

2002

# ILLINOIS

## REGISTER RULES OF GOVERNMENTAL AGENCIES



**Volume 26, Issue 42**  
**October 18, 2002**  
**Pages 14,929 – 15,153**

Index Department  
Administrative Code Div.  
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Springfield, IL 62756  
(217) 782-7017  
<http://www.cyberdriveillinois.com>

 Printed on recycled paper

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Issue 15 - April 11, 2003: Data through March 31, 2003 (1<sup>st</sup> Quarter)  
Issue 28 - July 11, 2003: Data through June 30, 2003 (2nd Quarter)  
Issue 41 - October 10, 2003: Data through September 29, 2003 (3rd Quarter)  
Issue 2 - January 9, 2004: Data through December 29, 2003 (Annual)

## INTRODUCTION

The Illinois Register is the official state document for publishing public notice of rulemaking activity initiated by State governmental agencies. The table of contents is arranged categorically by rulemaking activity and alphabetically by agency within each category. The Register will also contain the Cumulative Index and Sections Affected Indices will be printed on a quarterly basis. The printing schedule for the quarterly and annual indexes are the end of March, June, Sept, Dec.

Rulemaking activity consist of proposed or adopted new rules; amendments to or repealers of existing rules; and rules promulgated by emergency or peremptory action. Executive Orders and Proclamations issued by the Governor; notices of public information required by State statute; and activities (meeting agendas, Statements of Objection or Recommendation, etc.) of the Joint Committee on Administrative Rules (JCAR), a legislative oversight committee which monitors the rulemaking activities of State agencies; is also published in the Register.

The Register is a weekly update the Illinois Administrative code (a compilation of the rules adopted by State agencies). The most recent edition of the Code along with the Register comprise the most current accounting of State agencies'

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## 2002 REGISTER SCHEDULE VOLUME # 26

Issue#	Copy Due by 4:30 pm	Publication Date	Issue#	Copy Due by 4:30 pm	Publication Date
Issue 1	December 26, 2001	January 04, 2002	Issue 38	September 09, 2002	September 20, 2002
Issue 2	January 01, 2002	January 11, 2002	Issue 39	September 16, 2002	September 27, 2002
Issue 3	January 07, 2002	January 18, 2002	Issue 40	September 23, 2002	October 04, 2002
Issue 4	January 14, 2002	January 25, 2002	Issue 41	September 30, 2002	October 11, 2002
Issue 5	January 22, 2002	February 01, 2002	Issue 42	October 07, 2002	October 18, 2002
Issue 6	January 28, 2002	February 08, 2002	Issue 43	October 14, 2002	October 25, 2002
Issue 7	February 04, 2002	February 15, 2002	Issue 44	October 21, 2002	November 01, 2002
Issue 8	February 11, 2002	February 22, 2002	Issue 45	October 28, 2002	November 08, 2002
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Issue 10	February 25, 2002	March 08, 2002	Issue 47	November 12, 2002	November 25, 2002
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Issue 27	June 24, 2002	July 05, 2002			
Issue 28	July 01, 2002	July 12, 2002			
Issue 29	July 08, 2002	July 19, 2002			
Issue 30	July 15, 2002	July 26, 2002			
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Issue 32	July 29, 2002	August 09, 2002			
Issue 33	August 05, 2002	August 16, 2002			
Issue 34	August 12, 2002	August 23, 2002			
Issue 35	August 19, 2002	August 30, 2002			
Issue 36	August 26, 2002	September 06, 2002			
Issue 37	September 02, 2002	September 13, 2002			

Printed by authority of the State of Illinois

July 2001 - 675 - GA - 82

## DEPARTMENT OF EMPLOYMENT SECURITY

## NOTICE OF PROPOSED AMENDMENTS

- 1) Heading of the Part: Determination Of Unemployment Contributions
- 2) Code Citation: 56 Ill. Adm. Code 2770
- 3) 

<u>Section Numbers:</u>	<u>Proposed Action:</u>
2770.100	Amend
2770.101	New Section
2770.105	Amend
2770.106	New Section
2770.110	Amend
2770.111	New Section
- 4) Statutory Authority: 820 ILCS 405/1500, 1501, 1503, 1506.1, 1506.2, 1506.3, 1508.1, 1700 and 1701.
- 5) A Complete Description of the Subjects and Issues Involved: The proposed amendments to Part 2770 announce the 2003 contribution rates for newly liable employers by classification within the North American Industry Classification System (NAICS). The NAICS replaces the outdated Standard Industrial Classification and several new Sections are added to accommodate this System. In keeping with our commitment to the Joint Committee on Administrative Rules, we are also repealing the subsection with the rates for 1997 as it is no longer needed.
- 6) Will these proposed amendments replace an emergency amendments currently in effect?  
No
- 7) Does this rulemaking contain an automatic repeal date? No
- 8) Does this Rule making contain incorporations by reference? Yes
- 9) Are there any other proposed amendments pending on this Part? No
- 10) Statement of Statewide Policy Objective? This rulemaking does 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:

Gregory J. Ramel, Deputy Legal Counsel  
Illinois Department of Employment Security

## DEPARTMENT OF EMPLOYMENT SECURITY

## NOTICE OF PROPOSED AMENDMENTS

401 South State Street – 7th Floor South  
Chicago IL 60605  
312-793-4240

The Department requests the submission of written comments within 45 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].

This proposed amendment may have an impact on small businesses and not for profit corporations as defined in Sections 1-75 and 1-85 of the Illinois Administrative Procedure Act [5 ILCS 100/1-75 and 1-85]. These entities may submit comments in writing to the Department at the above address in accordance with the regulatory flexibility provisions in Section 5-30 of the Illinois Administrative Procedure Act [5 ILCS 100/5-30]. These entities shall indicate their status as a small business or not-for-profit corporation as part of any written comments submitted to the Department.

12) Initial Regulatory Flexibility Analysis:

Types of small business, small municipalities and not for profit corporations affected:  
The proposed rules affect all businesses equally.

Reporting, bookkeeping or other procedures required for compliance: None

Types of professional skills necessary for compliance: None

13) Regulatory Agenda on which this rulemaking was summarized: This rulemaking was not included on an agenda because: it was not clear until recently that 2003 rates needed to be based on NAICS.

The full text of the proposed amendments begins on the next page:

## DEPARTMENT OF EMPLOYMENT SECURITY

## NOTICE OF PROPOSED AMENDMENTS

TITLE 56: LABOR AND EMPLOYMENT  
CHAPTER IV: DEPARTMENT OF EMPLOYMENT SECURITY  
SUBCHAPTER c: RIGHTS AND DUTIES OF EMPLOYERSPART 2770  
DETERMINATION OF UNEMPLOYMENT CONTRIBUTIONSSUBPART A: ~~STANDARD~~-INDUSTRIAL CLASSIFICATIONS CLASSIFICATION

## Section

2770.100	<u>Pre 2003</u> Industrial Classification
<u>2770.101</u>	<u>Post 2002 Industrial Classification</u>
2770.105	<u>Pre 2003</u> Contribution Rate For Non Experience-Rated Employers
<u>2770.106</u>	<u>Post 2002 Contribution Rate For Non Experience-Rated Employers</u>
2770.110	Average Contribution Rates By Standard Industrial Classification (SIC) Codes
<u>2770.111</u>	<u>Average Contribution Rates By North American Industry Classification System (NAICS) Assignment</u>

## SUBPART B: ALTERNATIVE BENEFIT WAGE RATIO (Repealed)

## Section

2770.150	Eligibility To Elect The Alternative Benefit Wage Ratio (Repealed)
2770.155	Approval Of Election Of The Alternative Benefit Wage Ratio (Repealed)
2770.160	Adjustment Of The Benefit Wage Charges And The Determination Of The Alternative Benefit Wage Ratio (Repealed)
2770.165	Revocation Of Election Of Alternative Benefit Wage Ratio (Repealed)
2770.170	Appeals (Repealed)

SUBPART C: TRANSFER OF BENEFIT WAGES FROM BASE PERIOD TO  
SUBSEQUENT EMPLOYER (Repealed)

## Section

2770.400	Definitions (Repealed)
2770.405	Application of Base Period Wages (Repealed)
2770.410	Restriction On Benefit Wage Transfers Section (Repealed)
2770.415	Benefit Wage Transfer Procedural Requirements (Repealed)
2770.420	Petition For Hearing (Repealed)

## SUBPART D: BENEFIT WAGE CANCELLATIONS

## DEPARTMENT OF EMPLOYMENT SECURITY

## NOTICE OF PROPOSED AMENDMENTS

## Section

2770.501 Effective Date Of Benefit Wage Cancellations Pursuant To Section 1508.1 Of The Act

## TABLE A General SIC Classifications

AUTHORITY: Implementing and authorized by Sections 1500, 1501, 1503, 1506.1, 1506.2, 1506.3, 1508.1, 1700 and 1701 of the Unemployment Insurance Act [820 ILCS 405/1500, 1501, 1503, 1506.1, 1506.2, 1506.3, 1508.1, 1700 and 1701].

SOURCE: Emergency rules adopted as 56 Ill. Adm. Code 600: Subpart C at 8 Ill. Reg. 550, effective January 1, 1984, for a maximum of 150 days; adopted at 8 Ill. Reg. 8208, effective May 30, 1984; recodified from 56 Ill. Adm. Code 600: Subpart C at 8 Ill. Reg. 15030; emergency amendments at 8 Ill. Reg. 15088, effective August 8, 1984, for a maximum of 150 days; emergency amendments at 8 Ill. Reg. 22139, effective October 26, 1984, for a maximum of 150 days; amended at 8 Ill. Reg. 24117, effective November 30, 1984; amended at 9 Ill. Reg. 4507, effective March 25, 1985; amended at 10 Ill. Reg. 6935, effective April 14, 1986; amended at 10 Ill. Reg. 21683, effective December 15, 1986; amended at 11 Ill. Reg. 9878, effective May 11, 1987; emergency amendments at 12 Ill. Reg. 210, effective January 1, 1988, for a maximum of 150 days; expired May 30, 1988; amended at 12 Ill. Reg. 11213, effective June 20, 1988; amended at 12 Ill. Reg. 12473, effective July 15, 1988; amended at 12 Ill. Reg. 18143, effective October 27, 1988; amended at 12 Ill. Reg. 20477, effective November 28, 1988; amended at 13 Ill. Reg. 11507, effective June 29, 1989; amended at 14 Ill. Reg. 2038, effective January 19, 1990; amended at 14 Ill. Reg. 18280, effective October 30, 1990; amended at 15 Ill. Reg. 172, effective December 28, 1990; amended at 15 Ill. Reg. 8553, effective May 24, 1991; amended at 16 Ill. Reg. 118, effective December 20, 1991; amended at 17 Ill. Reg. 295, effective December 28, 1992; amended at 18 Ill. Reg. 250, effective January 1, 1994; amended at 18 Ill. Reg. 17473, effective January 1, 1995; amended at 20 Ill. Reg. 350, effective January 1, 1996; amended at 21 Ill. Reg. 561, effective January 1, 1997; amended at 21 Ill. Reg. 15496, effective January 1, 1998; amended at 23 Ill. Reg. 155, effective January 1, 1999; amended at 23 Ill. Reg. 14299, effective January 1, 2000; amended at 24 Ill. Reg. 19125, effective January 1, 2001; amended at 26 Ill. Reg. 393, effective January 1, 2002; amended at 26 Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_.

SUBPART A: ~~STANDARD INDUSTRIAL CLASSIFICATIONS~~ CLASSIFICATION

Section 2770.100 Pre 2003 Industrial Classification

- a) Each employer subject to the Act shall be assigned an industrial classification number based on its primary activity.

## DEPARTMENT OF EMPLOYMENT SECURITY

## NOTICE OF PROPOSED AMENDMENTS

- 1) Each employer shall be assigned to a major Economic Division based on the first two digits of the industrial classification number:

Digits	Economic Division
01-09	A. Agriculture, Forestry, Fishing
10-14	B. Mining
15-17	C. Construction
20-39	D. Manufacturing
40-49	E. Transportation, Communication, Electric, Gas, Sanitary Services
50-51	F. Wholesale Trade
52-59	G. Retail Trade
60-67	H. Finance, Insurance, Real Estate
70-89	I. Services
91-97	J. Public Administration
99	K. Nonclassifiable Establishments

- 2) The methodology for the above classifications shall be based upon the Standard Industrial Classification Manual, U.S. Office of Management and Budget (1987), which shall be incorporated and adopted by reference.
- 3) The general classifications to be used shall be those set forth in Table A.
- b) Each employer not eligible for an experience rate and in an Economic Division where the mean average contribution rate for experience rated employers is greater than the rates set forth in Section 2770.105(a)(1) or (2) or (3), as applicable, shall be notified in writing of its industrial classification and rate of contribution.
- c) An industrial classification which is properly assigned pursuant to subsection (a)(2) at the beginning of each calendar year or the date of liability, whichever is later, shall be final and conclusive for rate determination purposes for that entire calendar year.
- d) This Section shall not apply with respect to the calculation of contribution rates for calendar year 2003 or any calendar year thereafter.

(Source: Amended at 26 Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)

**Section 2770.101 Post 2002 Industrial Classification**

- a) Each employer subject to the Act shall be assigned an industrial classification number based on its primary activity.

## DEPARTMENT OF EMPLOYMENT SECURITY

## NOTICE OF PROPOSED AMENDMENTS

- 1) Each employer shall be assigned to a major Economic Sector based on the first two digits of the industrial classification number:

<u>Digits</u>	<u>Economic Sector</u>
<u>11</u>	<u>Agriculture, Forestry, Fishing and Hunting</u>
<u>21</u>	<u>Mining</u>
<u>22</u>	<u>Utilities</u>
<u>23</u>	<u>Construction</u>
<u>31-33</u>	<u>Manufacturing</u>
<u>42</u>	<u>Wholesale Trade</u>
<u>44-45</u>	<u>Retail Trade</u>
<u>48-49</u>	<u>Transportation and Warehousing</u>
<u>51</u>	<u>Information</u>
<u>52</u>	<u>Finance and Insurance</u>
<u>53</u>	<u>Real Estate and Rental and Leasing</u>
<u>54</u>	<u>Professional, Scientific and Technical Services</u>
<u>55</u>	<u>Management of Companies and Enterprises</u>
<u>56</u>	<u>Administrative and Support and Waste Management</u>
<u>61</u>	<u>Educational Services</u>
<u>62</u>	<u>Health Care and Social Assistance</u>
<u>71</u>	<u>Arts, Entertainment and Recreation</u>
<u>72</u>	<u>Accommodation and Food Services</u>
<u>81</u>	<u>Other Services (except Public Administration)</u>
<u>92</u>	<u>Public Administration</u>
<u>99</u>	<u>Unclassified</u>

- 2) The methodology for the classifications in subsection (a)(1) shall be based upon the North American Industry Classification System Manual, U.S. Office of Management and Budget (2002), which shall be incorporated and adopted by reference.
- 3) The general classifications to be used shall be those set forth in the above cited Manual.
- b) Each employer not eligible for an experience rate and in an Economic Sector where the mean average contribution rate for experience rated employers is greater than the rates set forth in Section 2770.106(a)(1) or (2) or (3), as applicable, shall be notified in writing of its industrial classification and rate of contribution.
- c) An industrial classification that is properly assigned pursuant to subsection (a)(2) at the beginning of each calendar year or the date of liability, whichever is later,

## DEPARTMENT OF EMPLOYMENT SECURITY

## NOTICE OF PROPOSED AMENDMENTS

shall be final and conclusive for rate determination purposes for that entire calendar year.

- d) This Section shall apply with respect to the calculation of contribution rates for calendar year 2003 and each calendar year thereafter.

(Source: Added at 26 Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)

**Section 2770.105 Pre 2003 Contribution Rate For Non-Experience Rated Employers**

- a) For calendar ~~years year~~ 1989 ~~through 2002 and each year thereafter~~, the contribution rate under Section 1500(B) of the Act, for each employer who has not incurred liability for the payment of contributions within each of the three calendar years immediately preceding the calendar year for which a rate is being determined, shall be the greater of:
- 1) 2.7%, plus any applicable fund building rate, as imposed by Section 1506.3 of the Act (~~Ill. Rev. Stat. 1991, ch. 48, par. 576.3~~) [820 ILCS 405/1506.3]; or;
  - 2) 2.7%, multiplied by the adjusted ~~State state~~-experience factor, plus any applicable fund building rate, as imposed by Section 1506.3 of the Act; or;
  - 3) The employer's contribution rate calculated pursuant to Sections 1501 to 1507 of the Act (~~Ill. Rev. Stat. 1991, ch. 48, pars. 571 to 577~~) [820 ILCS 405/1501 to 1507], but only if this employer has had at least 13 consecutive months experience with the risk of unemployment by the June 30 preceding the calendar year for which a rate is being determined, plus any applicable fund building rate, as imposed by Section 1506.3 of the Act; or;
  - 4) The mean average contribution rate of all experience-rated employers within the specific Economic Division, plus any applicable fund building rate, as imposed by Section 1506.3 of the Act.
    - A) The mean average contribution rate for an Economic Division shall be determined by adding the rates of all experience-rated employers in that division and dividing ~~the such~~ sum by the number of ~~the such~~ employers. ~~The Such~~ rate computation shall be made for each of the applicable years as of July 31 of the preceding year. Any change in the industrial classification or the contribution rate of the experience-rated employers made after the date of computation shall not affect the established average rate for the Economic Division.
    - B) Experience-rated employers whose liability was terminated on or before July 31 of the calendar year used in the ~~above~~ computation

## DEPARTMENT OF EMPLOYMENT SECURITY

## NOTICE OF PROPOSED AMENDMENTS

- ~~in subsection (a)(4)(A), shall be included for computation purposes, unless prior to that such date, a successor has succeeded to the experience rating record of the such employer. In these such instances, only the successor rate shall be used.~~
- b) The mean average contribution rate for each Economic Division, determined pursuant to subsection (a)(4)(A) and (B), shall be announced annually by the Director, during the last quarter of the year preceding the applicable year.
- c) Appeals from any determinations under Section 2770.100 or 2770.105 shall be taken pursuant to and governed by Section 1509 of the Act.

(Source: Amended at 26 Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)

**Section 2770.106 Post 2002 Contribution Rate For Non-Experience Rated Employers**

- a) For calendar year 2003 and each calendar year thereafter, the contribution rate under Section 1500(B) of the Act, for each employer who has not incurred liability for the payment of contributions within each of the three calendar years immediately preceding the calendar year for which a rate is being determined, shall be the greater of:
- 1) 2.7%, plus any applicable fund building rate, as imposed by Section 1506.3 of the Act [820 ILCS 405/1506.3]; or
  - 2) 2.7%, multiplied by the adjusted State experience factor, plus any applicable fund building rate, as imposed by Section 1506.3 of the Act; or
  - 3) The employer's contribution rate calculated pursuant to Sections 1501 through 1507 of the Act [820 ILCS 405/1501 through 1507], but only if this employer has had at least 13 consecutive months experience with the risk of unemployment by the June 30 preceding the calendar year for which a rate is being determined, plus any applicable fund building rate, as imposed by Section 1506.3 of the Act; or
  - 4) The mean average contribution rate of all experience-rated employers within the specific Economic Sector, plus any applicable fund building rate, as imposed by Section 1506.3 of the Act.
    - A) The mean average contribution rate for an Economic Sector shall be determined by adding the rates of all experience-rated employers in that sector and dividing the sum by the number of the employers. The rate computation shall be made for each of the applicable years as of July 31 of the preceding year. Any change in the industrial classification or the contribution rate of the experience-rated employers made after the date of computation shall not affect the established average rate for the Economic Sector.

## DEPARTMENT OF EMPLOYMENT SECURITY

## NOTICE OF PROPOSED AMENDMENTS

- B) Experience-rated employers whose liability was terminated on or before July 31 of the calendar year used in the computation in subsection (a)(4)(A) shall be included for computation purposes, unless prior to such date, a successor has succeeded to the experience rating record of the employer. In these instances, only the successor rate shall be used.
- b) The mean average contribution rate for each Economic Sector, determined pursuant to subsection (a)(4)(A) and (B), shall be announced annually by the Director, during the last quarter of the year preceding the applicable year.
- c) Appeals from any determinations under Section 2770.101 or 2770.106 shall be taken pursuant to and governed by Section 1509 of the Act.

