recognize all the devoted health care workers in this state.

Issued by the Governor on March 31, 2006.

Filed by the Secretary of State March 31, 2006.

2006-111**NATIONAL LIBRARY WORKERS DAY**

WHEREAS, there are thousands of public, academic, school, governmental, and specialized libraries in the United States and they provide excellent and invaluable service to library users regardless of age, ethnicity, or socioeconomic background; and

WHEREAS, libraries provide millions of people with the knowledge and information they need to live, learn and work in the 21st Century; and

WHEREAS, librarians and library support staff bring the nation a world of knowledge in person and online, as well as personal service and expert assistance in finding what is needed when it is needed; and

WHEREAS, it is important to recognize the unique contributions of all library workers and the value of those contributions to individuals and to society as a whole; and

WHEREAS, a steady stream of recruits to library work is necessary to maintain the vitality of library services in today's information society; and

WHEREAS, librarians and other library workers must be brought to the table at public policy discussions on key issues, such as intellectual freedom, equity of access, and narrowing the digital divide; and

WHEREAS, the funding of libraries and salaries for library workers must be increased to attract more talented people to work in our nation's libraries and to ensure that these vital services are delivered each day; and

WHEREAS, libraries, library workers, and library supporters across America are celebrating National Library Workers Day sponsored by the American Library Association-Allied Professional Association (ALA-APA):

THEREFORE, I, Rod R. Blagojevich, Governor of the State of Illinois, do hereby proclaim April 4, 2006 as **NATIONAL LIBRARY WORKERS DAY** in Illinois, and encourage all citizens to

PROCLAMATIONS

take advantage of the variety of library resources available and to thank library workers for their exceptional contributions to American life.

Issued by the Governor on March 31, 2006.

Filed by the Secretary of State March 31, 2006.

ILLINOIS ADMINISTRATIVE CODE

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