(Source: Added at 26 Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)

**Section 2770.110 Average Contribution Rates By Standard Industrial Classification (SIC) Codes**

- ~~a) The average contribution rate for each Economic Division, excluding the fund building rate as set forth in Section 1506.3 of the Act, for calendar year 1997, as determined by the application of Section 2770.105(a)(4) of this Part, shall be:~~

Digits	Economic Division	Rate
<del>01-09</del>	<del>A. Agriculture, Forestry, Fishing</del>	<del>3.2%</del>
<del>10-14</del>	<del>B. Mining</del>	<del>3.6%</del>
<del>15-17</del>	<del>C. Construction</del>	<del>3.8%</del>
<del>20-39</del>	<del>D. Manufacturing</del>	<del>1.9%</del>
<del>40-49</del>	<del>E. Transportation, Communication, Electric, Gas, Sanitary Services</del>	<del>1.9%</del>
<del>50-51</del>	<del>F. Wholesale Trade</del>	<del>1.5%</del>
<del>52-59</del>	<del>G. Retail Trade</del>	<del>1.2%</del>
<del>60-67</del>	<del>H. Finance, Insurance, Real Estate</del>	<del>1.2%</del>
<del>70-89</del>	<del>I. Services</del>	<del>1.2%</del>
<del>91-97</del>	<del>J. Public Administration</del>	<del>1.1%</del>

- ~~b) The average contribution rate for each Economic Division, excluding the fund building rate as set forth in Section 1506.3 of the Act, for calendar year 1998, as determined by the application of Section 2770.105(a)(4) of this Part, shall be:~~

Digits	Economic Division	Rate
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## DEPARTMENT OF EMPLOYMENT SECURITY

## NOTICE OF PROPOSED AMENDMENTS

01-09	A.	Agriculture, Forestry, Fishing	3.1%
10-14	B.	Mining	3.4%
15-17	C.	Construction	3.5%
20-39	D.	Manufacturing	1.9%
40-49	E.	Transportation, Communication, Electric, Gas, Sanitary Services	1.9%
50-51	F.	Wholesale Trade	1.5%
52-59	G.	Retail Trade	1.2%
60-67	H.	Finance, Insurance, Real Estate	1.2%
70-89	I.	Services	1.2%
91-97	J.	Public Administration	1.1%

be) The average contribution rate for each Economic Division, excluding the fund building rate as set forth in Section 1506.3 of the Act, for calendar year 1999, as determined by the application of Section 2770.105(a)(4) of this Part, shall be:

Digits		Economic Division	Rate
01-09	A.	Agriculture, Forestry, Fishing	3.0%
10-14	B.	Mining	3.2%
15-17	C.	Construction	3.3%
20-39	D.	Manufacturing	1.8%
40-49	E.	Transportation, Communication, Electric, Gas, Sanitary Services	1.8%
50-51	F.	Wholesale Trade	1.4%
52-59	G.	Retail Trade	1.1%
60-67	H.	Finance, Insurance, Real Estate	1.1%
70-89	I.	Services	1.1%
91-97	J.	Public Administration	1.0%

cd) The average contribution rate for each Economic Division, excluding the fund building rate as set forth in Section 1506.3 of the Act, for calendar year 2000, as determined by the application of Section 2770.105(a)(4) of this Part, shall be:

Digits		Economic Division	Rate
01-09	A.	Agriculture, Forestry, Fishing	3.0%
10-14	B.	Mining	3.1%
15-17	C.	Construction	3.2%

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20-39	D.	Manufacturing	1.8%
40-49	E.	Transportation, Communication, Electric, Gas, Sanitary Services	1.8%
50-51	F.	Wholesale Trade	1.3%
52-59	G.	Retail Trade	1.0%
60-67	H.	Finance, Insurance, Real Estate	1.0%
70-89	I.	Services	1.1%
91-97	J.	Public Administration	1.0%

de) The average contribution rate for each Economic Division, excluding the fund building rate as set forth in Section 1506.3 of the Act, for calendar year 2001, as determined by the application of Section 2770.105(a)(4) of this Part, shall be:

Digits		Economic Division	Rate
01-09	A.	Agriculture, Forestry, Fishing	2.8%
10-14	B.	Mining	3.2%
15-17	C.	Construction	3.0%
20-39	D.	Manufacturing	1.6%
40-49	E.	Transportation, Communication, Electric, Gas, Sanitary Services	1.6%
50-51	F.	Wholesale Trade	1.2%
52-59	G.	Retail Trade	0.9%
60-67	H.	Finance, Insurance, Real Estate	1.0%
70-89	I.	Services	1.0%
91-97	J.	Public Administration	0.9%

ef) The average contribution rate for each Economic Division, excluding the fund building rate as set forth in Section 1506.3 of the Act, for calendar year 2002, as determined by the application of Section 2770.105(a)(4) of this Part, shall be:

Digits		Economic Division	Rate
01-09	A.	Agriculture, Forestry, Fishing	2.7%
10-14	B.	Mining	3.1%
15-17	C.	Construction	2.8%
20-39	D.	Manufacturing	1.5%
40-49	E.	Transportation, Communication, Electric, Gas, Sanitary Services	1.5%
50-51	F.	Wholesale Trade	1.1%

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52-59	G.	Retail Trade	0.8%
60-67	H.	Finance, Insurance, Real Estate	0.9%
70-89	I.	Services	0.9%
91-97	J.	Public Administration	0.8%

(Source: Amended at 26 Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)

**Section 2770.111 Average Contribution Rates By North American Industry Classification System (NAICS) Assignment**

The average contribution rate for each Economic Sector in the North American Industry Classification System (NAICS), excluding the fund building rate as set forth in Section 1506.3 of the Act, for calendar year 2003, as determined by the application of Section 2770.106(a)(4) of this Part, shall be:

<u>Digits</u>	<u>Economic Sector</u>	<u>Rate</u>
<u>11</u>	<u>Agriculture, Forestry, Fishing and Hunting</u>	<u>1.5%</u>
<u>21</u>	<u>Mining</u>	<u>3.1%</u>
<u>22</u>	<u>Utilities</u>	<u>1.2%</u>
<u>23</u>	<u>Construction</u>	<u>2.7%</u>
<u>31-33</u>	<u>Manufacturing</u>	<u>1.7%</u>
<u>42</u>	<u>Wholesale Trade</u>	<u>1.3%</u>
<u>44-45</u>	<u>Retail Trade</u>	<u>1.0%</u>
<u>48-49</u>	<u>Transportation and Warehousing</u>	<u>1.8%</u>
<u>51</u>	<u>Information</u>	<u>1.3%</u>
<u>52</u>	<u>Finance and Insurance</u>	<u>0.9%</u>
<u>53</u>	<u>Real Estate and Rental and Leasing</u>	<u>1.0%</u>
<u>54</u>	<u>Professional, Scientific and Technical Services</u>	<u>1.0%</u>
<u>55</u>	<u>Management of Companies and Enterprises</u>	<u>1.3%</u>
<u>56</u>	<u>Administrative and Support and Waste Management</u>	<u>2.0%</u>

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<u>61</u>	<u>Educational Services</u>	<u>0.8%</u>
<u>62</u>	<u>Health Care and Social Assistance</u>	<u>0.7%</u>
<u>71</u>	<u>Arts, Entertainment and Recreation</u>	<u>1.5%</u>
<u>72</u>	<u>Accommodation and Food Services</u>	<u>0.8%</u>
<u>81</u>	<u>Other Services (except Public Administration)</u>	<u>0.9%</u>
<u>92</u>	<u>Public Administration</u>	<u>0.8%</u>
<u>99</u>	<u>Unclassified</u>	<u>1.1%</u>

(Source: Added at 26 Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)

## DEPARTMENT OF PUBLIC AID

## NOTICE OF PROPOSED AMENDMENTS

- 1) Heading of the Part: Medical Assistance Programs
- 2) Code Citation: 89 Ill. Adm. Code 120
- 3) 

<u>Section Numbers:</u>	<u>Proposed Action:</u>
120.32	New Section
120.60	Amendment
- 4) Statutory Authority: Section 12-13 of the Illinois Public Aid Code [305 ILCS 5/12-13], Public Act 92-600 and Public Act 92-597
- 5) Complete Description of the Subjects and Issues Involved: These proposed amendments establish eligibility standards for the KidCare Parent Coverage Waiver program that has been approved by the federal Department of Health and Human Services. Under this program, which is designed to assist families with obtaining coverage for necessary medical services, the income eligibility standard for a parent or another adult caretaker relative who is 19 years of age or older is being increased to 49 percent of the Federal Poverty Level. For families with children that meet the new income standard, the parent/caretaker relative will be eligible for coverage under the Department's Medical Assistance Program.

This waiver will also affect the Children's Health Insurance Program by allowing federal matching funds at 50 percent for KidCare Rebate. Currently, no federal match is provided to the State under KidCare Rebate.

Related amendments concerning the KidCare Parent Coverage Waiver are also being proposed at 89 Ill. Adm. Code 125 and 89 Ill. Adm. Code 140.

This new program will involve additional expenditures, but will also generate offsetting increases in federal reimbursement. To cover costs related to medical coverage for parents, the Department anticipates additional expenditures of \$15 million and \$32 million during federal fiscal years 2003 and 2004, respectively. Program costs are included in the State fiscal year 2003 budget plan.
- 6) Will these amendments replace any emergency amendments currently in effect? No
- 7) Does this rulemaking contain an automatic repeal date? No
- 8) Do these proposed amendments contain incorporations by reference? No

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- 9) Are there any other amendments pending on this Part? Yes

<u>Sections</u>	<u>Proposed Action</u>	<u>Illinois Register Citation</u>
120.20	Amendment	July 12, 2002 (26 Ill. Reg. 10241)
120.387	Amendment	April 5, 2002 (26 Ill. Reg. 5047)
120.520	Amendment	May 24, 2002 (26 Ill. Reg. 7635)

- 10) Statement of Statewide Policy Objective: These proposed amendments do 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  
Illinois Department of Public Aid  
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].

These proposed amendments may have an impact on small businesses, small municipalities, and not-for-profit corporations as defined in Sections 1-75, 1-80 and 1-85 of the Illinois Administrative Procedure Act [5 ILCS 100/1-75, 1-80, 1-85]. These entities may submit comments in writing to the Department at the above address in accordance with the regulatory flexibility provisions in Section 5-30 of the Illinois Administrative Procedure Act [5 ILCS 100/5-30]. These entities shall indicate their status as small businesses, small municipalities, or not-for-profit corporations as part of any written comments submitted to the Department.

- 12) Initial Regulatory Flexibility Analysis:

A) Types of small businesses, small municipalities and not-for-profit corporations affected: None

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- 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: July 2002

The full text of the proposed amendments is identical to the text of the emergency amendments that appears in this issue of the Register on page 15053:

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- 1) Heading of the Part: Children's Health Insurance Program
- 2) Code Citation: 89 Ill. Adm. Code 125
- 3) 

<u>Section Numbers</u> :	<u>Proposed Action</u> :
125.205	Amendment
125.245	Amendment
125.260	Amendment
- 4) Statutory Authority: Section 12-13 of the Illinois Public Aid Code [305 ILCS 5/12-13], Public Act 92-600 and Public Act 92-597
- 5) Complete Description of the Subjects and Issues Involved: These proposed amendments relate to companion amendments establishing the KidCare Parent Coverage Waiver which has been approved by the federal Department of Health and Human Services. Under this program, which is designed to assist families with obtaining coverage for necessary medical services, the income eligibility standard for a parent or another adult caretaker relative who is 19 years of age or older is being increased to 49 percent of the Federal Poverty Level. For families with parents or caretaker relatives that meet the new income standard, the parent/caretaker relative will be eligible for coverage under the Department's Medical Assistance Program.

The waiver will affect the Children's Health Insurance Program by allowing federal matching funds at 50 percent for KidCare Rebate. Currently, no federal match is provided to the State under KidCare Rebate. Specific proposed changes to Part 125 include:

- permitting families with incomes between 133 percent and 185 percent of the Federal Poverty Level with qualifying insurance to choose to receive either KidCare Rebate or KidCare Health Plan;
- the continuation of benefits during KidCare Rebate appeals if the family files a timely appeal; and
- eliminating the three-month period of non-eligibility when a family voluntarily drops its health insurance without good cause.

The Department is also proposing related amendments at 89 Ill. Adm. Code 120 and 89 Ill. Adm. Code 140.

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The new program will involve additional expenditures but will also generate offsetting increases in federal reimbursement. Program costs are included in the fiscal year 2003 budget.

- 6) Will these proposed amendments replace any emergency amendments currently in effect?  
No
- 7) Does this rulemaking contain an automatic repeal date? No
- 8) Do these proposed amendments contain incorporations by reference? No
- 9) Are there any other proposed amendments pending on this Part? No
- 10) Statement of Statewide Policy Objective: These proposed amendments do 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  
Illinois Department of Public Aid  
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].

These proposed amendments may have an impact on small businesses, small municipalities, and not-for-profit corporations as defined in Sections 1-75, 1-80 and 1-85 of the Illinois Administrative Procedure Act [5 ILCS 100/1-75, 1-80, 1-85]. These entities may submit comments in writing to the Department at the above address in accordance with the regulatory flexibility provisions in Section 5-30 of the Illinois Administrative Procedure Act [5 ILCS 100/5-30]. These entities shall indicate their status as small

## DEPARTMENT OF PUBLIC AID

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businesses, small municipalities, or not-for-profit corporations as part of any written comments submitted to the Department.

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: None
- C) Types of professional skills necessary for compliance: None

13) Regulatory Agenda on Which this Rulemaking Was Summarized: July 2002

The full text of the proposed amendments is identical to the text of the emergency amendments that appears in this issue of the *Illinois Register* on page 15069:

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- 1) Heading of the Part: Medical Payment
- 2) Code Citation: 89 Ill. Adm. Code 140
- 3) 

<u>Section Numbers:</u>	<u>Proposed Action:</u>
140.3	Amendment
140.21	Amendment
- 4) Statutory Authority: Section 12-13 of the Illinois Public Aid Code [305 ILCS 5/12-13], Public Act 92-600 and Public Act 92-597.
- 5) Complete Description of the Subjects and Issues Involved:

***Section 140.3***

These proposed amendments relate to the KidCare Parent Coverage Waiver program that has been approved by the federal Department of Health and Human Services. Under this program, which is designed to assist families with obtaining coverage for necessary medical services, the income eligibility standard for a parent or another adult caretaker relative who is 19 years of age or older is being increased to 49 percent of the Federal Poverty Level. The proposed amendments specify medical assistance coverage under this new waiver.

This waiver will also affect the Children's Health Insurance Program by allowing federal matching funds at 50 percent for KidCare Rebate. Currently, no federal match is provided to the State under KidCare Rebate.

Related proposed amendments concerning the KidCare Parent Coverage Waiver are also being filed at 89 Ill. Adm. Code 120 and 89 Ill. Adm. Code 125.

This new program will involve additional expenditures, but will also generate offsetting increases in federal reimbursement. To cover costs related to medical coverage for parents, the Department anticipates additional expenditures of \$15 million and \$32 million during federal fiscal years 2003 and 2004, respectively. Program costs are included in the State fiscal year 2003 budget plan.

***Section 140.21***

These proposed amendments pertain to Medicaid coverage for Qualified Medicare Beneficiaries (QMBs). The changes require pharmacies and providers of durable medical

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supplies to bill Medicare prior to billing the Department for certain drugs and supplies provided to Medicaid beneficiaries who are also enrolled in the federal Medicare program. Once Medicare has adjudicated the claim, any liability remaining for the Department, in the form of coinsurance and deductibles, will be reimbursed at the full Medicare allowable rate. Three groups of individuals will be affected by these changes, including QMB eligible medical assistance recipients, 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. These proposed changes are expected to result in an estimated annual savings of \$20 million.

Other proposed changes will affect the amount of reimbursement provided for services approved by Medicare, but not covered by Medicaid, that is paid to providers of medical services for QMBs. The Department will provide payment at 80 percent, rather than 100 percent, of the full Medicare allowable charge when determining the amount of deductible and coinsurance due to the provider. The Department anticipates that these changes will result in an annual savings of approximately \$158,200.

- 6) Will these proposed amendments replace emergency amendments currently in effect? Yes
- 7) Does this rulemaking contain an automatic repeal date? No
- 8) Do these proposed amendments 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>
140.13	Amendment	September 13, 2002 (26 Ill. Reg. 13450)
140.20	Amendment	March 15, 2002 (26 Ill. Reg. 3852)
140.21	Amendment	August 9, 2002 (26 Ill. Reg. 12126)
140.24	Amendment	September 13, 2002 (26 Ill. Reg. 13450)
140.71	Amendment	August 16, 2002 (26 Ill. Reg. 12545)
140.402	Amendment	July 19, 2002 (26 Ill. Reg. 11210)
140.405	New Section	May 24, 2002 (26 Ill. Reg. 7647)
140.445	Amendment	July 19, 2002 (26 Ill. Reg. 11210)
140.450	Amendment	June 7, 2002 (26 Ill. Reg. 8243)
140.481	Amendment	July 19, 2002 (26 Ill. Reg. 11210)
140.492	Amendment	July 19, 2002 (26 Ill. Reg. 11210)
140.493	Amendment	July 19, 2002 (26 Ill. Reg. 11210)
140.523	Amendment	July 19, 2002 (26 Ill. Reg. 10243)
140.530	Amendment	August 30, 2002 (26 Ill. Reg. 13026)

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140.860            New Section            September 6, 2002 (26 Ill. Reg. 13146)

- 10) Statement of Statewide Policy Objective: These proposed amendments do 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  
Illinois Department of Public Aid  
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].

These proposed amendments may have an impact on small businesses, small municipalities, and not-for-profit corporations as defined in Sections 1-75, 1-80 and 1-85 of the Illinois Administrative Procedure Act [5 ILCS 100/1-75, 1-80, 1-85]. These entities may submit comments in writing to the Department at the above address in accordance with the regulatory flexibility provisions in Section 5-30 of the Illinois Administrative Procedure Act [5 ILCS 100/5-30]. These entities shall indicate their status as small businesses, small municipalities, or not-for-profit corporations as part of any written comments submitted to the Department.

- 12) Initial Regulatory Flexibility Analysis:
- A) Types of small businesses, small municipalities and not-for-profit corporations affected: Pharmacies and providers of durable medical equipment and supplies will be affected by these proposed amendments.
- B) Reporting, bookkeeping or other procedures required for compliance: None
- C) Types of professional skills necessary for compliance: None

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- 13) Regulatory Agenda on Which this Rulemaking Was Summarized: January and July 2002

The full text of the proposed amendments is identical to the text of the emergency amendments that appears in this issue of the Register on page 15080:

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- 1) Heading of the Part: Cancellation, Revocation or Suspension of Licenses or Permits
- 2) Code Citation: 92 Ill. Adm. Code 1040
- 3) 

<u>Section Numbers</u>	<u>Proposed Action</u>
1040.32	Amendment
1040.109	New Section
- 4) Statutory Authority: Section 2-104(b) of the Illinois Vehicle Code [625 ILCS 5/2-104(b)], Articles II and VII of the Illinois Driver Licensing Law of the Illinois Vehicle Code [625 ILCS 5/Ch. 6, Arts. II and VII] and Chapters 13A and 13B of the Illinois Vehicle Code [625 ILCS 5/Ch. 13A and 13B].
- 5) A Complete Description of the Subjects and Issues Involved: The proposed rulemakings are pursuant to HB 5941 and HB 5240 which were passed into law effective January 1, 2003.
- 6) Will this proposed rulemaking replace an 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 amendments pending on this Part? No
- 10) Statement of Statewide Policy Objective: This rulemaking will have no impact on local governments. This action is in response to the finding of a report of the Auditor General.
- 11) Time, place and manner in which interested persons may comment on this proposed rulemaking: The Secretary of State will fully consider all comments received within 45 days of the date this notice is published. All comments must be in writing and should be sent to:

Pam Jones  
Administrator, Driver Responsibility Division  
Department of Driver Services  
2701 S. Dirksen Parkway  
Springfield IL 62723  
Tel: 217-785-2374

## SECRETARY OF STATE

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- 12) Initial Regulatory Flexibility Analysis:
- A) Types of small business, small municipalities and not for profit corporations affected: None
  - B) Reporting, bookkeeping, other procedures required for compliance: None
  - C) Types of professional skills necessary for compliance: None
- 13) State reasons for this rulemaking, if it was not included in either of the two most recent regulatory agendas. This rulemaking was not included on either of the 2 most recent regulatory agendas because: the agency did not anticipate the necessity of filing this rulemaking at the time the regulatory agenda was summarized.

The full text of the proposed amendments begins on the next page:

## SECRETARY OF STATE

## NOTICE OF PROPOSED AMENDMENTS

TITLE 92: TRANSPORTATION  
CHAPTER II: SECRETARY OF STATE

## PART 1040

## CANCELLATION, REVOCATION OR SUSPENSION OF LICENSES OR PERMITS

Section	
1040.10	Court to Forward Licenses and Reports of Convictions
1040.20	Illinois Offense Table
1040.25	Suspension or Revocation for Driving Without a Valid Driver's License
1040.29	2 or More Traffic Offenses Committed within 24 Months by a Person Under the Age of 21 Years
1040.30	3 or More Traffic Offenses Committed Within 12 Months
1040.31	Operating a Motor Vehicle During a Period of Suspension or Revocation
1040.32	Suspension or Revocation of Driver's Licenses, Permits or Identification Cards Used Fraudulently
1040.33	Suspension or Revocation of Driver's Licenses/Permits for Fictitious or Unlawfully Altered Person-with-Disabilities License Plate or Parking Decal or Device or Fraudulent Person-with-Disabilities License Plate or Parking Decal or Device
1040.35	Commission of an Offense Requiring Mandatory Revocation or Discretionary Suspension or Revocation Upon Conviction
1040.36	Suspension for Violation of Restrictions on Driver's License
1040.37	Suspension for Violation of Restrictions on Instruction Permit
1040.38	Commission of a Traffic Offense in Another State
1040.40	Repeated Convictions or Collisions
1040.41	Suspension of Licenses for Curfew Violations
1040.42	Fleeing and Eluding
1040.43	Illegal Transportation
1040.46	Fatal Accident and Personal Injury Suspensions or Revocations
1040.48	Vehicle Emission Suspensions
1040.50	Suspension of License of Commercial Vehicle Driver
1040.52	Driver Remedial Education Course
1040.55	Suspension for Driver's License Classification Violations
1040.60	Release of Information Regarding a Disposition of Court Supervision
1040.65	Offenses Occurring on Military Bases
1040.66	Invalidation of a Restricted Driving Permit
1040.70	Problem Driver Pointer System
1040.80	Cancellation of Driver's License Upon Issuance of a Handicapped Identification Card

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1040.100	Rescissions
1040.101	Reinstatement Fees
1040.102	Bankruptcy for Suspensions, Cancellations, Failure to Pay and Returned Checks Actions
1040.105	Suspension for 5 or More Tollway Violations and/or Evasions
1040.107	Suspension for Violation of 625 ILCS 5/11-907, Approaching a Stationary Emergency Vehicle
1040.108	Suspension for Failure to Make Report of Vehicle Accident Violations
<u>1040.109</u>	<u>Two or More Convictions for Railroad Crossing Violations</u>

AUTHORITY: Implementing Articles II and VII of the Illinois Driver Licensing Law of the Illinois Vehicle Code [625 ILCS 5/Ch. 6, Arts. II and VII] and authorized by Section 2-104(b) of the Illinois Vehicle Title and Registration Law of the Illinois Vehicle Code [625 ILCS 5/2-104(b)].

SOURCE: Filed September 22, 1972; amended at 3 Ill. Reg. 26, p. 282, effective June 30, 1979; amended at 5 Ill. Reg. 3533, effective April 1, 1981; amended at 6 Ill. Reg. 4239, effective April 2, 1982; codified at 6 Ill. Reg. 12674; amended at 8 Ill. Reg. 2200, effective February 1, 1984; amended at 8 Ill. Reg. 3783, effective March 13, 1984; amended at 8 Ill. Reg. 18925, effective September 25, 1984; amended at 8 Ill. Reg. 23385, effective November 21, 1984; amended at 10 Ill. Reg. 15265, effective September 4, 1986; amended at 11 Ill. Reg. 16977, effective October 1, 1987; amended at 11 Ill. Reg. 20659, effective December 8, 1987; amended at 12 Ill. Reg. 2148, effective January 11, 1988; amended at 12 Ill. Reg. 14351, effective September 1, 1988; amended at 12 Ill. Reg. 15625, effective September 15, 1988; amended at 12 Ill. Reg. 16153, effective September 15, 1988; amended at 12 Ill. Reg. 16906, effective October 1, 1988; amended at 12 Ill. Reg. 17120, effective October 1, 1988; amended at 13 Ill. Reg. 1593, effective January 23, 1989; amended at 13 Ill. Reg. 5162, effective April 1, 1989; amended at 13 Ill. Reg. 7802, effective May 15, 1989; amended at 13 Ill. Reg. 8659, effective June 2, 1989; amended at 13 Ill. Reg. 17087, effective October 16, 1989; amended at 13 Ill. Reg. 20127, effective December 8, 1989; amended at 14 Ill. Reg. 2944, effective February 7, 1990; amended at 14 Ill. Reg. 3664, effective February 7, 1990; amended at 14 Ill. Reg. 5178, effective April 1, 1990; amended at 14 Ill. Reg. 5560, effective March 22, 1990; amended at 14 Ill. Reg. 14177, effective August 21, 1990; amended at 14 Ill. Reg. 18088, effective October 22, 1990; amended at 15 Ill. Reg. 14258, effective September 24, 1991; amended at 17 Ill. Reg. 8512, effective May 27, 1993; amended at 17 Ill. Reg. 9028, effective June 2, 1993; amended at 17 Ill. Reg. 12782, effective July 21, 1993; amended at 18 Ill. Reg. 7447, effective May 3, 1994; amended at 18 Ill. Reg. 10853, effective June 27, 1994; amended at 18 Ill. Reg. 11644, effective July 7, 1994; amended at 18 Ill. Reg. 16443, effective October 24, 1994; amended at 20 Ill. Reg. 2558, effective January 26, 1996; amended at 21 Ill. Reg. 8398, effective June 30, 1997; amended at 21 Ill. Reg. 10985, effective July 29, 1997; amended at 21 Ill. Reg. 12249, effective August 26,

## SECRETARY OF STATE

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1997; amended at 21 Ill. Reg. 12609, effective August 29, 1997; amended at 22 Ill. Reg. 1438, effective January 1, 1998; amended at 22 Ill. Reg. 5083, effective February 26, 1998; amended at 22 Ill. Reg. 13834, effective July 10, 1998; amended at 24 Ill. Reg. 1655, effective January 11, 2000; emergency amendment at 24 Ill. Reg. 8398, effective June 2, 2000, for a maximum of 150 days; emergency expired October 29, 2000; emergency amendment at 24 Ill. Reg. 16096, effective October 12, 2000, for a maximum of 150 days; amended at 24 Ill. Reg. 16689, effective October 30, 2000; amended at 25 Ill. Reg. 2723, effective January 31, 2001; amended at 25 Ill. Reg. 6402, effective April 26, 2001; emergency amendment at 26 Ill. Reg. 2044, effective February 1, 2002, for a maximum of 150 days; emergency expired June 30, 2002; emergency amendment at 26 Ill. Reg. 3753, effective February 21, 2002, for a maximum of 150 days; emergency expired July 20, 2002; amended at 26 Ill. Reg. 12373, effective July 25, 2002; amended at 26 Ill. Reg. 13684, effective September 3, 2002; amended at 26 Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_.

**Section 1040.32 Suspension or Revocation of Driver's Licenses, Permits or Identification Cards Used Fraudulently**

- a) For purposes of this Section, the following definitions shall apply:

"Amnesty" – a sovereign act of forgiveness for past acts granted by a government to all persons (or to certain persons) generally conditioned upon their return to obedience and duty within a prescribed time as recognized by the Immigration Reform and Control Act of 1986. (P.L. 99-603-).

"Department" – Driver Services Department within the Office of the Secretary of State.

"Driver's License or Permit" – document which permits a person to legally operate a motor vehicle. Includes a restricted driving permit, a judicial driving permit, instruction permit, a traffic ticket issued where the person's driver's license is deposited in lieu of bail, a suspension notice in which the suspension is not yet effective, a duplicate or corrected driver's license, a temporary instruction permit, or temporary driver's license, or a probationary driver's license.

"False Information" – any information concerning the name, sex, date of birth, social security number or any photograph that falsifies all or in part the actual identity of the individual issued the driver's license, permit or identification card.

"Fictitious Driver's License or Permit" – any issued driver's license or permit for which a computerized number and file have been created by the Secretary of State

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or other official driver's license agency in another jurisdiction which contains false information concerning the identity of the individual issued the driver's license or permit.

"Fictitious Identification Card" – any issued identification card for which a computerized number and file have been created by the Secretary of State, the United States Government, any other state or political subdivision thereof, or any governmental or quasi-governmental organization that contains false information concerning the identity of the individual issued the identification card.

"Fraudulent Driver's License or Permit" – any driver's license or permit which purports to be an official driver's license or permit for which a computerized number and file have not been created by the Secretary of State or other official driver's license agency in another jurisdiction.

"Fraudulent Identification Card" – any identification card which purports to be an official identification card for which a computerized number and file have not been created by the Secretary of State, the United States Government or any state or political subdivision thereof, or any governmental or quasi-government organization. For the purpose of this ~~definition-paragraph~~, any identification card which resembles an official identification card in either size, or color, or photograph location, or design, or uses the word "official", or "state", or "Illinois", or the name of any other state or political subdivision thereof, or any governmental or quasi-governmental organization individually or in any combination thereof to describe or modify the term "identification card" or "I.D. card" anywhere on the card, or uses a shape in the likeness of Illinois or any other state on the photograph side of the card, is deemed to be a fraudulent identification card.

"Identification Card" – any document made or issued by or under the authority of the United States Government, the State of Illinois, or any other state or political subdivision thereof, or any governmental or quasi-governmental organization that, upon issue contains information concerning the individual, is of the type intended or commonly accepted for the purpose of identifying the individual in accordance with Section 14(a-5) of the Illinois Identification Card Act [15 ILCS 335/14(a-5)].

"Revocation" – The termination by formal action of the Secretary of a person's driver's license or privilege to operate a motor vehicle on the public highways, which termination shall not be subject to renewal or restoration except that an application for a new driver's license may be presented and acted upon by the

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Secretary after the expiration of at least one year after the date of revocation as defined in Section 1-176 of the Illinois Vehicle Code [625 ILCS 5/1-176].

"Suspension" – The temporary withdrawal by a formal action of the Secretary of a person's driver's license or privilege to operate a motor vehicle on the public highways, for a period specifically designated by the Secretary pursuant to Section 1-204 of the Illinois Vehicle Code.

"Unlawfully Altered Driver's License, Permit or Identification Card" – any issued driver's license, permit or identification card for which a computerized number and file have been created by the Secretary of State or other official driver's license agency in another jurisdiction which has been physically altered or changed in such a manner that false information appears upon the driver's license or permit.

- b) The Secretary of State has discretionary authority to suspend or revoke the driving privileges of any person upon receipt of evidence that such person has committed one or more of the following offenses listed in Section 6-206 of the Illinois Driver Licensing Law of the Illinois Vehicle Code [625 ILCS 5/6-206].
- 1) If ~~the such~~ person has permitted an unlawful use of driver's license, identification card, or permit by allowing another person to use ~~the said~~ license, identification card or permit, the Department shall take the following action pursuant to Section 6-206(a)(5) of the Illinois Driver Licensing Law of the Illinois Vehicle Code:

## ACTION TABLE

1 <sup>st</sup> offense	12-month Suspension
1 <sup>st</sup> offense (with pending or effective Revocation)	Revocation
2 <sup>nd</sup> or subsequent offense	Revocation; or

- 2) If ~~the such~~ person has made a false statement or made any false affidavit or has knowingly concealed or affirmed falsely to a material fact or used false information or identification in an application for a driver's license, identification card or permit, the Department shall take the following action pursuant to Section 6-206(a)(9) of the Illinois Driver Licensing Law of the Illinois Vehicle Code:

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## ACTION TABLE

1 <sup>st</sup> offense	12-month Suspension
1 <sup>st</sup> offense (with pending or effective Revocation)	Revocation
2 <sup>nd</sup> or subsequent offense	Revocation; or

- 3) If ~~the such~~ person has possessed, displayed or attempted to fraudulently use any driver's license, identification card, or permit not issued to ~~that such~~ person, the Department shall take the following action pursuant to Section 6-206(a)(10) of the Illinois Driver Licensing Law of the Illinois Vehicle Code:

## ACTION TABLE

1 <sup>st</sup> offense	12-month Suspension
1 <sup>st</sup> offense (with pending or effective Revocation)	Revocation
2 <sup>nd</sup> or subsequent offense	Revocation; or

- 4) If ~~the such~~ person has submitted to any portion of the application process for another person or has obtained the services of another person to submit to any portion of the application process for the purpose of obtaining a driver's license, identification card or permit for some other person, the Department shall take the following action pursuant to Section 6-206(a)(12) of the Illinois Driver Licensing Law of the Illinois Vehicle Code:

## ACTION TABLE

1 <sup>st</sup> offense	12-month Suspension
1 <sup>st</sup> offense (with pending or effective Revocation)	Revocation
2 <sup>nd</sup> or subsequent offense	Revocation; or

- 5) If ~~the such~~ person has violated Sections 6-301, 6-301.1 or 6-301.2 of the Illinois Vehicle Code or Section 14, 14A or 14B or the Illinois Identification Card Act, the Department shall take action appropriate for the violation committed pursuant to Section 6-206 of the Illinois Driver

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Licensing Law of the Illinois Vehicle Code.

- A) Unlawful use of driver's license, permit or identification card: If ~~the such~~ person has displayed or caused to be displayed or had in his possession any cancelled, revoked or suspended driver's license, permit or identification card; allowed unlawful use of driver's license, permit or identification card; lent his driver's license, permit or identification card to any other person or knowingly allowed the use thereof by another; or displayed or represented as his own any driver's license, permit or identification card issued to another, the Department shall take the following action pursuant to Section 6-301 of the Illinois Driver Licensing Law of the Illinois Vehicle Code or Section 14 of the Illinois Identification Card Act:

## ACTION TABLE

1 <sup>st</sup> offense	12-month Suspension
1 <sup>st</sup> offense (with pending or effective Revocation)	Revocation
2 <sup>nd</sup> or subsequent offense	Revocation; or

- B) Fictitious or unlawfully altered driver's license, identification card or permit: If ~~the such~~ person has knowingly possessed or displayed any fictitious or unlawfully altered driver's license, identification card or permit; knowingly issued or assisted in the issuance of a fictitious driver's license, identification card or permit; or knowingly manufactured, possessed, transferred or provided any identification document for the purpose of obtaining a fictitious driver's license, identification card or permit, the Department shall take the following action pursuant to Section 6-301.1 of the Illinois Driver Licensing Law of the Illinois Vehicle Code or Section 14 of the Illinois Identification Card Act:

## ACTION TABLE

1 <sup>st</sup> offense	12-month Suspension
1 <sup>st</sup> offense (with pending or effective Revocation)	Revocation
2 <sup>nd</sup> or subsequent offense	Revocation; or

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- C) Fraudulent driver's license or permit: If ~~the such~~ person has knowingly possessed, displayed or caused to be displayed any fraudulent driver's license, identification card or permit; knowingly possessed without authority any driver's license-making implement; or knowingly duplicated, manufactured, sold or transferred any fraudulent driver's license, identification card or permit, the Department shall take the following action pursuant to Section 6-301.2 of the Illinois Driver Licensing Law of the Illinois Vehicle Code or Section 14 of the Illinois Identification Card Act:

## ACTION TABLE

1 <sup>st</sup> or subsequent offense	Revocation; or
---------------------------------------	----------------

- 6) If ~~the such~~ person has permitted another person to use any form of ~~that such~~ person's identification in the application process to obtain a driver's license, identification card, or permit, the Department shall take the following action pursuant to Section 6-206(a)(25) of the Illinois Driver Licensing Law of the Illinois Vehicle Code:

## ACTION TABLE

1 <sup>st</sup> offense	12-month Suspension
1 <sup>st</sup> offense (with pending or effective Revocation)	Revocation
2 <sup>nd</sup> or subsequent offense	Revocation; or

- 7) If ~~the such~~ person has unlawfully altered or attempted to alter or possessed an altered driver's license, identification card, or permit, the Department shall take the following action pursuant to Section 6-206(a)(26) of the Illinois Driver Licensing Law of the Illinois Vehicle Code:

## ACTION TABLE

1 <sup>st</sup> offense	12-month Suspension
1 <sup>st</sup> offense (with pending or effective Revocation)	Revocation
2 <sup>nd</sup> or subsequent offense	Revocation; or

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- 8) If ~~the such~~ person has violated Section 6-16 of the Liquor Control Act of 1934 [235 ILCS 5/6-16], the Department shall take the following action pursuant to Section 6-206(a) (27) of the Illinois Driver Licensing Law of the Illinois Vehicle Code:

## ACTION TABLE

1 <sup>st</sup> offense	12-month Suspension
1 <sup>st</sup> offense (with pending or effective Revocation)	Revocation
2 <sup>nd</sup> or subsequent offense	Revocation; <u>or-</u>

- 9) If the person had violated Section 6-20 of the Liquor Control Act of 1934 [235 ILCS 5/6-20], the Department shall take the following action pursuant to Section 6-206(a)(38) of the Illinois Driver Licensing Law of the Illinois Vehicle Code:

ACTION TABLE

<u>1<sup>st</sup> offense</u>	<u>12-month Suspension</u>
<u>1<sup>st</sup> offense (with pending or effective Revocation)</u>	<u>Revocation</u>
<u>2<sup>nd</sup> or subsequent offense</u>	<u>Revocation.</u>

- c) The sources of acceptable proof of the offenses described in subsection (b) ~~above~~ are court documents, driver services facility applications, government entity documents, and law enforcement correspondence/reports.
- d) Persons who have applied for federal amnesty pursuant to the Immigration Reform and Control Act of 1986 (P.L. 99-603) shall not be suspended or revoked under subsection (b) of this Section if they show proof to the Department that they have applied for federal amnesty, unless they are otherwise ineligible to be licensed as drivers or granted a permit, as provided by Section 6-103 of the Illinois Driver Licensing Law of the Illinois Vehicle Code. Proof shall be the application documents for federal amnesty issued by the Immigration and Naturalization Service verifying that the individual has applied for federal amnesty. If an individual seeking federal amnesty has previously been found by the Department to be in violation of this Section or if the Department receives a report from individuals or agencies listed in subsection (c) of this Section that a person applying for federal amnesty has been convicted of committing a criminal

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act involving the use of their identification card, driver's license or permit in violation of the Criminal Code of 1961 [720 ILCS 5], his or her driving privileges shall be suspended or revoked by the Department in accordance with subsection (b) of this Section.

- e) The Director of the Department shall rescind a suspension or revocation or reduce the period of a suspension for fraudulent activity if the Office of the Inspector General provides the Director with sufficient evidence demonstrating the person has cooperated in the course of an official investigation regarding the sale, manufacture, issuance or receipt of a fraudulent or fictitious driver's license or identification card. Sufficient evidence of cooperation will be shown by a written statement to the Director signed by the supervising official of the Office of the Inspector General. Whether the person cooperated in an investigation will be determined by the Office of the Inspector General.

(Source: Amended at 26 Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)

**Section 1040.109 Two or More Convictions for Railroad Crossing Violations**

- a) For purposes of this Section, the following definitions shall apply:

"Conviction" – adjudication of guilty as defined in Section 6-100 of the Illinois Vehicle Code [625 ILCS 5/6-100].

"Department" – Department of Driver Services within the Office of the Secretary of State.

"Suspension" – the temporary withdrawal by formal action of the Secretary of a person's license or privilege to operate a motor vehicle on the public highways for a period specifically designated by the Secretary as provided for in Section 1040.20 of this Part, and as defined in Section 1-204 of the Illinois Vehicle Code [625 ILCS 5/1-204].

- b) An individual who has 2 or more convictions for violating Section 11-1201 of the Illinois Vehicle Code shall have his/her driving privileges suspended by the Department in accordance with Section 6-206(a)(38) of the Illinois Vehicle Code.
- 1) In reviewing an individual's driving record for convictions of violating Section 11-1201, only those convictions for violating Section 11-1201 with arrest dates on or after January 1, 2003 shall be considered.
  - 2) If the driving record contains 2 or more convictions for violating Section 11-1201, the following action shall be taken:

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ACTION TABLE

2<sup>nd</sup> conviction

6 month Suspension

3rd or subsequent conviction

12 month Suspension

(Source: Added at 26 Ill. Reg. \_\_\_\_\_, effective \_\_\_\_\_)

## DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

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- 1) Heading of the Part: Pay Plan
- 2) Code Citation: 80 Ill. Adm. Code 310
- 3) 

<u>Section Numbers:</u>	<u>Adopted Action:</u>
310.230	Amended
310.280	Amended
- 4) Statutory Authority: Authorized by Sections 8 and 8a of the Personnel Code [20 ILCS 415/8 and 8a].
- 5) Effective Date of Amendment: October 7, 2002
- 6) Do these amendments contain an automatic repeal date? No
- 7) Do these amendments contain incorporations by reference? No
- 8) A statement that 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 Proposals Published in the Illinois Register: May 10, 2002, 26 Ill. Reg. 6897 and May 31, 2002, 26 Ill. Reg. 7790
- 10) Has JCAR issued a Statement of Objection to these amendments? No
- 11) Differences between proposal and final version? This adopted rulemaking combines two separately proposed rulemakings. In Section 310.280, the agency name for the Illinois Labor Relations Board was corrected as recommended by the Joint Committee on Administrative Rules.
- 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 amendment replace any emergency amendments currently in effect? Yes, the emergency filing on Section 310.230 at 26 Ill. Reg. 6897 in the May 10, 2002 *Illinois Register*.
- 14) Are there any proposed amendments pending on this Part? Yes

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<u>Section Numbers</u>	<u>Proposed Action</u>	<u>Ill. Register Citation</u>
310.Table AA	Amend	26 Ill. Reg. 1774, 02/15/02
310.110	Amend	26 Ill. Reg. 10094, 07/12/02
310.130	Amend	26 Ill. Reg. 10094, 07/12/02
310.230	Amend	26 Ill. Reg. 10094, 07/12/02
310.290	Amend	26 Ill. Reg. 10094, 07/12/02
310.490	Amend	26 Ill. Reg. 10094, 07/12/02
310.510	Amend	26 Ill. Reg. 10094, 07/12/02
310.530	Amend	26 Ill. Reg. 10094, 07/12/02
310.540	Amend	26 Ill. Reg. 10094, 07/12/02
Appendix B	Amend	26 Ill. Reg. 10094, 07/12/02
Appendix C	Amend	26 Ill. Reg. 10094, 07/12/02
Appendix D	Amend	26 Ill. Reg. 10094, 07/12/02
Appendix G	Amend	26 Ill. Reg. 10094, 07/12/02
Table AA	Amend	26 Ill. Reg. 13128, 09/06/02
Table AB	Amend	26 Ill. Reg. 13128, 09/06/02
310.280	Amend	26 Ill. Reg. 13735, 09/20/02
310.280	Amend	26 Ill. Reg. 14302, 10/04/02

- 15) Summary and Purpose of Amendments: In Section 310.230, Part-time Daily or Hourly Special Services Rate, the hourly rate for the Laborer (Maintenance) title was upgraded from \$6.20 - \$6.75 to \$7.05 - \$8.00 at the request of the Department of Transportation. This rate increase allows payment of individuals comparable to their existing non-coded seasonal program for high school graduates or equivalent.

In Section 310.280, Designated Rate, the annual salary for the Administrative Assistant II (00502-42-00-040-11-01) position was upgraded from \$57,648 to \$59,376 at the request of the Department of Commerce and Community Affairs.

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

Mr. Michael Murphy  
 Department of Central Management Services  
 Division of Technical Services  
 504 William G. Stratton Building  
 Springfield, Illinois 62706  
 217/782-5601

The full text of the adopted amendments begins on the next page:

## DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

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## 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 2002
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

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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
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
310.520	Conversion of Base Salary to Daily or Hourly Equivalents
310.530	Implementation
310.540	Annual Merit Increase Guide chart for Fiscal Year 2002
310.550	Fiscal Year 1985 Pay Changes in Merit Compensation System, effective July 1, 1984 (Repealed)

APPENDIX A	Negotiated Rates of Pay
TABLE A	HR-190 (Department of Central Management Services – State of Illinois Building – SEIU)
TABLE AA	NR-916 (Department of Natural Resources, Teamsters)
TABLE AB	VR-007 (Plant Maintenance Engineers, Operating Engineers)
TABLE B	HR-200 (Department of Labor - Chicago, Illinois – SEIU) (Repealed)
TABLE C	RC-069 (Firefighters, AFSCME) (Repealed)
TABLE D	HR-001 (Teamsters Local #726)
TABLE E	RC-020 (Teamsters Local #330)
TABLE F	RC-019 (Teamsters Local #25)
TABLE G	RC-045 (Automotive Mechanics, IFPE)

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TABLE H	RC-006 (Corrections Employees, AFSCME)
TABLE I	RC-009 (Institutional Employees, AFSCME)
TABLE J	RC-014 (Clerical Employees, AFSCME)
TABLE K	RC-023 (Registered Nurses, INA)
TABLE L	RC-008 (Boilermakers)
TABLE M	RC-110 (Conservation Police Lodge)
TABLE N	RC-010 (Professional Legal Unit, AFSCME)
TABLE O	RC-028 (Paraprofessional Human Services Employees, AFSCME)
TABLE P	RC-029 (Paraprofessional Investigatory and Law Enforcement Employees, IFPE)
TABLE Q	RC-033 (Meat Inspectors, IFPE)
TABLE R	RC-042 (Residual Maintenance Workers, AFSCME)
TABLE S	HR-012 (Fair Employment Practices Employees, SEIU) (Repealed)
TABLE T	HR-010 (Teachers of Deaf, IFT)
TABLE U	HR-010 (Teachers of Deaf, Extracurricular Paid Activities)
TABLE V	CU-500 (Corrections, Meet and Confer Employees)
TABLE W	RC-062 (Technical Employees, AFSCME)
TABLE X	RC-063 (Professional Employees, AFSCME)
TABLE Y	RC-063 (Educators, AFSCME)
TABLE Z	RC-063 (Physicians, AFSCME)
APPENDIX B	Schedule of Salary Grades – Monthly Rates of Pay for Fiscal Year 2002
APPENDIX C	Medical Administrator Rates for Fiscal Year 2002
APPENDIX D	Merit Compensation System Salary Schedule for Fiscal Year 2002
APPENDIX E	Teaching Salary Schedule (Repealed)
APPENDIX F	Physician and Physician Specialist Salary Schedule (Repealed)
APPENDIX G	Broad-Band Pay Range Classes Salary Schedule for Fiscal Year 2002

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; 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.

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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 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, 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,

## DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

## NOTICE OF ADOPTED AMENDMENTS

effective May 10, 1989; amended at 13 Ill. Reg. 8849, effective May 30, 1989; peremptory 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; peremptory 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; peremptory amendment at 14 Ill. Reg. 1627, effective January 11, 1990; amended at 14 Ill. Reg. 4455, effective March 12, 1990; peremptory 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; peremptory 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; peremptory amendment at 14 Ill. Reg. 18854, effective November 13, 1990; peremptory 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; peremptory amendment at 15 Ill. Reg. 5100, effective March 20, 1991; peremptory 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; peremptory amendment at 16 Ill. Reg. 5068, effective March 11, 1992; peremptory 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; peremptory 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 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

## DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

## NOTICE OF ADOPTED AMENDMENTS

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; peremptory 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; peremptory 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; peremptory 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; peremptory amendment at 19 Ill. Reg. 2481, effective February 17, 1995; peremptory amendment at 19 Ill. Reg. 3073, effective February 17, 1995; amended at 19 Ill. Reg. 3456, effective March 7, 1995; peremptory amendment at 19 Ill. Reg. 5145, effective March 14, 1995; amended at 19 Ill. Reg. 6452, effective May 2, 1995; peremptory 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; peremptory amendment at 19 Ill. Reg. 13979, effective September 19, 1995; peremptory 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; peremptory amendment at 20 Ill. Reg. 6334, effective April 22, 1996; peremptory 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; peremptory amendment at 20 Ill. Reg. 13408, effective September 24, 1996; amended at 20 Ill. Reg. 15018, effective November 7, 1996; peremptory 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; peremptory amendment at 21 Ill. Reg. 14267, effective October 14, 1997; peremptory amendment at 21 Ill. Reg. 14589, effective October 15, 1997; peremptory amendment at 21 Ill. Reg. 15030, effective November 10, 1997; amended at 21 Ill. Reg. 16344, effective December 9, 1997; peremptory amendment at 21 Ill. Reg. 16465, effective December 4, 1997; peremptory amendment at 21 Ill. Reg. 17167, effective December 9, 1997; peremptory amendment at 22 Ill. Reg. 1593, effective December 22, 1997; amended at 22 Ill. Reg. 2580, effective January 14, 1998; peremptory amendment at 22 Ill. Reg. 4326, effective

## DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

## NOTICE OF ADOPTED AMENDMENTS

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 September 30, 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, 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,

## DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

## NOTICE OF ADOPTED AMENDMENTS

effective January 17, 2002; amended at 26 Ill. Reg. 4127, effective March 5, 2002; peremptory 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 Oct 7, 2002.

**Section 310.230 Part-Time Daily or Hourly Special Services Rate**

The rate of pay as approved by the Director of Central Management Services for persons employed on a consultative or part-time basis requiring irregular hours of work shall be as listed below, except the total compensation of an employee in any given month shall not exceed the monthly rate of Step 5 of the salary grade for the title as shown in the Schedule of Salary Grades (Appendix B) of this Part if the class title is subject to the Schedule of Salary Grades, or Step 5 of the negotiated salary range for classes of positions shown in Section 310.220, Subpart B, Schedule of Rates, or 75% of the maximum rate of those classes of positions subject to the provisions of the Merit Compensation System, Subpart C of this Pay Plan.

Account Technician II	13.49 to 18.42 (hourly)
	101 to 138 (daily)
Apiary Inspector	8.28 to 10.15 (hourly)
Building/Grounds Laborer	5.15 to 6.00 (hourly)
Building/Grounds Lead I	5.15 to 7.00 (hourly)
Building/Grounds Lead II	5.25 to 8.00 (hourly)
Building/Grounds Maintenance Worker	5.15 to 6.00 (hourly)
Chaplain I	39 to 70 (daily)
Chemist I	39 to 45 (daily)
Conservation/Historic Preservation Worker	5.15 to 6.50 (hourly)
Conservation/Historic Preservation Worker (2nd season – site interpretation)	5.15 to 6.50 (hourly)
Conservation/Historic Preservation Worker (3rd season – site interpretation)	5.15 to 6.50 (hourly)
Dentist I	70 to 150 (daily)
Dentist II	100 to 185 (daily)
Educator	39 to 85 (daily)
Educator Aide	39 (daily)
Guard II	67 to 84 (daily)
Guard III	75 to 96 (daily)
Hearing and Speech Advanced Specialist	15 to 30 (hourly)

## DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

## NOTICE OF ADOPTED AMENDMENTS

Hearings Referee	75 to 200 (daily)
Janitor I	5.15 to 5.30 (hourly)
Labor Maintenance Lead Worker	5.15 to 6.00 (hourly)
Labor Relations Investigator	39 to 70 (daily)
Laborer (Maintenance)	<del>6.20 to 6.75 (hourly)</del> <u>7.05 to 8.00 (hourly)</u>
Maintenance Worker	5.15 (hourly)
Occupational Therapist Program Coordinator	40 to 160 (daily)
Office Aide	9.84 to 12.59 (hourly)
Office Assistant	74 to 94 (daily) 10.95 to 14.34 (hourly)
Office Associate	82 to 108 (daily) 11.62 to 15.49 (hourly)
Office Clerk	87 to 116 (daily) 10.32 to 13.41 (hourly)
Optometrist	77 to 101 (daily) 15 to 35 (hourly)
Physician	50 to 160 (daily) 100 to 300 (daily)
Physician Specialist (A)	20 to 60 (hourly) 100 to 325 (daily)
Physician Specialist (B)	20 to 70 (hourly) 100 to 350 (daily)
Physician Specialist (C)	20 to 105 (hourly) 100 to 360 (daily)
Physician Specialist (D)	20 to 115 (hourly) 100 to 370 (daily)
Podiatrist	50 to 125 (daily)
Psychologist I	39 to 80 (daily)
Psychologist II	40 to 125 (daily)
Psychologist III	40 to 150 (daily)
Recreation Worker I	5.33 (hourly) 40 to 45 (daily)
Registered Nurse I	39 to 54 (daily)
Registered Nurse I (2nd or 3rd shift)	41 to 56 (daily)
Registered Nurse I (Cook County)	43 to 58 (daily)
Registered Nurse I (Cook County – 2nd or 3rd shift)	44 to 59 (daily)
Registered Nurse II	43 to 58 (daily)
Registered Nurse II (2nd or 3rd shift)	44 to 59 (daily)
Registered Nurse II (Cook County)	45 to 60 (daily)

## DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

## NOTICE OF ADOPTED AMENDMENTS

Registered Nurse II (Cook County – 2nd or 3rd shift)	47 to 62 (daily)
Revenue Tax Specialist I	13.49 to 18.42 (hourly)
	101 to 138 (daily)
Social Worker II	39 to 75 (daily)
Social Worker III	39 to 80 (daily)
Student Worker	5.15 to 8.00 (hourly)
Technical Advisor II	32 to 35 (hourly)
Technical Advisor III	32 to 60 (hourly)
Veterinarian II	95 to 130 (daily)

(Source: Amended at 26 Ill. Reg. 14965, effective Oct 7, 2002)

**Section 310.280 Designated Rate**

The rate of pay for a specific position or class of positions where it is deemed desirable to exclude such from the other requirements of this Pay Plan shall be only as designated by the Governor.

<u>Department of Children &amp; Family Services</u>	
Public Service Administrator	<u>Annual Salary</u>
(Pos. No. 37015-16-23-120-00-01)	85,104
<u>Department of Commerce &amp; Community Affairs</u>	
Administrative Assistant II	<u>Annual Salary</u>
(Pos. No. 00502-42-00-040-11-01)	<del>59,376</del>
	<del>57,648</del>
Public Information Officer IV	<u>Annual Salary</u>
(Pos. No. 37004-42-00-005-10-01)	69,792
Public Service Administrator	<u>Annual Salary</u>
(Pos. No. 37015-42-35-110-10-03)	78,612
Public Service Administrator	<u>Annual Salary</u>
(Pos. No. 37015-42-35-140-20-01)	96,360
<u>Department of Human Services</u>	

## DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

## NOTICE OF ADOPTED AMENDMENTS

Administrative Assistant I	<u>Annual Salary</u>
(Pos. No. 00501-10-68-010-80-21)	55,200
Medical Administrator I, Option D	<u>Annual Salary</u>
(Pos. No. 26401-10-79-006-00-21)	142,368
Public Service Administrator	<u>Annual Salary</u>
(Pos. No. 37015-10-23-100-30-01)	76,572
Senior Public Service Administrator	<u>Annual Salary</u>
(Pos. No. 40070-10-65-000-00-01)	105,475
Senior Public Service Administrator	<u>Annual Salary</u>
(Pos. No. 40070-10-81-920-00-21)	105,480
<u>Illinois State &amp; Local Labor Relations Board</u>	
Private Secretary II	<u>Annual Salary</u>
(Pos. No. 34202-50-19-000-00-01)	51,900
<u>Department of Natural Resources</u>	
Administrative Assistant II	<u>Annual Salary</u>
(Pos. No. 00502-12-30-000-20-01)	50,520
<u>Department of Revenue</u>	
Public Service Administrator	<u>Annual Salary</u>
(Pos. No. 37015-25-61-140-80-01)	76,668
Public Service Administrator	<u>Annual Salary</u>
(Pos. No. 37015-25-61-140-90-01)	74,904
<u>Department of State Police</u>	
Senior Public Service Administrator	<u>Annual Salary</u>
(Pos. No. 40070-21-10-000-00-01)	113,580
Senior Public Service Administrator	<u>Annual Salary</u>

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

NOTICE OF ADOPTED AMENDMENTS

(Pos. No. 40070-21-40-000-00-01)	113,580
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(Source: Amended at 26 Ill. Reg. 14965, effective Oct 7, 2002)

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DEPARTMENT OF CENTRAL MANAGEMENT SERVICES/GOVERNOR'S TRAVEL  
CONTROL BOARD

## NOTICE OF ADOPTED AMENDMENT

- 1) Heading of the Part: Travel
- 2) Code Citation: 80 Ill. Adm. Code 2800
- 3) Section Number:      Adopted Action:  
APPENDIX A              Amend
- 4) Statutory Authority: Implementing and authorized by Sections 12-1, 12-2 and 12-3 of the State Finance Act [30 ILCS 105/12-1, 12-2 and 12-3] and authorized by the Travel Regulation Council (80 Ill. Adm. Code 3000)
- 5) Effective Date of Amendment: October 8, 2002
- 6) Does this rulemaking contain an automatic repeal date? No
- 7) Does this amendment contain incorporations by reference? Yes
- 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) Date Notice of Proposal Published in Illinois Register: April 12, 2002; 26 Ill. Reg. 5264
- 10) Has JCAR issued a Statement of Objection to the amendment? Yes
  - A) Statement of Objection: August 30, 2002, 26 Ill. Reg. 13101
  - B) Agency Response: October 18, 2002, 26 Ill. Reg. 15130
  - C) Date Agency Response Submitted for Approval to JCAR: September 23, 2002
- 11) Differences between proposal and final version: None
- 12) Have all the changes agreed upon by the agency and JCAR been made as indicated in the agreement letter issued by JCAR? No changes were necessary
- 13) Will this amendment replace any emergency amendment currently in effect? No
- 14) Are there any amendments pending on this Part? No

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DEPARTMENT OF CENTRAL MANAGEMENT SERVICES/GOVERNOR'S TRAVEL  
CONTROL BOARD

NOTICE OF ADOPTED AMENDMENT

- 15) Summary and Purpose of Amendment: Public Act 92-315 amended the State Finance Act [30 ILCS 105/12-2(e)] to provide that the maximum lodging rate for state employees traveling in Cook County and the District of Columbia will be equal to the rate established by the federal government. The Governor's Travel Control Board is amending the Reimbursement Schedule to reflect the change.
- 16) Information and questions regarding this adopted amendment shall be directed to:

Ben Bagby  
Department of Central Management Services  
720 Stratton Office Building  
Springfield, IL 62706  
(217)782-9669

The full text of the adopted amendment begins on the next page.

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES/GOVERNOR'S TRAVEL  
CONTROL BOARD

NOTICE OF ADOPTED AMENDMENT

TITLE 80: PUBLIC OFFICIALS AND EMPLOYEES  
SUBTITLE I: GENERAL TRAVEL CONTROL  
CHAPTER I: DEPARTMENT OF CENTRAL MANAGEMENT SERVICES/  
GOVERNOR'S TRAVEL CONTROL BOARD

PART 2800  
TRAVEL

SUBPART A: GENERAL

- Section  
2800.100 Definitions  
2800.110 Application and Interpretation

SUBPART B: TRAVEL CONTROL SYSTEM

- Section  
2800.200 Travel Control System  
2800.210 Travel Coordinator  
2800.220 Travel Authority  
2800.230 Government Charge Cards  
2800.235 Expenses at Headquarters or Residence  
2800.240 Preparation and Submission of Travel Vouchers  
2800.250 Approval and Submission of Travel Vouchers  
2800.260 Items Directly Billed  
2800.270 Conference Registration Fees

SUBPART C: TRANSPORTATION EXPENSES

- Section  
2800.300 Incidental Expenses for Private and State Owned Automobiles

SUBPART D: LODGING

- Section  
2800.400 Conference Lodging  
2800.410 Employee Owned or Controlled Housing

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES/GOVERNOR'S TRAVEL  
CONTROL BOARD

## NOTICE OF ADOPTED AMENDMENT

## SUBPART E: PER DIEM MEALS

Section  
2800.500 Conference Meals

## SUBPART F: MISCELLANEOUS RULES

Section  
2800.600 Lack of Receipts  
2800.650 Headquarter Designation for Agency Heads

## SUBPART G: EXCEPTIONS TO THE RULES

Section  
2800.700 Special Exceptions-Requested in Advance  
2800.710 Ex Post Facto Exceptions

## APPENDIX A Reimbursement Schedule

AUTHORITY: Implementing and authorized by Sections 12, 12-1, 12-2, and 12-3 of the State Finance Act [30 ILCS 105/12, 12-1, 12-2 and 12-3] and authorized by the Travel Regulation Council (80 Ill. Adm. Code 3000).

SOURCE: Amended March 11, 1976; amended at 2 Ill. Reg. 30, p. 215, effective August 1, 1978; new rules adopted at 4 Ill. Reg. 28, p. 155, effective July 1, 1980; old rules repealed at 4 Ill. Reg. 30, p. 1224, July 1, 1980; amended at 5 Ill. Reg. 150, effective January 1, 1981; amended at 6 Ill. Reg. 6682, effective July 1, 1982; amended at 7 Ill. Reg. 9205, effective August 1, 1983; amended at 8 Ill. Reg. 127, 130, effective January 1, 1984; amended at 8 Ill. Reg. 14243, effective August 1, 1984; codified at 8 Ill. Reg. 19350; amended at 10 Ill. Reg. 18014, effective October 6, 1986; Part repealed, new Part adopted at 12 Ill. Reg. 738, effective January 15, 1988; emergency amendment at 15 Ill. Reg. 13196, effective September 1, 1991, for a maximum of 150 days; amended at 15 Ill. Reg. 17981, effective November 27, 1991; amended at 16 Ill. Reg. 4831, effective March 12, 1992; amended at 16 Ill. Reg. 13823, effective September 1, 1992; amended at 19 Ill. Reg. 36, effective January 1, 1995; amended at 19 Ill. Reg. 7858, effective July 1, 1995; amended at 20 Ill. Reg. 7379, effective May 13, 1996; emergency amendment at 22 Ill. Reg. 12082, effective July 1, 1998, for a maximum of 150 days; amended at 22 Ill. Reg. 20036, effective November 6, 1998; emergency amendment at 24 Ill. Reg. 867, effective January 1, 2000, for a maximum of 150 days; amended at 24 Ill. Reg. 7655, effective May 9, 2000; amended at 26 Ill. Reg. 14979, effective Oct 8, 2002.

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES/GOVERNOR'S TRAVEL  
CONTROL BOARD

## NOTICE OF ADOPTED AMENDMENT

**Section 2800.APPENDIX A Reimbursement Schedule**

The following rates are effective for Agencies under the jurisdiction of the Board.

Type of Reimbursement	Rate
<u>Mileage</u>	
Auto	See Section 3000.300(f)(2) of the Travel Regulation Council Rules (80 Ill. Adm. Code 3000.300(f)(2))
Plane	\$0.40/mile
<u>Per Diem/Meals</u>	
Within the State of Illinois	
Breakfast	\$ 5.50
Lunch	\$ 5.50
Dinner	\$ 17.00
Per Diem – Quarter	\$ 7.00
Per Diem – Day	\$ 28.00
Outside the State of Illinois	
Breakfast	\$ 6.50
Lunch	\$ 6.50
Dinner	\$ 19.00
Per Diem – Quarter	\$ 8.00
Per Diem – Day	\$ 32.00
<u>Lodging</u>	
Chicago Metro County of Cook	See Section 3000.400(b) of the Travel Regulation Council Rules (80 Ill. Adm. Code 3000.400(b))
Counties of DuPage, Kane, Lake, McHenry, and Will	\$ 80.00

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES/GOVERNOR'S TRAVEL  
CONTROL BOARD

## NOTICE OF ADOPTED AMENDMENT

Downstate Illinois  
Counties of Champaign, Kankakee, \$ 60.00  
LaSalle, McLean, Macon, Madison,  
Peoria, Rock Island, St. Clair,  
Sangamon, Tazewell and Winnebago

All other Downstate Counties \$ 50.00

District of Columbia Washington, D.C.  
(includes the cities of Alexandria, Falls  
Church, and Fairfax, and the counties of  
Arlington, Loudoun, and Fairfax in  
Virginia; and the counties of  
Montgomery and Prince George's in  
Maryland)

See Section 3000.400(b) of the Travel  
Regulation Council Rules (80 Ill. Adm. Code  
3000.400(b)) \$118.00

New York City (includes the boroughs \$110.00  
of the Bronx, Brooklyn, Manhattan,  
Queens, and Staten Island; Nassau and  
Suffolk Counties)

All other out-of-state locations \$ 90.00

Out-of-Country Actual Reasonable

(Source: Amended at 26 Ill. Reg. 14979, effective Oct 8, 2002)

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES/TRAVEL REGULATION  
COUNCIL

## NOTICE OF ADOPTED AMENDMENTS

- 2) Heading of the Part: The Travel Regulation Council
- 2) Code Citation: 80 Ill. Adm. Code 3000
- 3) Section Numbers:      Adopted Action:  
3000.400                      Amend  
APPENDIX A                  Amend
- 4) Statutory Authority: Implementing and authorized by Sections 12-1, 12-2 and 12-3 of the State Finance Act [30 ILCS 105/12-1, 12-2 and 12-3]
- 5) Effective Date of Amendments: October 8, 2002
- 6) Does this rulemaking contain an automatic repeal date? No
- 7) Do these amendments contain incorporations by reference? Yes
- 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) Date Notice of Proposal Published in Illinois Register: April 12, 2002; 26 Ill. Reg. 5270
- 10) Has JCAR issued a Statement of Objection to these amendments? Yes
  - D) Statement of Objection: August 30, 2002, 26 Ill. Reg. 13102
  - E) Agency Response: October 18, 2002, 26 Ill. Reg. 15131
  - F) Date Agency Response Submitted for Approval to JCAR: September 23, 2002
- 12) Differences between proposal and final version: None
- 12) Have all the changes agreed upon by the agency and JCAR been made as indicated in the agreement letter issued by JCAR? No changes were necessary
- 13) Will these amendments replace any emergency amendments currently in effect?  
No

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DEPARTMENT OF CENTRAL MANAGEMENT SERVICES/TRAVEL REGULATION  
COUNCIL

## NOTICE OF ADOPTED AMENDMENTS

- 14) Are there any amendments pending on this Part? No
- 15) Summary and Purpose of Amendments: Public Act 92-315 amended the State Finance Act [30 ILCS 105/12-2(e)] to provide that the maximum lodging rate for state employees traveling in Cook County and the District of Columbia will be equal to the rate established by the federal government. The Travel Regulation Council is amending this Part to reflect the change.
- 16) Information and questions regarding these adopted amendments shall be directed to:

Ben Bagby  
Department of Central Management Services  
720 Stratton Office Building  
Springfield, IL 62706  
(217)782-9669

The full text of the adopted amendments begins on the next page.

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES/TRAVEL REGULATION  
COUNCIL

NOTICE OF ADOPTED AMENDMENTS

TITLE 80: PUBLIC OFFICIALS AND EMPLOYEES  
SUBTITLE I: GENERAL TRAVEL CONTROL  
CHAPTER IV: TRAVEL REGULATION COUNCIL

PART 3000  
THE TRAVEL REGULATION COUNCIL

SUBPART A: GENERAL

Section	
3000.100	Authority
3000.110	Philosophy
3000.120	Policy
3000.130	Scope and Interpretation
3000.140	Definitions

SUBPART B: TRAVEL CONTROL SYSTEM

Section	
3000.200	Travel Control System
3000.210	Designation of Headquarters
3000.220	Expenses at Headquarters or Residence
3000.230	Preparation and Submission of Vouchers or Travel Expenses

SUBPART C: TRANSPORTATION

Section	
3000.300	Modes of Transportation
3000.310	Routing

SUBPART D: LODGING

Section	
3000.400	Lodging Allowances
3000.410	Least Costly Lodging
3000.420	Conference Lodging
3000.430	Employee Owned or Controlled Housing

SUBPART E: PER DIEM-MEALS

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES/TRAVEL REGULATION  
COUNCIL

## NOTICE OF ADOPTED AMENDMENTS

## Section

3000.500 Per Diem Allowance  
3000.510 Meal Allowance

## SUBPART F: MISCELLANEOUS RULES

## Section

3000.600 Reimbursable and Non-Reimbursable Expenses  
3000.610 Expenses Related to Transportation  
3000.620 Receipts Required  
3000.630 Meals for Other Persons

## SUBPART G: EXCEPTIONS

## Section

3000.700 Exceptions to the Rules  
3000.710 Board-Agency Rules  
3000.720 Non-Required Travel

## APPENDIX A Reimbursement Schedule

AUTHORITY: Implementing and authorized by Sections 12-1, 12-2 and 12-3 of the State Finance Act [30 ILCS 105/12-1, 12-2 and 12-3].

SOURCE: Emergency rules adopted at 10 Ill. Reg. 12697, effective July 2, 1986, for a maximum of 150 days; adopted at 10 Ill. Reg. 18188, effective January 1, 1987; preemptory amendment at 11 Ill. Reg. 14854, effective August 25, 1987; amended at 12 Ill. Reg. 11626, effective July 1, 1988; amended at 14 Ill. Reg. 10014, effective July 1, 1990; amended at 19 Ill. Reg. 7852, effective July 1, 1995; amended at 20 Ill. Reg. 7372, effective May 13, 1996; amended at 20 Ill. Reg. 9025, effective July 1, 1996; amended at 21 Ill. Reg. 8899, effective July 1, 1997; amended at 22 Ill. Reg. 11713, effective July 1, 1998; emergency amendment at 23 Ill. Reg. 11332, effective August 27, 1999, for a maximum of 150 days; amended at 24 Ill. Reg. 245, effective December 27, 1999; emergency amendment at 24 Ill. Reg. 861, effective January 1, 2000, for a maximum of 150 days; amended at 24 Ill. Reg. 1908, effective January 2, 2000; amended at 24 Ill. Reg. 7737, effective May 9, 2000; amended at 26 Ill. Reg. 14985, effective Oct 8, 2002.

## SUBPART D: LODGING

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES/TRAVEL REGULATION  
COUNCIL

NOTICE OF ADOPTED AMENDMENTS

**Section 3000.400 Lodging Allowances**

- a) The lodging allowances specified in Appendix A, Reimbursement Schedule are the maximum rates allowed by the Travel Control Boards. The Council shall review the rates annually to determine necessary adjustments. Except as provided in Section 3000.430, only commercial lodging may be reimbursed.
- b) The maximum reimbursement for lodging in Cook County, Illinois and the District of Columbia shall be in accordance with ~~the rate promulgated pursuant to 5 USC 701-5709 and 41 CFR 301, Appendix A, 1999, as revised (December 2, 1999, Federal Register, Vol. 64, #231, Government Printing Office). No later amendments or editions shall act to vary this rate~~ Section 12-2(e) of the State Finance Act [30 ILCS 105/12-2(e)].

(Source: Amended at 26 Ill. Reg. 14985, effective Oct 8, 2002)

**Section 3000.Appendix A Reimbursement Schedule**

The following rates are effective for the Travel Control Boards. The rates will be reviewed annually to determine necessary adjustments.

<u>Type of Reimbursement</u>	<u>Rate</u>
<u>Mileage</u>	
Auto	See Section 3000.300(f)(2)
Plane	See Section 3000.300(g)(2)
<u>Per Diem/Meals</u>	
Within the State of Illinois	
Breakfast	\$ 5.50
Lunch	\$ 5.50
Dinner	\$ 17.00
Per Diem – Quarter	\$ 7.00
Per Diem – Day	\$ 28.00
Outside the State of Illinois	
Breakfast	\$ 6.50

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES/TRAVEL REGULATION  
COUNCIL

## NOTICE OF ADOPTED AMENDMENTS

Lunch	\$ 6.50
Dinner	\$ 19.00
Per Diem – Quarter	\$ 8.00
Per Diem – Day	\$ 32.00
<u>Lodging</u>	
Chicago Metro County of Cook	See Section 3000.400(b)
Counties of DuPage, Kane, Lake, McHenry, and Will	\$ 80.00
Downstate Illinois Counties of Champaign, Kankakee, LaSalle, McLean, Macon, Madison, Peoria, Rock Island, St. Clair, Sangamon, Tazewell, and Winnebago	\$ 60.00
All other Downstate counties	\$ 50.00
Out-of-State	
<u>District of Columbia Washington, D.C.</u> (includes the cities of Alexandria, Falls Church, and Fairfax, and the counties of Arlington, Loudoun, and Fairfax in Virginia; and the counties of Montgomery and Prince George's in Maryland)	<u>See Section 3000.400(b) \$118.00</u>
All other Out-of-State	\$110.00
Out-of-Country	Actual Reasonable

(Source: Amended at 26 Ill. Reg. 14985, effective Oct 8, 2002)

## DEPARTMENT OF HUMAN SERVICES

## NOTICE OF ADOPTED AMENDMENT

- 1) Heading of the Part: Maternal and Child Health Services Code
- 2) Code Citation: 77 Ill. Adm. Code 630
- 3) Section Number: 630.20                      Adopted Action:  
Amend
- 4) Statutory Authority:  
Implementing the Developmental Disability Prevention Act [40 ILCS 250], the Lead Poisoning Prevention Act [410 ILCS 45], the Phenylketonuria Testing Act [410 ILCS 240], the Autopsy Act [410 ILCS 505], the Infant Mortality Reduction Act [410 ILCS 220], the Problem Pregnancy Health Services and Care Act [410 ILCS 230], and authorized by Section 55.05 of the Civil Administration Code of Illinois [20 ILCS 2310/55.05].
- 5) Effective Date of Amendment: October 1, 2002
- 6) Does this amendment contain an automatic repeal date? No
- 7) Does this amendment 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) Notice of Proposal Published in Illinois Register: June 21, 2002, 26 Ill. Reg.8630
- 10) Has JCAR issued a Statement of Objection to this amendment? No
- 11) Differences between proposal and final version:  
In Section 630.20(a)(1), changed "at Chicago" to a comma in both places it was so used.  
In Section 630.20(a)(4), struck "state" and added "State".  
In Section 630.20(a)(4), struck "herein which" and added "in this Part that".  
In Section 630.20(d)(2)(B), struck "of" and added "after".  
In Section 630.20(d)(2)(H), struck "Expenditure" and added "expenditure".  
In Section 630.20(d)(2)(I), struck "Confidentiality" and added "confidentiality".  
In Section 630.20(d)(2)(J)(i), struck "Sub-total" and added "Subtotal".  
In Section 630.20(d)(2)(J)(ii), after "expenditure", a comma was added.  
In Section 630.20(d)(2)(L), struck "Copies" and added "copies".

## DEPARTMENT OF HUMAN SERVICES

## NOTICE OF ADOPTED AMENDMENT

In Section 630.20(f)(1), struck “this” and added “the”.

In Section 630.20(f)(1)(A), struck “U.S.C.” and added “USC”.

In Section 630.20(f)(1)(A)and (B), struck the period and after the closing quotation mark, added a period.

In Section 630.20(f)(1)(A)and (B), struck “(3)”.

In Section 630.20(f)(1)(A)and (B), struck “this” and added “the”.

In Section 630.20(f)(1)(A)and (B), struck “which” and added “that”.

In Section 630.20(f)(2), struck the comma and after “or”, added a comma.

- 12) Have all the changes agreed upon by the agency and JCAR been made as indicated in the agreement letter issued by JCAR? Yes
- 13) Will this amendment replace an emergency amendment currently in effect? No
- 14) Are there any amendments pending on this Part: No
- 15) Summary and Purpose of Amendment: This rulemaking will give the Department of Human Services additional flexibility in allocating the funds awarded to the State through the federal Maternal and Child Health Services Block Grant. This change will allow the Department to maintain current levels of support to local health departments, hospitals, and community-based organizations across the State that are currently providing primary care and preventive care to women and children.
- 16) Information and questions regarding this amendment shall be directed to:

Ms Susan Weir, Bureau Chief  
Bureau of Administrative Rules and Procedures  
Department of Human Services  
100 South Grand Avenue East  
3rd Floor, Harris Bldg.  
Springfield, Illinois 62762  
(217) 785-9772

The full text of adopted amendment begins on the next page:

DEPARTMENT OF HUMAN SERVICES

NOTICE OF ADOPTED AMENDMENT

TITLE 77: PUBLIC HEALTH  
CHAPTER X: DEPARTMENT OF HUMAN SERVICES  
SUBCHAPTER i: MATERNAL AND CHILD HEALTH

PART 630  
MATERNAL AND CHILD HEALTH SERVICES CODE

SUBPART A: GENERAL

Section	
630.10	Legislative Base
630.20	Administration
630.25	Incorporated Materials

SUBPART B: PRENATAL AND NEWBORN CARE PROGRAM

Section	
630.30	Health Services for Women of Reproductive Age
630.40	Health Services for Children in the First Year of Life

SUBPART C: CHILD HEALTH CARE PROGRAM

Section	
630.50	Health Services for Children from One Year of Age to Early Adolescence
630.60	Health Services for Adolescents

SUBPART D: ADMINISTRATIVE REQUIREMENTS

Section	
630.70	Definitions
630.80	Standards
630.90	Records
630.100	Reports
630.110	In-Service Training
630.120	Evaluation
630.130	Use of Project Funds
630.140	Program Income
630.150	Eligibility for Services
630.160	Availability of Services
630.170	Utilization of Community Resources
630.180	Abortions and Sterilizations

## DEPARTMENT OF HUMAN SERVICES

## NOTICE OF ADOPTED AMENDMENT

630.190	Reasonable Cost
630.200	Preparation of Applications
630.210	Review under Administrative Review Law
630.220	Outreach and Case Management

APPENDIX A	MCH Grant Proposal Review Form
APPENDIX B	Illinois Department of Human Services Reimbursement Certification Form
APPENDIX C	Instructions for Completing Reimbursement Certification Form
APPENDIX D	Plans to Achieve Objectives
APPENDIX E	Application and Plan for Human Services Program Grant

AUTHORITY: Implementing the Developmental Disability Prevention Act [410 ILCS 250], the Lead Poisoning Prevention Act [410 ILCS 45], the Phenylketonuria Testing Act [410 ILCS 240], the Autopsy Act [410 ILCS 505], the Infant Mortality Reduction Act [410 ILCS 220], and the Problem Pregnancy Health Services and Care Act [410 ILCS 230], and authorized by Section 2310-25 of the Civil Administrative Code of Illinois [20 ILCS 2310/2310-25].

SOURCE: Adopted and codified at 6 Ill. Reg. 5566, effective April 20, 1982; amended at 7 Ill. Reg. 16422, effective November 23, 1983; amended at 14 Ill. Reg. 11219, effective July 1, 1990; amended at 15 Ill. Reg. 13874, effective September 27, 1991; amended at 17 Ill. Reg. 3013, effective February 22, 1993; amended at 18 Ill. Reg. 4384, effective March 5, 1994; recodified by changing Department of Public Health to Department of Human Services at 21 Ill. Reg. 9323; amended at 26 Ill. Reg. 14991, effective Oct 1, 2002.

## SUBPART A: GENERAL

**Section 630.20 Administration**

- a) General Provisions
  - 1) Planning, programming and budgeting for Maternal and Child Health (MCH) programs are the responsibility of the Division of Family Health of the Illinois Department of Human Services. The Department will develop each year an MCH Program Plan for Illinois which will assess current needs within the State and provide goals and objectives for improving the health of mothers and children, and for reducing infant mortality. The Department will provide to the University of Illinois, Division of Specialized Care for Children at least the amount of federal Maternal and Child Health Services Block Grant funds required by Title V of the Social Security Act (42 USC 705(a)(3)(B)) for services for children with special health care needs. These services are defined in Title V of the

## DEPARTMENT OF HUMAN SERVICES

## NOTICE OF ADOPTED AMENDMENT

~~Social Security Act (42 USC 701(a)(1)(D) et seq.) and are further defined in State law at 110 ILCS 345 and 110 ILCS 305 and in 89 Ill. Adm. Code 1200. The funds provided to the University of Illinois, Division of Specialized Care for Children for this purpose are not subject to the other requirements in this Part. The Department will make available to the University of Illinois Division of Services for Crippled Children thirty two and one-tenth (32.1) percent of the total MCH Services Block Grant funds allocated to the Department [this being the percentage of Illinois' total funds awarded to the Division in federal Fiscal Year 1981 from the Title V consolidated health programs as defined in Title V, Section 501(b)(1)] and included in the DHHS base for computation of the Department's Fiscal Year 1982 MCH Services Block Grant. Such funds to be used in accordance with those provisions of Title V MCH Services Block Grant applicable to services to children with special health care needs and as further defined by Illinois statute (Ill. Rev. Stat. 1991, ch. 144, par. 67.1, Ill. Rev. Stat. 1991, ch. 144, par. 22, and 89 Ill. Adm. Code, ch. X, sec. 1200) and not subject to the rules contained herein.~~

- 2) Giving highest priority to those areas in Illinois having high concentrations of low-income families, medically underserved areas, and those areas with high infant mortality and teenage pregnancies, the Department shall use the remaining ~~percentage sixty seven and nine tenths (67.9) percent~~ of the total MCH Services Block Grant funds for MCH Projects consistent with the intent of Title V and to provide Department operational funds which are supportive of the above projects.
  - 3) Projects shall be administered either directly by the Department, or through grants or contracts to health agencies of local political jurisdictions or private nonprofit agencies. All applicant agencies shall be subject to the planning, promotion, and coordination of such services by the Division of Family Health.
  - 4) Each project shall operate according to a plan written in accordance with ~~State state~~ guidelines contained ~~in this Part that herein which~~ are consistent with Title V and its regulations. In addition, projects funded for Regionalized Perinatal Care, Lead Poisoning, Newborn Screening, Problem Pregnancy, or Sudden Infant Death Syndrome activities must meet the requirements of State statutes and their applicable State rules and regulations.
- b) Review Process
- 1) Priorities for Ranking
    - A) Priority shall be given to project applications for areas with concentrations of low income families. A low income family is defined as being either urban or rural, with an annual income

## DEPARTMENT OF HUMAN SERVICES

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below the nonfarm income official poverty level as defined by the Office of Management and Budget and revised annually in accordance with Section 624 of the Economic Opportunity Act of 1964. An area of concentration of low income is defined as a geographic area in which data are available indicating that a minimum of 20% of families or at least 1,000 individuals within its boundaries have an income less than the poverty level as described above. Priority will be given to those geographic areas in proportion to the extent to which the standard is exceeded. Applicants shall be required to document the socioeconomic factors within the geographic area proposed for the project.

- B) Priority for placement of projects shall also be given to areas that demonstrate a need for health services because of service scarcity or inaccessibility, and areas determined to have a need for such services as documented in the Illinois MCH Program Plan, revised annually. Areas demonstrating a reasonable probability of success based upon availability of facilities and personnel or the potential for developing such resources shall also be given priority.
  - C) Reapplications for continued funding will receive priority consideration in two succeeding years based on appropriation of funds by the General Assembly and performance showing progress toward stated goals. Funding for subsequent reapplications will be based upon the priorities in subsections (b)(1)(A) and (b)(1)(B) of this Section and past performance.
- 2) Processing of Applications
- A) Applications shall be submitted no later than the due date indicated in the Request for Proposal (RFP) which shall be approximately ten weeks from the date of the request. All exceptions must be requested and approved in writing.
  - B) Staff of the Division of Family Health shall review the applications for completeness and request any needed additional information from the applicant.
  - C) An evaluation committee appointed by the Chief of the Division of Family Health shall review all applications based on compliance with this Part. Documentation of the review process shall be a summary of ratings for all proposals reviewed. The review shall include as a minimum the items identified in the MCH Grant Proposal Review Form. Such items include but are not limited to linkages with other community resources, parental involvement in the program, matching fund requirements, and special budgetary justification.

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- D) Upon consideration of the recommendations of the evaluation committee, the Chief of the Division of Family Health shall recommend a funding level for approved applications to the Director of the Illinois Department of Human Services. The Illinois Department of Human Services may award funds for amounts less than requested in the grant application.
- E) The Department will communicate final decisions to each applicant.
- c) **Funding.** The preferred method of payment to Maternal and Child Health projects is by reimbursement of expenditures. In those instances in which a grantee does not have at least two months operating funds to implement the project, a cash advance may be requested. The request must be in writing and signed by the agency director. Repayment and reconciliation methodology will be set forth in writing by the Chief, Division of Family Health, as a part of the agreement.
- d) **Reimbursement**
- 1) Periodic requests for reimbursement of allowable expenses incurred in the operation of the project and as specified in the approved budget are to be prepared and submitted to the Office of Community Health Fiscal Unit. After review by appropriate fiscal and MCH staff, and approval by the MCH Program personnel, reimbursement requests will be processed for payment. Payment usually can be expected from five to six weeks after receipt of the reimbursement request by the Department. If unallowable expense items are included in the reimbursement request, they will be deducted, the project director will be notified, and only the allowable portion of the request will be reimbursed. In order to expedite cash flow, project directors should inquire about the appropriateness of questionable expenses prior to making the expenditure.
  - 2) Complete reimbursement request shall consist of a Reimbursement Certification Form which can be expanded to multiple pages where necessary. Billings should be prepared in accordance with the following instructions:
    - A) Frequency of submission: Projects with funding in excess of \$50,000 shall submit billings monthly. All others should submit billings at least quarterly. Any project may submit monthly billings. Quarters for the MCH grant periods are:

State	Federa
Fiscal	l
Year	Fiscal
	Year

## DEPARTMENT OF HUMAN SERVICES

## NOTICE OF ADOPTED AMENDMENT

July 1-September 30	1 <sup>st</sup>	4 <sup>th</sup>
Oct. 1-December 31	2 <sup>nd</sup>	1 <sup>st</sup>
Jan. 1-March 31	3 <sup>rd</sup>	2 <sup>nd</sup>
April 1-June 30	4 <sup>th</sup>	3 <sup>rd</sup>

- B) Deadlines for submission: Billings must be submitted within 30 days ~~of~~ after the end of the reporting period. For example, billing for the month of July shall be submitted not later than the end of August, billing for the quarter ending in March shall be submitted not later than the end of April. At the end of the grant period, however, projects will have 45 days in which to submit the final billing.
- C) Grouping of expenditures: Billing must be organized by the budget categories and line items of the approved project budget. A total for each budget category shall be shown.
- D) Voucher or check number: Every expenditure (goods or services already paid for by the grantee) must be identified by a voucher number or check number. This is the key to maintaining a clearly defined audit trail. Each item reimbursed by the Division of Family Health or voluntarily shown as supporting expenditures must be based on an expenditure traceable through the project's internal record system. Invoices, bills, purchase orders, etc., shall be attached or cross referenced on the grantee's voucher or check stub and kept on file for 3 years beyond the end of the grant period. These are not to be submitted with project billings.
- E) Date of voucher or check: Expenditures must be documented by showing the date of issue of the voucher or check.
- F) Expenditures outside of report period: It is expected that reimbursement requests will be for goods and services received in the reporting period. Bills submitted to the project by providers, suppliers, etc., too late for inclusion may be submitted with the subsequent billing request.
- G) Payee: Clearly identify (by name and address) the organization or individual to whom payment was made.
- H) Purpose of ~~expenditure~~ Expenditure: The purpose of the expenditure must be clearly indicated so that the Division of Family Health staff may determine whether it is acceptable for reimbursement or as matching. Acceptability will be based on the terms of the agreement and this Part. For periodic charges, e.g., salaries, fringe benefits, travel, rent, utilities, etc., also show the time period covered.

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## NOTICE OF ADOPTED AMENDMENT

- I) Patient ~~confidentiality~~~~Confidentiality~~: Patients' names shall not appear anywhere on the billing. Where patient references are necessary to maintain an audit trail, patient numbers or other means of identification shall be used.
- J) Expenditure: Expenditures shall be completed in accord with Instructions for Completion of the Reimbursement Certification Form (see Appendix B of this Part).
- i) ~~Subtotal~~ ~~Sub-total~~ expenditures in both columns by budget category, and show a grand total at the end of the billing.
- ii) Individual expenditures reported may be entirely reimbursable, entirely paid from other resources, or a combination of the two. For example, a nurse's salary may be paid entirely by grant funds, entirely by local project funds, or partly from each source.
- iii) In projects showing supporting expenditures, they are to be reported with each reimbursement request and not accumulated.
- K) Signature: The project director or an authorized agent must sign the billing form before submission. The individual signing the form is responsible for its accuracy. Authorized signatures must be on file with the Department.
- L) Number of ~~copies~~ ~~Copies~~: Submit four legible copies of the Reimbursement Certification Form. Additional pages may be duplicated as needed.
- e) Monitoring. At least annually, appropriate professional health personnel of the Division and its consultants shall review each project for appropriateness of services and quality of care furnished to recipients in accordance with the project plan.
- f) Auditing
- 1) The Grantee will maintain complete records of all services, receipts and disbursements relative to ~~the this~~-grant agreement and agrees to make all such records available to the Department and its agents for audit in accordance with applicable requirements.
- A) Local Governments: Audits shall be conducted in accordance with the Single Audit Act of 1984 (31 ~~USC U.S.C.~~ 7501 et seq.) and OMB Circular A-128 "Audits of State and Local Governments-": All records related to the grant agreement shall be retained and available during normal business hours for three (3) years following termination of ~~the this~~-grant agreement or for such time as may be provided in applicable ~~State state~~-and federal statutes and administrative rules, whichever time is longer. The Grantee

## DEPARTMENT OF HUMAN SERVICES

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shall maintain all records ~~that which~~ are subject to an active or announced audit until such audit is completed and all outstanding audit issues have been resolved.

- B) Nonprofit Organizations: Audits shall be conducted in accordance with OMB Circular A-133 "Audits of Institutions of Higher Education and Other Nonprofit Organizations". All records related to the grant agreement shall be retained and available during normal business hours for three ~~(3)~~ years following termination of ~~the this~~ grant agreement or for such time as may be provided in applicable ~~State state~~ and federal statutes and administrative rules, whichever is longer. The Grantee shall maintain all records ~~that which~~ are subject to an active or announced audit until such audit is completed and all outstanding audit issues have been resolved.

- 2) Organizations falling under the audit provisions cited above must submit a copy of the audit report to the Illinois Department of Human Services within one month after the receipt of the final report. For any organizations not specifically covered under the above-stated audit requirements, or, if after review of the report, the Illinois Department of Human Services requires additional information, the Department reserves the right to perform such an audit in accordance with the Fiscal Control and Internal Auditing Act [30 ILCS 10]. ~~(Ill. Rev. Stat. 1991, ch. 15, par. 1001 et seq.)~~.

(Source: Amended at 26 Ill. Reg. 14991, effective Oct 1, 2002)

## DEPARTMENT OF HUMAN SERVICES

## NOTICE OF ADOPTED AMENDMENTS

- 1) Heading of the Part: WIC Vendor Management Code
- 2) Code Citation: 77 Ill. Adm. Code 672
- 3) 

<u>Section Numbers:</u>	<u>Adopted Action:</u>
672.210	Amended
672.425	Amended
672.460	Amended
672.505	Amended
672.510	Amended
672.515	Amended
672.520	Amended
- 4) Statutory Authority: Implementing and authorized by the WIC Vendor Management Act [420 ILCS 255]
- 5) Effective Date of Amendments: October 1, 2002
- 6) Does this rulemaking contain an automatic repeal date? No
- 7) Does this amendment 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: May 24, 2002, 26 Ill. Reg. 7514
- 10) Has JCAR issued a Statement of Objection to these amendments? No
- 11) Differences between proposal and final version:
  - In Section 672.210(a)(2), struck "participant" and added "Participant".
  - In Section 672.210(a)(4), struck "preceeding" and added "preceding".
  - In Section 672.210(a)(6), struck "state" and added "State".
  - In Section 672.210(a)(7), struck the comma after "children".
  - In Section 672.210(a)(9), struck "Federal" and added "federal".
  - In Section 672.210(b)(4), struck "or not".
  - In Section 672.210(b)(5), capitalized "applicant's" twice.
  - In Section 672.210(b)(5), capitalized "application".

## DEPARTMENT OF HUMAN SERVICES

## NOTICE OF ADOPTED AMENDMENTS

In Section 672.425(a), struck “which” and added “that”.

In Section 672.425(f), struck “of the Department” and added “Department”.

In Section 672.425(j), struck “instruments” and added “Instruments”.

In Section 672.425(v), struck “which” and added “that”.

In Section 672.425(y), struck “which” and added “that”.

In Section 672.505(a)(1)(B), struck “102” and added “802” and added a closing parenthesis after “802”.

In Section 672.505(c)(2), struck “which” and added “that”.

In Section 672.505(j), struck “Subsections” and added “subsections”.

In Section 672.510(a), struck “which” and added “that”.

In Section 672.510(a)(5), struck “which” and added “that”.

In Section 672.510(a)(6), struck “price” and added “Price”.

In Section 672.510(a)(16), struck “82” and added “802”.

In Section 672.510(b), struck “which” and added “that”.

In Section 672.510(b), struck the period and added a colon.

In Section 672.510(c)(2), changed “may” to “will” and capitalized “vendor”.

In Section 672.510(c)(5), struck “from” and added “after”.

In Section 672.510(c)(5), struck “1,500” and added “1500”.

In Section 672.510(d), deleted entire subsection.

In Section 672.510(e), changed “e” to “d”.

In Section 672.510(f), changed “f” to “e” and capitalized “participating vendor”.

In Section 672.510(f), capitalized “vendor” in all locations.

- 12) Have all the changes agreed upon by the agency and JCAR been made as indicated in the agreement letter issued by JCAR? Yes
- 13) Will these amendments replace any emergency amendments currently in effect? No

## DEPARTMENT OF HUMAN SERVICES

## NOTICE OF ADOPTED AMENDMENTS

- 14) Are there any amendments pending on this Part: No
- 15) Summary and Purpose of Rulemaking: This rulemaking amends various Sections of this rule to clarify the circumstances when “Sanctions and Administrative Warnings” may be applied and any actions that may result.
- 16) Information and questions regarding this adopted rulemaking shall be directed to:

Ms. Susan Weir, Bureau Chief  
Bureau of Administrative Rules and Procedures  
Department of Human Services  
100 South Grand Avenue East  
3rd Floor, Harris Bldg.  
Springfield, Illinois 62762  
217/785-9772

The full text of adopted amendments begins on the next page:

## DEPARTMENT OF HUMAN SERVICES

## NOTICE OF ADOPTED AMENDMENTS

TITLE 77: PUBLIC HEALTH  
CHAPTER X: DEPARTMENT OF HUMAN SERVICES  
SUBCHAPTER i: MATERNAL AND CHILD HEALTHPART 672  
WIC VENDOR MANAGEMENT CODE

## SUBPART A: GENERAL PROVISIONS

Section	
672.100	Definitions
672.105	Incorporated and Referenced Materials
672.110	Purpose
672.115	Application of These Rules

## SUBPART B: WIC VENDOR APPLICATION AND AUTHORIZATION PROCESS

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## APPENDIX A Illinois Regional Map

AUTHORITY: Implementing and authorized by the WIC Vendor Management Act [410 ILCS 255].

SOURCE: Adopted at 14 Ill. Reg. 19984, effective December 1, 1990; amended at 16 Ill. Reg. 17734, effective December 15, 1992; amended at 18 Ill. Reg. 2450, effective February 1, 1994; emergency amendment at 18 Ill. Reg. 13125, effective August 12, 1994, for a maximum of 150 days; amended at 19 Ill. Reg. 606, effective January 9, 1995; amended at 19 Ill. Reg. 16086, effective November 20, 1995; amended at 21 Ill. Reg. 3960, effective March 15, 1997; recodified from the Department of Public Health to the Department of Human Services at 21 Ill. Reg. 9323; emergency amendment at 22 Ill. Reg. 3127, effective January 22, 1998, for a maximum of 150 days; emergency expired on June 20, 1998; amended at 22 Ill. Reg. 18960, effective October 1, 1998; emergency amendment at 23 Ill. Reg. 4553, effective April 2, 1999, for a maximum of 150 days; amended at 23 Ill. Reg. 10843, effective August 23, 1999; amended at 24 Ill. Reg. 7509, effective May 1, 2000; amended at 26 Ill. Reg. 15001, effective Oct 1, 2002.

## SUBPART B: WIC VENDOR APPLICATION AND AUTHORIZATION PROCESS

**Section 672.210 Authorization Criteria and Procedures**

- a) Only WIC Retail Vendors authorized by the Department shall be eligible to accept Food Instruments or otherwise provide supplemental foods to WIC Participants, Proxies or Department Representatives. Any Applicant seeking Authorization to become a WIC Retail Vendor has an obligation to meet the following criteria before Authorization. In addition, any authorized Vendor has a continuing obligation to meet the below listed criteria during the period of Authorization.
  - 1) The Vendor Site shall be located within the boundary lines of the State of Illinois.
  - 2) The Vendor Site shall have a fixed and permanent location. This site shall be the address indicated on the WIC Vendor Application and shall be the location where a WIC ~~Participant-participant~~, Proxy or Department Representative shall select WIC Foods during business hours.
    - A) This site shall not be at an address or within any building where Food Instruments are distributed to WIC Participants.
    - B) The price charged to the WIC Program for WIC Foods provided through Participant Requested Delivery shall not exceed those prices charged to cash paying customers nor the prices posted at the Vendor Site. The Vendor shall not charge for delivery of WIC

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## Foods.

- 3) Each Vendor Site listed in the Application shall have 70% or more gross receipts from the sale of non-alcoholic products.
- 4) Authorization to participate in the USDA Food Stamp Program or any other federal food program is not a prerequisite for Authorization as a WIC Retail Vendor. If, however, an Applicant or Vendor has been authorized to participate in the USDA Food Stamp Program or other federal food program, he shall not have been denied, suspended, disqualified, terminated, or assessed a civil money penalty during the 2 years ~~preceding~~ ~~preceeding~~ Application for Authorization as a WIC Retail Vendor.
- 5) Neither the Applicant, Vendor, nor any officers or officials shall have been involved in bribery as prohibited under Section ~~50-5 10.1~~ of the Illinois ~~Procurement Code Purchasing Act~~ [30 ILCS ~~500/50-5-505/11.1~~].
- 6) The Applicant or approved Vendor shall be barred from receiving ~~State state~~ contracts as a result of any default on any educational loans as that term is defined in the Educational Loan Default Act [5 ILCS 385].
- 7) Neither the Applicant, Vendor, nor his or her spouse or minor children, shall hold an elective office in the State of Illinois, a seat in the General Assembly, appointment or employment in any of the offices of State government during the period of any WIC Vendor Authorization as prohibited under Section ~~50-13 11.1~~ of the Illinois ~~Procurement Code~~ [30 ILCS ~~500/50-13-11.1~~].
- 8) Neither the Applicant, Vendor, nor any officers, directors, individual partners, nor their spouses or minor children who owns more than 7½% ownership or beneficial interest in the Business Entity seeking Authorization to participate in the WIC Program shall be employed by the WIC Program of ~~NEither the Applicant, nor the Vendor shall have been convicted of a misdemeanor involving fraud, misuse or theft of State or federal Federal funds or of any felony. A certified copy of conviction may be offered and admitted into evidence as proof of such conviction.~~
- 9) Neither the Applicant, nor the Vendor shall have been convicted of a misdemeanor involving fraud, misuse or theft of State or ~~federal Federal~~ funds or of any felony. ~~A certified copy of conviction may be offered and admitted into evidence as proof of such conviction.~~
- 10) The Applicant or Vendor shall be barred from bidding on or entering into a WIC Vendor Contract as a result of a violation of Sections 33E-3 or 33E-4 of the Criminal Code of 1961.
- 11) Neither the Applicant, Vendor, nor any owner of 30% or more ownership shall have been terminated or disqualified from the WIC Program in the previous 3 years.
- 12) The Applicant or Vendor shall adhere to the provisions of the USDA WIC Regulations, the Act, and this Part.
- 13) With the exception of a Pharmacy, if the Applicant is a current or former Vendor, the Applicant's charges to the WIC Program as a percentage of the Department Estimated Cost may be ranked against other current or

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former Vendor Applicants and may be used as an Authorization criteria in order to meet the minimum number of Vendors needed in a region (Section 672.200) (7 CFR 246.12(e)(2)).

- b) Applicants shall be authorized as WIC Retail Vendors based upon the following:
- 1) An Application and all supporting documents shall be properly completed and verified by the Department. No Application shall be deemed complete unless it includes all necessary supporting documents required by the Applicant.
  - 2) The Applicant's proposed Vendor Site shall be visited by the Department.
    - A) The Department shall conduct an education visit of the proposed Vendor Site after receipt of a completed Application. Such a visit shall determine whether the Applicant has the minimum quantities, sizes, and types of WIC Foods and shall verify any business or financial information submitted by the Applicant. Food products originating from WIC Food Centers or CSFP shall not be counted towards the minimum quantities, sizes, and types of WIC Foods.
    - B) If the education visit by the Department discloses that the Applicant's proposed Vendor Site does not have the minimum quantities, sizes, and types of WIC Foods necessary or that business or financial information supplied by the Applicant is erroneous, inaccurate or insufficient, a second visit shall be scheduled. If the second visit does not meet the requirements as stated above, the Application shall be denied.
  - 3) The minimum quantities, sizes, and types of WIC Foods necessary at a Vendor Site are those specified in the WIC Vendor Contract. A copy of this list shall be provided to each Applicant and authorized Vendor.
  - 4) The Applicant shall be notified by the Department, within 30 calendar days, whether ~~or not~~ the visit of the proposed Vendor Site, the business, the financial, or other information provided by the Applicant meets the criteria set forth in this Part. If the Applicant meets such criteria, he shall be notified in writing of approval to attend the initial Retail Vendor training course or of his eligibility for an initial Retail Vendor training course.
  - 5) The Department shall (Section 672.200) a price survey of the Applicant's WIC Foods. The cost of the WIC Foods will be compared to the Department Estimated Cost. If the Applicant's price exceeds the Department Estimated Cost by 25%, the Application shall be denied. Stores that apply as a "pharmacy" are exempt from competitive price analysis.

(Source: Amended at 26 Ill. Reg. 15001, effective Oct 1, 2002)

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## SUBPART D: WIC VENDOR AUTHORIZATION AND RESPONSIBILITIES

**Section 672.425 WIC Retail Vendor Responsibilities**

- a) The Vendor shall monitor the WIC Foods approved by the USDA and shall furnish only the prescribed quantities, types and brands of food specified on the Food Instrument. Pharmacies or drug stores ~~which only redeem Food Instruments for infant packages, i.e., infant formula, infant cereal, and infant juice,~~ shall be exempt from the minimum stock requirements of those foods ~~that~~ which are not in the infant package. However, these establishments must have the ability to supply special formula in the necessary quantities upon request within 24 hours.
- b) The Vendor shall accept Food Instruments only within the time limits indicated on the Food Instruments and shall not receive payment for Food Instruments submitted before the "First Day to Use" or after the "Last Day to Use".
- c) The Vendor shall be responsible for payment and replacement of a lost, stolen or destroyed Vendor Number Stamp.
- d) The Vendor shall display the price of WIC Foods, charged to the general public, in clear view of customers, identifying the price of the specific WIC Food item.
- e) The Vendor shall provide WIC Foods to Participants, Proxies or Department Representatives at the same price or less than the price charged to non-WIC customers.
- f) The Vendor shall accept Food Instruments only from WIC Participants, Proxies or Department Representatives ~~of the Department~~ who present a WIC Participant Identification Card.
- g) The Vendor shall not issue a WIC Participant, Proxy or Department Representative any document (e.g., rain check) purporting to give the WIC Participant, Proxy or Department Representative the right to buy a WIC Food item or non-WIC Food item after the Food Instrument is signed by the Participant, Proxy or Department Representative. The Vendor shall not exchange any WIC Food item under any circumstances.
- h) The Vendor shall charge the Department sale prices. The value of coupons and discounts shall be deducted from the price charged to the Department. The Participant, Proxy or Department Representative shall not be given cash for the difference.
- i) The Vendor shall participate in an annual WIC training program as specified in Section 672.310.
- j) The Vendor shall be responsible for all Food Instruments accepted and processed for payment by current and former employees at the Vendor Site. The Vendor shall also be responsible for the accuracy of any information submitted to the Department by such employees. The Vendor shall be responsible for reviewing

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Food ~~Instruments instruments~~ which have been accepted to make certain that the total cost does not exceed the posted shelf prices or the prices charged to non-WIC customers.

- k) The Vendor shall abide by the USDA WIC Regulations, the Act, and this Part.
- l) The Vendor and his Business Entity shall be subject to review by the Department or USDA for the time period covering any present or previous Authorization. Documents to be maintained by the Vendor shall include but not be limited to:
  - 1) Original purchase order, including purchase order date; and
  - 2) Original vendor invoices, showing date, showing date received, revealing description of ~~items-item(s)~~ received, showing vendor model or item number, listing stock keeping unit identification number of item received (if different than the vendor unit ID number), listing quantity received by item, identifying item unit costs, furnishing item cost extension (item cost multiplied by item quantity received), and showing initials of employee receiving and counting inventory on behalf of store.

The Vendor shall maintain all records of purchases, gross sales receipts, and invoices of all WIC and non-WIC Foods for a period not less than 3 years. The original of such records shall be made available to the Department or USDA upon reasonable request. The Vendor shall also provide the Department and USDA the opportunity to inspect all Food Instruments located at the Vendor Site or under the control of the Vendor.
- m) The Vendor shall respond truthfully and accurately to Department initiated requests for Retail Vendor Price Surveys, verification of ownership of the Business Entity or Vendor Site, proof of WIC and non-WIC purchases and sales, and proof of the volume of alcoholic beverage sales. Such responses shall be in writing and be provided within 15 calendar days after receipt of the Department's request.
- n) The Vendor shall maintain all refrigerated areas at temperature of 40 ~~degrees~~ F or below.
- o) The Vendor shall not exchange Food Instruments for any form of currency, or other items of value, nor provide the Participant, Proxy or Department Representative with any amount of currency or coin as change from a partial WIC Food transaction.
- p) The Vendor shall not seek restitution from WIC Participants, Proxies or Department Representatives for Food Instruments not paid by the Department or fines levied by the Department, a financial institution or the Department's contract bank. The Vendor shall not seek or receive restitution from the Department for monetary penalties for rejected Food Instruments.
- q) The Vendor shall not charge sales taxes for WIC Foods, as the Department is exempt from such tax under tax number E9984-0987-03.

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- r) The Vendor shall reimburse the Department for any Food Instruments redeemed in violation of the USDA WIC Regulations, the Act, this Part or the WIC Vendor Contract.
- s) Neither Authorization as a WIC Vendor nor the WIC Vendor Contract constitutes employment between the Vendor and the Department as a State employee or provides eligibility for any employee benefits provided by the State of Illinois.
- t) The Vendor shall offer the same courtesies to WIC Participants, Proxies or Department Representatives as offered to other customers.
- u) When material information included in the Vendor's Application changes, the Vendor, by Certified Mail, shall notify the Department in writing, within 30 calendar days.
- v) The Vendor shall not deny a Participant, Proxy or Department Representative any WIC Foods indicated on the Food Instrument ~~that which~~ the Vendor has in stock.
- w) Neither the Vendor, nor his employee, shall require that a Participant, Proxy or Department Representative exchange their selection of WIC Foods because the WIC Foods selected exceed the maximum value of the Food Instrument. Nor shall the Vendor request or accept any remuneration for the difference between the Participant selected WIC Foods and the maximum value of the Food Instrument.
- x) The vendor shall allow WIC Participants, Proxies or Department Representatives freedom to select any WIC Foods in stock at the Vendor Site.
- y) The Vendor shall not maintain in shelf stock any WIC Foods ~~that which~~ meet the definition of "Expired Food". (See Sec03/21/1995tion 672.100.)
- z) The Vendor shall not accept for payment or credit an unsigned Food Instrument.

(Source: Amended at 26 Ill. Reg. 15001, effective Oct 1, 2002)

**Section 672.460 Voluntary Withdrawal from the WIC Vendor Contract**

A Vendor may voluntarily withdraw from participation in the WIC Retail Vendor program with approval of the Department; however, the Department shall not accept voluntary withdrawal as an alternative to disqualification, contract repudiation or sanctions for violations of this Part. A request for such withdrawal shall be made in writing by the Vendor and sent to the Department at least 15 calendar days in advance of the desired date of withdrawal. If, at the time of the requested withdrawal, the Vendor owes a fine assessment or any other monies resulting from violation of this Part, such penalty and other monies due shall be paid in full prior to withdrawal from the WIC Retail Vendor program. Any voluntary withdrawal shall be for a period of not less than 2 years.

(Source: Amended at 26 Ill. Reg. 15001, effective Oct 1, 2002)

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## SUBPART E: WIC VENDOR COMPLIANCE AND SANCTIONS

**Section 672.505 Federally Mandated Vendor Sanctions**

Vendors shall receive the following sanctions for the following violations as mandated by 7 CFR 246.12 (see 64 Fed. Reg. 13311, effective March 18, 1999):

- a) Permanent disqualification:
  - 1) The Department shall permanently disqualify a Vendor convicted of:
    - A) trafficking in food instruments; or
    - B) selling firearms, ammunition, explosives, or controlled substances (as defined in section ~~802 102~~ of the Controlled Substances Act (21 USC 802), in exchange for Food Instruments.
  - 2) A vendor shall not be entitled to receive any compensation for revenues lost as a result of such violation.
  - 3) The Department shall impose a civil money penalty in lieu of a disqualification for a violation when it determines, in its sole discretion, and documents that:
    - A) Disqualification of the Vendor would result in inadequate Participant Access; or
    - B) The Vendor had, at the time of the violation, a policy and program in effect to prevent trafficking; and the ownership of the Vendor was not aware of, did not approve of, and was not involved in the conduct of the violation.
- b) Six year disqualification:

The Department shall disqualify a Vendor for six years for:

  - 1) one incident of buying or selling Food Instruments for cash (trafficking); or
  - 2) one incident of selling firearms, ammunition, explosives or controlled substances as defined in 21 USC 802, in exchange for Food Instruments.
- c) Three year disqualification:

The Department shall disqualify a Vendor for three years for:

  - 1) One incident of the sale of alcohol or alcoholic beverages or tobacco products in exchange for Food Instruments;
  - 2) A pattern of claiming reimbursement for the sale of an amount of specific supplemental food item ~~that which~~ exceeds the store's documented inventory of that supplemental food item for a specified period of time;
  - 3) A pattern of charging WIC Participants more for supplemental food than non-WIC customers or charging Participants more than the current shelf or contract price;

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- 4) A pattern of receiving, transacting and/or redeeming Food Instruments outside of authorized channels, including the use of an unauthorized Vendor and/or unauthorized person;
- 5) A pattern of charging for supplemental food not received by the Participant; or
- 6) A pattern of providing credit or non-food items, other than alcohol, alcoholic beverages, tobacco products, cash, firearms, ammunition, explosives, or controlled substances as defined in 21 USC 802 ~~82~~, in exchange for Food Instruments.

For the purpose of this Section, a "pattern" shall be activity that is repeated a significant number of times.

- d) One year disqualification:  
The Department shall disqualify a Vendor for one year for a pattern of providing unauthorized food items in exchange for Food Instruments, including charging for supplemental food provided in excess of those listed on the Food Instrument.
- e) Second sanction:  
When a Vendor, who previously has been assessed a sanction for any of the violations in subsections (b) through (d) of this Section, receives another sanction for any of these violations, the Department shall double the second sanction.
- f) Third or subsequent sanction:  
When a Vendor, who previously has been assessed two or more sanctions for violations in subsections (b) through (d) of this Section, receives another sanction for such violations, the Department shall double the third sanction and all subsequent sanctions for such violations.
- g) Disqualification based on a Food Stamp Program disqualification:  
The Department shall disqualify a Vendor who has been disqualified from the Food Stamp Program. The disqualification shall be for the same length of time as the Food Stamp Program disqualification, may begin at a later date than the Food Stamp Program disqualification, and shall not be subject to administrative or judicial review under the WIC program.
- h) Voluntary withdrawal or non-renewal agreement:  
The Department shall not accept voluntary withdrawal of the Vendor from the Program as an alternative to disqualification for the above-listed violations of this Section, but shall enter the disqualification on the record. In addition, the Department shall not use non-renewal of the Vendor agreement as an alternative to disqualification.
- i) Participant Access determinations:
  - 1) Prior to disqualifying a Vendor for a violation of subsections (b) through (d) or (g), the Department shall determine if disqualification of the Vendor would result in inadequate Participant Access.

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- 2) When making Participant Access determinations, the Department shall consider, at a minimum, the availability of other authorized Vendors within the same area as the violative Vendor and any geographical barriers to using such Vendors.
- j) Civil money penalty:
- 1) The Department may impose a civil money penalty in lieu of disqualification for violations in ~~subsections Subsections~~ (b) through (d) or (g) if the Department, in its sole discretion and documentation determines that disqualification of the Vendor would result in inadequate Participant Access.
  - 2) If a civil money penalty is imposed in lieu of disqualification it shall be calculated for each violation subject to sanction under this Section, using the formula set forth in 7 CFR 246.12(k)(l)(x).
  - 3) If a Vendor does not pay, or only partially pays, the penalty, the Department shall disqualify the Vendor for the length of the disqualification corresponding to the violation for which the civil money penalty was assessed (for a period corresponding to the most serious violation in cases where the federally mandated sanction includes the imposition of multiple civil money penalties as a result of a single investigation).
  - 4) Civil money penalties may be doubled for second sanctions under this Section up to the limits set forth in 7 CFR 246.12(k)(l)(x). Civil money penalties may not be imposed in lieu of disqualification for third or subsequent violations under this Section.
- k) Notification to Federal Food and Nutrition Service:  
The Department shall provide the appropriate FNS office with a copy of the notice of administrative action, and information on Vendors it has disqualified or on whom it has imposed a civil money penalty in lieu of disqualification for any of the violations of this Section, within 15 days after the Vendor's opportunity to file for a WIC administrative review has expired or all the Vendor's WIC administrative reviews have been completed.
- l) Multiple violations during a single investigation:
- 1) When during the course of a single investigation the Department determines a Vendor has committed multiple violations (which may include violations subject to State agency sanctions), the Department shall disqualify the Vendor for the period corresponding to the most serious federally mandated violation. However, the Department shall include all violations in the notice of administrative action. ~~If a federally mandated sanction is not upheld on appeal, then the Department may impose a State agency established sanction.~~

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- 2) An investigation shall be considered complete when, in the judgement of the Department, sufficient evidence exists to determine whether the Vendor is complying with program requirements.

(Source: Amended at 26 Ill. Reg. 15001, effective Oct 1, 2002)

**Section 672.510 State Agency Vendor Sanctions**

## a) State Major Violations

State major violations are violations ~~that which~~, in the determination of the Department, could result in harm to WIC Participants or the WIC Program. The following shall be considered major violations:

- 1) Failure to maintain the minimum required quantity, size and type of foods of at least three WIC Foods identified in the Minimum Supply of WIC Foods and specified in the WIC Vendor Contract. (See definition of "Minimum Supply of WIC Foods" in Section 672.100.)
- 2) Any violation of Section 672.450.
- 3) Accepting any remuneration for the difference between the maximum value of the Food Instrument and the shelf price of the WIC Foods.
- 4) Having an expired WIC ~~Foods Food(s)~~ on the shelf. (See Section 672.100 "Expired Food".)
- 5) Submission of a Federal Employers Identification Number (FEIN) for the business entity operating as a Vendor ~~that which~~ differs from the FEIN filed for the same business entity with the USDA Food Stamp Program or with the Illinois Department of Revenue.
- 6) Submission of false, erroneous or inaccurate information in the business or financial information provided to the Department, on the Retail Vendor ~~Price price~~ Survey, or during the course of inspections of the Vendor Site.
- 7) Refusing to allow the Department access to investigate the Vendor Site during normal business hours.
- 8) Violation of a term of the WIC Vendor Contract.
- 9) Use of WIC Authorization by an unauthorized individual, corporation, partnership, limited partnership, unincorporated association, Limited Liability Company or former Vendor (if an individual), or the voluntary or involuntary dissolution of a Vendor corporation, partnership, limited partnership, Limited Liability Company or unincorporated association.
- 10) Failure to pay the Department the amount of any reimbursement or fine
- 11) ~~Sub~~mitting false, erroneous or inaccurate information on the application of a WIC Retail Vendor Contract.
- 12) Violation of the WIC Vendor Management Act or this Part, or of the

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- federal statutes and regulations regarding the WIC Vendor program.
- 13) Charging WIC customers more for food than non-WIC customers or charging more than the current shelf or contract price.
  - 14) Receiving, transacting and/or redeeming Food Instruments outside of authorized channels, including the use of an unauthorized Vendor and/or unauthorized person.
  - 15) Charging for supplemental food not received by the participant.
  - 16) Providing credit or non-food items, other than alcohol, alcoholic beverages, tobacco products, cash, firearms, ammunition, explosives, or controlled substances as defined in 21 USC ~~802-82~~, in exchange for Food Instruments.
  - 17) ~~Providing~~ ~~non~~ authorized food items in exchange for Food Instruments, including charging for supplemental food provided in excess of those listed on the Food Instrument.
- b) State Minor Violations:  
State minor violations are violations ~~that which~~ are administrative in nature and may impose less harm to Participants or the program. The following shall be considered minor violations:-
- 1) Failure to maintain the minimum required quantity, size and type of WIC infant formula as identified in the Minimum Supply of WIC Foods and specified in the WIC Vendor Contract. (See definition of "Minimum Supply of WIC Foods" in Section 672.100.)
  - 2) Requiring a Participant to select a different type or brand of WIC Foods when not specified on the Food Instrument.
  - 3) Altering or submitting for payment altered Food Instruments.
  - 4) The possession, the display on the shelf in the Vendor Site, the attempted sale or actual sale of food products which originated from the WIC Food Centers or the Commodity Supplemental Food Program.
  - 5) Acceptance of WIC Food ~~Instruments Instrument(s)~~ that is signed by a Participant, a Proxy or a Department Representative before the total actual cost is filled in by the Vendor.
  - 6) Not posting the shelf price for WIC Foods. If no price is posted, then for the purposes of this Section, the Posted Shelf Price shall be deemed to be the average price for a particular food based on the Retail Vendor Price Surveys performed pursuant to this Part, for stores of like size and location.
- c) Sanctions/Administrative Warnings:
- 1) For each major violation, except those set forth in subsection (c)(2) below, a Vendor shall receive:
    - A) A fine assessment of \$1000 or 10% of the Vendor's monthly average redemptions for the 12 months preceding the advance

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- notification regarding the sanction; and
- B) Either:
- ~~i)1)~~ Disqualification from the WIC Program for up to 1 year ~~to 3 years~~; or
  - ~~ii)2)~~ Probationary status within the WIC Program.
- 2) For violations set forth in subsections (a)(3), (13), (14), (15), (16) and (17), the Department will give the Vendor an administrative warning. Once a pattern of such violations is established, a sanction shall be imposed pursuant to Section 672.505.
- 32) For each minor violation a Vendor shall receive:
- A) A fine assessment of \$500 or 5% of the Vendor's monthly average redemptions for the 12 months preceding the advance notification regarding the sanction; and
  - B) Probationary status within the WIC Program.
- 43) Multiple violations in a single investigation shall result in a cumulative fine assessment.
- A) The cumulative sanction imposed shall be determined based on the nature and seriousness of the combined violations, the extent of potential harm to WIC clients and the program, and the deterrent effect for the Vendor and other Vendors.
  - B) An investigation shall be considered complete when, in the judgement of the Department, sufficient evidence exists to determine whether the Vendor is complying with program
  - C) ~~The maximum~~ fine and maximum disqualification term shall be no more than the limits set forth in 7 CFR 246.12(lk)(2)(i).
- 54) All fine assessments shall be paid within 30 calendar days from the date of the Secretary's advance notification of administrative action or order, by cashier's check or certified money order in United States currency. If the Vendor fails to pay any fine assessed within 30 calendar days after from the date of the Secretary's advance notification or order, the Department shall disqualify the Vendor from participation in the WIC Program until the fine is paid, and an additional fee of \$1500 ~~1,500~~ shall be required to reinstate Vendor Authorization.
- ~~d) Participant Access Determinations:~~
- ~~1) Prior to disqualifying a Vendor for a State major violation the Department shall determine if disqualification of the Vendor would result in inadequate Participant Access.~~
  - ~~2) When making Participant Access determinations, the Department shall consider, at a minimum, the availability of other authorized Vendors within the same area as the violative Vendor and any geographical barriers~~

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- ~~to using such Vendors.~~
- d)e) A Vendor remaining in the program after a finding of violations shall provide certification that the situation giving rise to the violations ~~violation~~ has been corrected, with documentation regarding the correction as requested by the Department.
- e) If the Department has reasonable grounds for believing that a Participating Vendor has committed an abuse or violation of the WIC Program, the Department may send written notice to the Vendor citing the specific grounds and warning the Vendor that abuse or violations should not continue or recur. The Department, however, is not required to provide a vendor with administrative warning prior to imposing sanctions or repudiating a vendor agreement.

(Source: Amended at 26 Ill. Reg. 15001, effective Oct 1, 2002)

**Section 672.515 Vendor Rights Regarding Notice and Appeal**

- a) Prior Warning:  
The Department is not required to provide the Vendor with prior warning that violations were occurring before imposing sanctions pursuant to Section 672.505 or 672.510, or repudiating the agreement pursuant to Section 672.520.
- b) Advance Notification:
- 1) The Department may take adverse action against a Vendor after providing 15-day advance notification, except that permanent disqualifications under Section 672.505(a) shall be effective on the date of receipt of notice of the administrative action.
  - 2) The written notification shall state the cause for the administrative action, its effective date and the procedures to file for an appeal of the action.
  - 3) The written notification shall be signed by the Secretary of the Department or his/her designee, and his/her decision therein may only be reversed by a subsequent decision or order by the Secretary or his/her designee pursuant to a hearing or settlement agreement.
- c) Appealable Actions:  
The Vendor may appeal the Department decision to disqualify or otherwise sanction a Vendor during the course of its agreement or contract with the Department, or to deny a Vendor's Application. The following are not appealable by way of administrative review and the Vendor has no right to a hearing regarding:
- 1) expiration of a Vendor contract or agreement;
  - 2) the Department's determinations regarding Participant Access; ~~or~~
  - 3) disqualification of a Vendor as a result of disqualification from the Food

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- Stamp Program or other sanction in lieu of disqualification pursuant to Section 672.510(d); or-
- 4) receipt of an administrative warning.

(Source: Amended at 26 Ill. Reg. 15001, effective Oct 1, 2002)

**Section 672.520 Breach of Contract**

- a) Upon determination by the ~~Department Secretary~~ that a substantial breach of contract has been committed by a Vendor, the Department shall repudiate its contract with the Vendor and terminate the Vendor Authorization.
- ~~b) — In determining whether a Vendor has committed a substantial breach of contract the Secretary shall consider whether participants would be unduly inconvenienced and may consider other relevant criteria.~~
- be) Any repudiation of to the contract by the Department and resultant termination of the Retail Vendor Contract will take effect only after the Vendor receives 15-day advance written notification of the adverse action, the causes cause(s) for and effective date of such action.

(Source: Amended at 26 Ill. Reg. 15001, effective Oct 1, 2002)

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- 1) Heading of the Part: Commercial Driver Training Schools
- 2) Code Citation: 92 Ill. Adm. Code 1060
- 3) 

<u>Section Numbers</u>	<u>Adopted Action</u>
1060.5	Amendment
1060.20	Amendment
1060.50	Amendment
1060.110	Amendment
1060.120	Amendment
1060.180	Amendment
1060.190	Amendment
- 4) Statutory Authority: Implementing Article IV of the Illinois Driver Licensing Law of the Illinois Vehicle Code [625 ILCS 5/Ch. 6, Art. IV] and authorized by Section 2-104(b) of the Illinois Title and Registration Law of the Illinois Vehicle Code [625 ILCS 5/2-104(b)].
- 5) Effective Date of Amendments: October 1, 2002
- 6) Do these amendments contain an automatic repeal date? No
- 7) Do these amendments 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: 26 Ill. Reg. 9623 (July 5, 2002).
- 10) Has JCAR issued a Statement of Objection to these amendments? No
- 11) Differences between proposal and final version: None.
- 12) Have all the changes agreed upon by the agency and JCAR been made as indicated in the agreements? Yes.
- 13) Will these amendments replace any emergency amendments currently in effect? No.
- 14) Are there any amendments pending on this Part? No.

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- 15) Summary and Purpose of Amendments: At the suggestion of the Legal Counsel at the Department of Administrative Hearings in Chicago, we clarified the rules he found ambiguous and problematic during hearings in the recent past. Additionally, we are changing the teenage student behind-the-wheel requirements in order to conform more closely with the current Illinois State Board of Education requirements.
- 16) Information and questions regarding these adopted amendments shall be directed to:

Robert W. Mueller  
Assistant General Counsel  
Driver Services Department  
Springfield, IL 62756  
217/782-5356 or 217/785-3094

The full text of the adopted amendments begins on the next page:

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## TITLE 92: TRANSPORTATION

## CHAPTER II: SECRETARY OF STATE

## PART 1060

## COMMERCIAL DRIVER TRAINING SCHOOLS

## Section

1060.5	Definitions
1060.10	Unlicensed Person May Not Operate Driver Training School
1060.20	Requirements for School Licenses
1060.30	Driver Training School Names
1060.40	Refund of Application Fees
1060.50	School Locations and Facilities
1060.60	Driver Training School Student Instruction Record
1060.70	Driver Training School Course of Instruction
1060.80	Driver Training School Contracts
1060.90	Inspection of School Facilities
1060.100	Licenses
1060.110	Safety Inspection of Driver Training School Motor Vehicles
1060.120	Requirements to Obtain and Retain a Driver Training Instructor's License
1060.130	Examination for Driver Training Instructor
1060.140	Temporary Permit
1060.150	Driver Training School Responsibility for Employees
1060.160	Solicitation of Students and Pupils for Commercial Driver Training Instruction
1060.170	Hearings
1060.180	Teen Accreditation
1060.190	Denial, Cancellation, Suspension, and Revocation of Commercial Driver Training School's License and Instructor's License
1060.200	Commercial Driver's License and/or Endorsement and/or Accreditation

**AUTHORITY:** Implementing Article IV of the Illinois Driver Licensing Law of the Illinois Motor Vehicle Code [625 ILCS 5/Ch. 6, Art. IV] and authorized by Section 2-104(b) of the Illinois Title and Registration Law of the Illinois Vehicle Code [625 ILCS 5/2-104(b)].

**SOURCE:** Filed March 2, 1972; codified at 6 Ill. Reg. 12697; transferred from 23 Ill. Adm. Code 252.50 (State Board of Education) pursuant to Section 5-80(d) of the Illinois Administrative Procedure Act [5 ILCS 100/5-80(d)] and Section 6-411 of the Illinois Driver

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Licensing Law of the Illinois Vehicle Code [625 ILCS 5/6-411] at 11 Ill. Reg. 1631, effective December 31, 1986; amended at 11 Ill. Reg. 17244, effective October 13, 1987; amended at 12 Ill. Reg. 13203, effective August 1, 1988; amended at 12 Ill. Reg. 19756, effective November 15, 1988; amended at 14 Ill. Reg. 8658, effective May 18, 1990; recodified at 17 Ill. Reg. 20006, effective November 3, 1993; amended at 18 Ill. Reg. 7788, effective May 9, 1994; amended at 20 Ill. Reg. 3861, effective February 14, 1996; amended at 22 Ill. Reg. 22069, effective December 2, 1998; emergency amendment at 24 Ill. Reg. 8403, effective June 2, 2000, for a maximum of 150 days; amended at 24 Ill. Reg. 15443, effective October 5, 2000; amended at 25 Ill. Reg. 6409, effective April 26, 2001; amended at 26 Ill. Reg. 15020, effective Oct 1, 2002.

**Section 1060.5 Definitions**

For purposes of this Part, the following definitions shall apply:

"Branch Office" – an office of a Commercial Driver Training School in a distinct location from the main office, but which conducts business under the name and as a part of the school as provided in [Chapter 6](#), Article IV of the Illinois Driver Licensing Law of the Illinois Vehicle Code [625 ILCS 5/[Ch. 6](#), Art. IV] and which meets the requirements of [Section Sections 1060.50 through 1060.70](#) of this Part.

"Business Day" – any day on which the Office of the Secretary of State Commercial Driver School Division is open; Monday through Saturday, excluding State holidays.

"Cancellation" – the without prejudice annulment or termination by formal action of the Secretary of a driver training school's license or a driver training school instructor's license because of some error or defect in the license or because the licensee is in some form of violation of any of the requirements in the Illinois Vehicle Code or Illinois Administrative Code, which annulment or termination shall not be subject to renewal or restoration except that an application for a new license shall be presented and acted upon by the Secretary after the licensee demonstrates compliance with the provisions of this Part for which the cancellation was issued.

"CDL Accreditation" – the accreditation of a commercial driver training school by the Department, which allows the school to offer instruction to students who wish to obtain a CDL and/or endorsement.

"CDL Study Guide" – a study guide compiled by the Secretary of State from information contained in the Illinois Vehicle Code [625 ILCS 5] and 49 CFR 383, which is designed to aid drivers in preparing for a CDL examination.

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*"Commercial Driver's License (CDL)" - a driver's license issued by a state to a person, which authorizes that person to drive a certain class of commercial motor vehicle or vehicles. [625 ILCS 5/6-500(3)]*

"Commercial Driver Training School" – an entity licensed by the Secretary of State to engage in the business of giving instruction for a fee in the driving of motor vehicles or in the preparation of an applicant for examination given by the Secretary of State for a driver's license or permit.

"Commercial Driver Training Section" – a unit of the Department of Driver Services which oversees the licensing of commercial driving schools and the instructors in commercial driver training schools.

"Commercial Motor Vehicle" – a vehicle as defined in Section 6-500 of the Illinois Driver Licensing Law of the Illinois Vehicle Code [625 ILCS 5/6-500].

"Department" – Department of Driver Services within the Office of the Secretary of State.

"Endorsement" – an indication on the driver's license that the driver has qualified to operate certain types and/or combinations of vehicles, and/or carry specified cargo.

"Enhanced Instruction Report" – a report submitted on a form prescribed by the Department showing the name, address, and number of behind-the-wheel instruction periods taken for every student who has had ~~twenty five (25)~~ hours of behind-the-wheel instruction.

"Fraud" – includes anything calculated to deceive, whether it be a single act or combination of circumstances, whether the suppression of truth or the suggestion of what is false, whether it be by direct falsehood or by innuendo, by speech or by silence.

"Gross Combination Weight Rating (GCWR)" – the GVWR of the power unit plus the GVWR of the towed ~~units~~ ~~unit(s)~~ or the combined registered weight of the power unit plus the towed unit, whichever is greater.

"Gross Vehicle Weight Rating (GVWR)" – the value specified by the ~~manufacturers~~ ~~manufacturer(s)~~ as the maximum loaded weight of a single vehicle, or the registered gross weight, whichever is greater.

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"Hazardous Materials" – substance or material in a quantity and form which may pose an unreasonable risk to health and safety or property when transported in commerce (49 ~~USCA-U.S.C.A.~~ 1802).

"Instruction Record" – records kept by the instructor to reflect the number of hours a pupil in a Commercial Driver Training School attends behind-the-wheel and classroom instruction as provided in Section 6-418 of the Illinois Driver Licensing Law of the Illinois Vehicle Code [625 ILCS 5/6-418].

"Main Office" – the primary office of the Commercial Driver Training School which is designed solely for conducting the business of the school as provided in Article IV of the Illinois Driver Licensing Law of the Illinois Vehicle Code.

"Misrepresentation" – a false statement of a substantive fact, or any conduct which leads to a belief of a substantive fact material to proper understanding of the matter in hand, made with intent to deceive or mislead.

"Physical Facilities" – the building and items which constitute part of the building, including the telephone and the furniture.

"Restriction" – requirement or condition added to a driver's license which must first be met by the license holder before he/she may legally operate a motor vehicle.

"Revocation" – the termination by formal action of the Secretary of a Commercial Driver Training School's ~~commercial driver training school's~~ license or a Commercial Driver Training School ~~commercial driver training school~~ instructor's license, which termination shall be subject to renewal or restoration identical to the provisions for revocation of a driver's license as provided in Section 1-176 of the Illinois Vehicle Code [625 ILCS 5/1-176].

"Sex and Drug Related Offenses" – offenses of criminal sexual assault [720 ILCS 5/12-13], aggravated criminal sexual assault [720 ILCS 5/12-14], criminal sexual abuse [720 ILCS 5/12-15], aggravated criminal sexual abuse [720 ILCS 5/12-16], juvenile pimping [720 ILCS 5/11-19.1],<sup>2</sup> soliciting for a juvenile prostitute [720 ILCS 5/11-15.1], unauthorized manufacture or delivery of a controlled substance which shall include counterfeit drugs [720 ILCS 570/401], sale, delivery or exchange of instruments used for illegal drug use or abuse [720 ILCS 5/22-51], delivery of a controlled substance which includes counterfeit and look alike substances [720 ILCS 570/407], manufacture or delivery of cannabis [720 ILCS 550/5], delivery of cannabis [720 ILCS 550/7], the production of the cannabis

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plant [720 ILCS 550/8], illegal possession in a motor vehicle of any controlled substance or any cannabis [625 ILCS 5/6-206(a)(28)], the criminal transmission of HIV [720 ILCS 5/12-16.2], exploitation of a child [720 ILCS 5/11-19.2], controlled substance trafficking [720 ILCS 570/401.17], cannabis trafficking [720 ILCS 550/5.1], delivery of cannabis on school grounds [720 ILCS 550/5.2], calculated criminal cannabis conspiracy [720 ILCS 550/9], calculated criminal drug conspiracy [720 ILCS 570/405], and criminal drug conspiracy [720 ILCS 570/405.1].

"Short Review Course" – a course offered by Commercial Driver Training Schools to pupils who have previously held or currently hold a valid driver's license and which does not meet the requirement of ~~six (6)~~ hours of classroom instruction and ~~six (6)~~ hours behind-the-wheel instruction.

"Surety Bond" – a written obligation whereby another person assumes liability for another's debts or defaults of obligation.

"Suspension" – the procedures for temporary withdrawal of a Commercial Driver Training School's ~~commercial driver training school's~~ license or Commercial Driver Training School ~~commercial driver training school~~ instructor's license identical to the provisions for the suspension of a driver's license as provided in Section 1-204 of the Illinois Vehicle Code (~~Ill. Rev. Stat. 1991, ch. 95½, par. 1-204~~)[625 ILCS 5/1-204].

"Teen Accreditation" – the accreditation of a Commercial Driver Training School ~~commercial driver training school~~ by the Department, which allows the school to offer instruction to pupils under age 18 ~~eighteen~~.

(Source: Amended at 26 Ill. Reg. 15020, effective Oct 1, 2002 )

**Section 1060.20 Requirements for School Licenses**

- a) The Department shall not issue a driver training school license to any person unless:
  - 1) The applicant has at least one motor vehicle owned or leased in the name of the driver training school or school owner indicated on the license, and registered by the Secretary of State Vehicle Services Department, which has been safety inspected and insurance certified as required herein for use by the school for driver training purposes and driving instruction;
  - 2) The applicant has at least one person who is employed by or associated with the school, and who is licensed or qualified to be licensed by the

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- Department as a driver training instructor for that school.;
- 3) The physical facilities meet the requirements of this Part.;
  - 4) The applicant is of good moral character as required pursuant to Section 6-402(a) of the Illinois Driver Licensing Law of the Illinois Vehicle Code [625 ILCS 5/6-402(a)]. In making a determination of good moral character, the Department is not limited to, but shall consider the following:
    - A) If the owner has been convicted of a felony, and considering:
      - i) The relationship of any crime of which the person has been convicted to the ability to operate a driver training school;  
or
      - ii) The opinions of the community members concerning the convicted owner; or
      - iii) The length of time that has elapsed since the owner's last criminal conviction.
    - B) If the owner has been indicted, formally charged or otherwise charged with a felony that relates to his ability to operate a driver training school.
  - 5) If the owner whose Commercial Driver Training School license has been cancelled under this Part is adjudicated "guilty" by the court systems, the cancellation previously entered on his/her record in accordance with Section 1060.190(b) of this Part shall stand. This action does not preclude further suspension and/or revocation of the Commercial Driver Training School license under another Section of this Part or the Illinois Vehicle Code.
  - 6) If the owner whose Commercial Driver Training School license has been cancelled under this Part is adjudicated "not guilty" by the court systems, the cancellation previously entered on the license in accordance with Section 1060.190(b) of this Part shall be rescinded. This action does not preclude further suspension and/or revocation of the Commercial Driver Training School license under another Section of this Part or the Illinois Vehicle Code.
  - 7) If the owner whose Commercial Driver Training School license has been cancelled under this Part is granted a disposition of "court supervision" by the court systems, the cancellation previously entered on the license in accordance with Section 1060.190(b) of this Part shall be rescinded. This action does not preclude further suspension and/or revocation of the Commercial Driver Training School license under another Section of this Part or the Illinois Vehicle Code.
  - 8) An individual whose Commercial Driver Training School license has been

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~~cancelled pursuant to this Part may request an administrative hearing pursuant to 92 Ill. Adm. Code 1001.~~

~~A) If the applicant has been convicted of a crime; or~~

~~B) the age of the applicant at the time any criminal conviction was entered; or~~

~~C) the length of time that has elapsed since the applicant's last criminal conviction; or~~

~~D) the relationship of any crime convicted of to the ability to operate a driver training school; or~~

~~E) any evidence of rehabilitation after a criminal conviction; or~~

~~F) opinions of community members concerning the applicant.~~

- b) Only one driver training school license shall be issued to any individual, group, association, partnership or corporation, and the Department shall deny the application of any driver training school if any of the applicants are unqualified or are already licensed or have made application for another driver training school license.
- c) The applicant shall not be a current salaried or contractual employee of the Secretary of State as mandated by the guidelines of the Secretary of State's Office policy manual which states that an employee shall not advocate or promote specific professional or commercial services to the public in matters under the jurisdiction of the Office of the Secretary of State.
- d) No accreditation program shall remain in operation if properly qualified personnel are not available or if other changes occur which would reduce its qualifications. Exception: in the event of fire, flood or other catastrophe, the school may temporarily continue to operate with facilities which are not up to standards only for the duration of the courses which have been started, if the Director of the Department consents for them to do so. A Secretary of State employee shall determine that no health or safety hazard exists in violation of any local, State ~~state~~ or federal ordinance, before the Director of the Department shall give his/her consent. No new course can be started until facilities meet the minimum requirements for licensing.
- e) No driver training school shall operate in the State of Illinois unless it provides and files with the Department a continuous surety bond in the principal sum of \$10,000, underwritten by a company authorized to do business in the State of Illinois, for the protection of the contractual rights of students as provided in Section 6-402(e) of the Illinois Driver Licensing Law of the Illinois Vehicle Code. All bonds filed pursuant to this provision shall be in substantially the following form:

Know All Persons by These Presents, That

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We, \_\_\_\_\_, of

\_\_\_\_\_ hereinafter, referred to as Principal and \_\_\_\_\_, a

Corporation organized and existing to do business in the State of Illinois, for the use and benefit of all persons who may be damaged by breach of this bond, as Obligees, in the penal sum of Ten Thousand Dollars (\$10,000), lawful money of the United States of America, for the payment of which sum, well and truly to be made, we bind ourselves, our executors, administrators, successors and assigns, firmly by these presents. The Condition Of This Obligation Is such, That whereas, the principal has made application for a license or permit to the State of Illinois for the purpose of exercising the vocation of a Driver Training School. Now Therefore, if the said Principal shall faithfully comply with the Illinois Vehicle Code, as amended, and all rules and regulations which have been or may hereafter be in force concerning the said License or Permit, and shall save and keep harmless the Obligees from all loss or damage which may be sustained as a result of the issuance of said license or permit to the said Principal, this obligation shall be void; otherwise, to remain in full force and effect. The Bond Will Expire but may be continued by renewal certificate signed by Principal and Surety. The Surety may at any time terminate its liability by giving thirty (30) days written notice to the Commercial Driver Training Section of the Department, 650 Roppolo Drive, Elk Grove Village, Illinois 60007, and the Surety shall not be liable for any default after such thirty day notice period, except for defaults occurring prior thereto.

Signed, Sealed and Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2019 \_\_\_\_\_.

Principal \_\_\_\_\_

Surety \_\_\_\_\_

By \_\_\_\_\_  
Attorney-in-fact

- f) Upon receipt of a properly executed application for a driver training school license, or driver training instructor's license, the Department shall investigate the qualifications of the applicant, and authorized representatives shall inspect the school property and equipment to determine whether the application should be granted or denied.
- g) An owner or manager shall not engage in fraudulent activity as defined in Section 1060.5 of this Part.
- h) An owner or employee of a commercial driver training school shall not have been

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declared to have engaged in fraudulent activity within the 5 years prior to making application.

- i) Licenses shall be issued by the Department.
- j) An owner shall not have unauthorized possession of application forms or questionnaires used by the Driver Services Department in conjunction with administering driver's license examinations.

(Source: Amended at 26 Ill. Reg. 15020, effective Oct 1, 2002)

**Section 1060.50 School Locations and Facilities**

- a) Each driver training school must comply with Section 6-409 of the Illinois Vehicle Code [625 ILCS 5/6-409]. In addition, the branch classroom shall be identified as such by a permanent sign which indicates the location of the main office and classroom and which is reasonably visible to the general public from outside the branch classroom.
- b) The established place of business of each driver training school shall comply with Section 6-406 of the Illinois Vehicle Code [625 ILCS 5/6-406], and, in addition:
  - 1) The main office and each branch office shall have a minimum of 150 square feet of office space;
  - 2) Each school facility must post, in a conspicuous place, on or near the permanent school sign, the days and regular hours when open. A school shall not be deemed open for business unless at least one authorized representative of the school is present; and
  - 3) The main office and each branch office of the driver training school shall have direct access from the outside. Any business may be conducted in the same building providing the business being conducted is legal and that the business has its own entrance.
- c) The established place of business or branch office, branch classroom or advertised address of any driver training school shall comply with all restrictions contained in Section 6-405(b) of the Illinois Vehicle Code [625 ILCS 5/6-405].
- d) Each established main office and branch office facility must maintain a place of business which shall be open to the general public, during posted hours on file with the Secretary of State, a minimum of 8 hours per week. The 8 hours must be on Monday through Friday between the hours of 7 a.m. and 7 p.m.
- e) The classroom facility shall contain the following:
  - 1) Sufficient seating facilities and writing surfaces for students;
  - 2) Charts, diagrams, traffic control devices, or pictures relating to the operation of motor vehicles and traffic laws;
  - 3) Blackboards or other forms of illustrative devices which are visible from

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- all seating areas;
- 4) Textbooks, reference books and pamphlets relating to the proper operation of motor vehicles and traffic laws;
  - 5) Adequate fire extinguishers in operable condition as required pursuant to Section 6-406(c) of the Illinois Driver Licensing Law of the Illinois Vehicle Code.
- f) Each main classroom or branch classroom shall have:
- 1) a minimum of 300 square feet of classroom space and the main classroom shall be within close proximity of the main office facility;
  - 2) installed a heating and ventilating system adequate to maintain a comfortable room temperature for the occupants;
  - 3) installed an adequate lighting system so as to provide sufficient lighting for the occupants.
- g) A driver training school which has an established place of business and a main classroom facility may operate a branch classroom, provided it meets all requirements of the main classroom.
- 1) Upon receipt by the Department of a written request to open a branch classroom or branch office, an authorized representative of the Department shall inspect the branch office or branch classroom, and if it complies with the provisions of Section 6-406(e) of the Illinois Driver Licensing Law of the Illinois Vehicle Code and this Part, the Department shall issue the appropriate license which must be displayed in a visibly prominent place in the branch facility.
  - 2) When a branch facility is to be closed, the driver training school shall return the branch facility's license to the Secretary of State in a timely manner.

(Source: Amended at 26 Ill. Reg. 15020, effective Oct 1, 2002)

**Section 1060.110 Safety Inspection of Driver Training School Motor Vehicles**

- a) All motor vehicles used by any driver training school or driver training instructor for driving instruction or driver training purposes shall be safety inspected by the Illinois Department of Transportation. Evidence of such inspection must accompany the initial or renewal driver training school application. Any new vehicle purchased after the issuance of a school license shall be so inspected for safety and such evidence of inspection must be delivered to the Department.
- b) Motor vehicles which have passed safety inspection shall be issued a safety inspection sticker, which identifies the year in which the sticker is valid. The safety inspection stickers shall not be removed unless the term of validity has expired or the motor vehicle ceases to be used for driver training instruction or

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- driver training purposes by the driver training school identified on the sticker.
- c) It shall be the responsibility of the driver training school to remove and destroy the safety inspection sticker when the term of its validity has expired or the motor vehicle ceases to be used by the driver training school for driver training instruction or driver training purposes.
- d) No motor vehicle shall be used for driver training unless:
- 1) It is equipped with a dual braking device which will enable an accompanying instructor to bring the ~~vehicle ear~~ under control in case of an emergency as required pursuant to Section 6-410(b) of the Illinois Driver Licensing Law of the Illinois Vehicle Code. Commercial motor vehicles, ~~motorcycles and motor driven cycles~~ are exempt from this requirement;
  - 2) If equipped with a standard transmission, it is equipped with at least a dual clutch and braking device which will enable an accompanying instructor to bring the ~~vehicle ear~~ under control in case of an emergency. Commercial motor vehicles, ~~motorcycles and motor driven cycles~~ are exempt from this requirement;
  - 3) It is equipped with a driver and passenger sideview mirror as required pursuant to Section 6-410(b) of the Illinois Driver Licensing Law of the Illinois Vehicle Code [625 ILCS 5/6-410(b)];
  - 4) It is owned or leased in the name of a driver training school licensed by the Department or school owner indicated on the license, and registered by the Secretary of State's Vehicle Services Department pursuant to Statute and ~~this Part these Rules~~ or is leased by a driver training school and a lease agreement is submitted to the Department signed by the lessor and lessee. The lease agreement shall contain the make, year, and vehicle identification number of the vehicle. It shall also contain the names and addresses of the lessor and lessee;
  - 5) It is in safe operating condition that includes, but is not limited to, operating and undamaged doors, mirrors, windshield, exhaust system, headlights, turn signals, seat belts, brakes and tires;
  - 6) It is listed in the driver training school license application or supplemental application or schedule on file with the Department;
  - 7) It is properly identified as a driver training motor vehicle by equipping the motor vehicle with a sign or signs visible from the front and the rear in letters no less than 2 inches tall, listing the full name of the driver training school that has registered and insured the motor vehicle pursuant to Section 6-410(c) of the Illinois Driver Licensing Law of the Illinois Vehicle Code [625 ILCS 5/6-410(c)];
  - 8) Current and valid registration on the vehicle used for driver training must

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- be retained in the vehicle;
- 9) It displays a current and valid safety inspection certificate sticker.
- e) The Department shall not issue an insurance certificate sticker until the school has provided to the Department a vehicle Fleet Schedule which lists the vehicles ~~vehicle(s)~~ used by the school and which is signed by an authorized representative of the Illinois Department of Transportation.
- f) The insurance certificate sticker shall be firmly attached to the lower right portion of the front windshield of the vehicle and shall not be removed until the term of validity has expired or the motor vehicle ceases to be used for driver training instruction or driver training purposes by the driver training school identified on the sticker.

(Source: Amended at 26 Ill. Reg. 15020, effective Oct 1, 2002)

**Section 1060.120 Requirements to Obtain and Retain a Driver Training Instructor's License**

- a) The Secretary of State shall not issue, or shall deny, cancel, suspend or revoke, a driver training instructor's license:
- 1) To any person who has not held a valid driver's license for any 2 year period preceding the date of application for an instructor's license;
  - 2) To any person who has been convicted of 3 or more offenses against traffic regulations governing the movement of traffic within the 2 year period immediately preceding the date of application for an instructor's license;
  - 3) To any person who has had 2 or more convictions of a violation which caused an auto accident within the 2 year period immediately preceding the date of application for an instructor's license;
  - 4) To any person who has been convicted of driving under the influence of alcohol and/or other drugs, pursuant to Section 11-501 of the Illinois Rules of the Road of the Illinois Vehicle Code [625 ILCS 5/11-501], leaving the scene of a fatal accident, pursuant to Section 11-401 of the Illinois Rules of the Road of the Illinois Vehicle Code [625 ILCS 5/11-401], reckless homicide, pursuant to Section 9-3 of the Criminal Code of 1961 [720 ILCS 5/9-3], reckless driving, pursuant to Section 11-503 of the Illinois Rules of the Road of the Illinois Vehicle Code [625 ILCS 5/11-503], or any sex or drug related offense within 10 years prior to date of application;
  - 5) To any person who has failed to pass the written, vision, or road test required by the Department for applicants for a driver training instructor's license;

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- 6) To any person who is physically unable to safely operate a motor vehicle or to safely instruct or train others in the operation of a motor vehicle as determined by a licensed physician pursuant to Section 6-411(d) of the Illinois Driver Licensing Law of the Illinois Vehicle Code [625 ILCS 5/6-411(d)]. An application/medical examination form provided by the Secretary of State shall be completed by the applicant and physician. The physician's medical examination form shall contain the applicant's ability to safely operate a motor vehicle. The form shall also contain an indication of the person's eyesight, hearing, mental alertness, reflexes, and whether the person has normal use of his limbs and feet. The physician must also provide his address and the date and place of the examination. Those persons who are solely classroom instructors shall comply with subsection (d) of this Section;
- 7) To any person who fails to properly and fully complete an application for such license or otherwise indicates that he is unqualified to receive a driver training instructor's license;
- 8) To any person who is not employed or associated with a driver training school licensed by the Department as required pursuant to Section 6-417 of the Illinois Driver Licensing Law of the Illinois Vehicle Code [625 ILCS 5/6-417];
- 9) To any person who is currently a salaried or contractual employee of the Secretary of State as mandated by the guidelines of the Secretary of State's Office Policy Manual which states that an employee shall not advocate or promote specific professional or commercial services to the public in matters under the jurisdiction of the Office of the Secretary of State;
- 10) To any person who fails to supply a complete set of fingerprints to the Department as required pursuant to Section 6-411(b) of the Illinois Driver Licensing Law of the Illinois Vehicle Code [625 ILCS 5/6-411(b)];
- 11) To any person who is not at least 21 years of age and a resident of the State of Illinois;
- 12) To any person who has failed to comply with the provisions of this Part ~~these Rules~~ pursuant to Section 6-411(d) of the Illinois Driver Licensing Law of the Illinois Vehicle Code [625 ILCS 5/6-411(d)];
- 13) To any person who is not of good moral character as required pursuant to Section 6-411(a) of the Illinois Driver Licensing Law of the Illinois Vehicle Code [625 ILCS 5/6-411(a)]. In making a determination of good moral character, the Department is not limited to, but shall may consider the following:
  - A) If the instructor has been convicted of a felony, and considering:
    - i) The relationship of any crime of which the person has been convicted to the ability to operate a driver training school;

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- or
- ii) The opinions of the community members concerning the owner; or
  - iii) The length of time that has elapsed since the owner's last criminal conviction.
- B) If the instructor has been indicted, formally charged or otherwise charged with a felony:
- i) If the instructor whose Commercial Driver Training School instructor license has been cancelled under this Part is adjudicated "guilty" by the court systems, the cancellation previously entered on his/her record in accordance with Section 1060.190(b) of this Part shall stand. This action does not preclude further suspension and/or revocation of the Commercial Driver Training School instructor license under another Section of this Part or the Illinois Vehicle Code.
  - ii) If the instructor whose Commercial Driver Training School instructor license has been cancelled under this Part is adjudicated "not guilty" by the court systems, the cancellation previously entered on the license in accordance with Section 1060.190(b) of this Part shall be rescinded. This action does not preclude further suspension and/or revocation of the Commercial Driver Training School instructor license under another Section of this Part or the Illinois Vehicle Code.
  - iii) If the instructor whose Commercial Driver Training School instructor license has been cancelled under this Part is granted a disposition of "court supervision" by the court systems, the cancellation previously entered on the license in accordance with Section 1060.190(b) of this Part shall be rescinded. This action does not preclude further suspension and/or revocation of the Commercial Driver Training School instructor license under another Section of this Part or the Illinois Vehicle Code.
- C) An individual whose Commercial Driver Training School instructor license has been cancelled pursuant to this Part may request an administrative hearing pursuant to 92 Ill. Adm. Code 1001.
- ~~A) if the person has been convicted of a crime; or~~  
~~B) the age of the person at the time any criminal conviction was~~

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- ~~entered; or~~
- ~~C) — the length of time that has elapsed since the person's criminal conviction; or~~
- ~~D) — the relationship of any crime convicted of to the ability to teach as a driver training instructor; or~~
- ~~E) — any evidence of rehabilitation after a criminal conviction; or~~
- ~~F) — opinions of community members concerning the applicant;~~
- 14) To any person whose suspension under Section 11-501.1 of the Illinois Rules of the Road of the Illinois Vehicle Code [625 ILCS 5/11-501.1] has terminated within 10 years prior to date of application;
- 15) To any person who has not completed a 30 hour course or an equivalent college or university course approved by the Director of the Department.
- A) Any person possessing a current and valid commercial driver training instructor's license, or who is renewing a commercial driver training license issued by the Secretary of State's Office, shall be exempt from this requirement.
- B) A driver training school whose instructor provides training to individuals under the age of 18 years is exempt from this requirement and must complete the mandatory 48 hour course as required in Section 1060.180 of this Part.
- b) If an applicant indicates that he has been convicted of a felony, the applicant shall submit a signed release allowing the Department to obtain any information regarding the applicant's arrest and conviction, thereby enabling the Department to determine the fitness of an applicant to be licensed as an instructor.
- c) No driver training instructor shall provide behind-the-wheel instruction in a vehicle which is classified higher than the classification of such instructor's driver's license. An instructor may hold two classifications; one classification from Classes A, B, C and D, and one classification from Classes L and M. An instructor holding a Class A commercial driver's license may teach students to drive all Class A, B, C, and D vehicles. An instructor holding a Class B commercial driver's license may teach students to drive all Class B, C, and D vehicles. An instructor holding a Class C commercial driver's license may teach students to drive all Class C and D vehicles. However, an instructor holding a non-commercial driver's license may only teach students who do not require a commercial driver's license. An instructor holding a Class M license may teach students to drive all Class L and M vehicles.
- d) Any person who is physically unable to safely operate a motor vehicle but meets all other requirements to be a driver training instructor shall be able to teach only the classroom portion of the driver training course upon receipt of a doctor's statement indicating the person is physically able to teach in the classroom. The

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person shall also pass the vision test, as provided in 92 Ill. Adm. Code 1030.70, the written test, as provided in 92 Ill. Adm. Code 1030.80, the highway safety sign test, and submit all applicable fees as set out in Section 6-411 of the Illinois Driver Licensing Law of the Illinois Vehicle Code [625 ILCS 5/6-411] before being issued an instructor's license for classroom instruction only.

- e) All instructors who have ceased to be employed or associated with the designated school on their license must submit a new complete instructor's license application and application fee before being licensed to instruct at another school or in the same school after such cessation.
- f) If a driver training instructor license is not renewed within one year after the previous year's expiration date, the applicant shall be required to take examinations pursuant to Section 1060.130 of this Part.
- g) An instructor shall not engage in fraudulent activity as defined in Section 1060.5 of this Part.
- h) During the course of instruction in either classroom or behind-the-wheel, an instructor shall not engage in activity unrelated to normal driving instruction that puts the student in danger.
- i) An instructor shall not have unauthorized possession of application forms or questionnaires used by the Driver Services Department in conjunction with administering driver's license examinations.

(Source: Amended at 26 Ill. Reg. 15020, effective Oct 1, 2002)

**Section 1060.180 Teen Accreditation**

- a) Accreditation of the School – Each commercial driver training school that desires to offer instruction to those under the age of 18 must be accredited by the Secretary of State through the Department of Driver Services before such instruction can be offered or advertised.
  - 1) Upon receipt of proper application for accreditation, the Secretary of State will investigate the school and verify the application. A Secretary of State employee shall contact the school and make an appointment to visit the school's facilities. At the time of the visit, the Secretary of State employee shall verify that the school meets the standards set forth for commercial driving schools in Section 6-401 of the Illinois Vehicle Code [625 ILCS 5/6-401]. In addition, the school shall meet the standards for commercial driver school teen accreditation that are set forth in Section Sections 1060.180(b) through (f) of this Part. These standards shall be furnished to the school by the Secretary of State before the visit if the school requests them. If all qualifications and standards are met, the school shall be

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- certified to offer instruction to students under the age of 18.
- 2) The accreditation of each school is renewable upon the expiration date of the school license provided all qualifications and standards are met and provided the school has been in compliance with all rules.
  - 3) Only qualified teaching personnel may teach persons under age 18. Exception: in the event of an emergency situation wherein the only available teacher terminates his or her employment, or must take a leave of absence, while a course remains incomplete, other licensed instructors may take over and complete the course. No new courses may be started before properly qualified teaching personnel are again available. In all such cases the Department must give prior approval. Approval shall not be given until the Department has checked the roster of instructors at the school and determined that no other teacher licensed by the Secretary of State to teach students under 18 is available at the school.
- b) Required Facilities – All teen accredited driver training schools must provide all classroom and vehicle facilities and equipment as prescribed in the driving school laws and regulations as administered by the Secretary of State. Those who desire to provide instruction for persons under the age of 18 must comply with Section 1060.50 of this Part. Schools in operation at the time that this Part becomes effective may continue to use their present classroom facilities as long as they continue to occupy them.
- 1) Required Course of Instruction
    - A) One copy of an outline covering the topics to be taught in the classroom phase of instruction, and 1 copy of an outline of the behind-the-wheel phase of instruction constructed along the lines of the recommended "Illinois Driver Education Curriculum-". The Said outlines must meet the approval of the Director of the Department.
      - i) Accredited teen driver training schools must follow the approved classroom and behind-the-wheel course outlines that are submitted to the Director of the Department at the time of application for certification. The Department shall determine compliance with this provision by unannounced inspections of teen classes and records. At least one such inspection shall take place every 2 months.
      - ii) If such classroom or behind-the-wheel outlines are substantially changed, revised outlines must be submitted in duplicate to the Director of the Department for approval. A letter shall be sent to the driver training school informing them if their classroom or behind-the-wheel outline has

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been approved.

- B) Instructional materials shall be available and shall include one of the following: a 16 mm sound projector and screen, video equipment with films processed on video tape, a film strip or slide projector and films which correspond with the outline described in subsection (b)(2)(A) of this Section.
  - C) A professional library containing an assortment of reference and textbooks, pamphlets and other publications which is available for the use of students or teachers.
- c) Teacher Qualifications
- 1) Classroom Teacher Qualifications – Each teen accredited driver training school must have at least one classroom instructor employed who meets the standards of Section 6-411 of the Illinois Vehicle Code [625 ILCS 5/6-411], pertaining to classroom instructors who teach approved driver education courses to students under 18 years of age.
    - A) A classroom driver training instructor teaching the teen accredited program must comply with Sections 1060.120 and 1060.130 of this Part.
    - B) The instructor must possess good physical and mental health. An application/physical exam form will be provided by the Secretary of State, which must be completed by the instructor and a physician.
    - C) The instructor must qualify under one of the following requirements:
      - i) Be a certified teacher meeting the requirements of 23 Ill. Adm. Code 252.40(b)(3). (Minor – 16 semester hours)
      - ii) Hold a baccalaureate degree, have 1 year of teaching experience in primary, secondary or higher education and complete a 48 hour course approved by the Director of the Department.
      - iii) Complete the 48 hour course or an equivalent college or university course (a course, at least 48 hours in length, designed to provide individuals with the knowledge, methods and procedures specific to conducting driver education instructional courses, that has been approved by the Director of the Department) and provide written documentation verifying they have had 2 months of experience teaching behind-the-wheel to adults.
      - iv) Hold a valid State teaching certificate and complete a 48 hour behind-the-wheel and classroom course approved by

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the Director of Driver Services.

- 2) Behind-the-wheel Teacher Qualifications – Behind-the-wheel teachers of driving shall be those who have passed an objective type written examination based upon current textbooks and the Motor Vehicle Code; a practical test regarding their ability to drive and to instruct others; and investigation of their moral character and driving record as required in Section Sections 6-411(a) through (f) of the Illinois Vehicle Code [625 ILCS 5/6-411(a) through (f)] and supplementary regulations.
  - A) A driver training instructor teaching the teen accredited behind-the-wheel program must comply with Sections 1060.120 and 1060.130 of this Part.
  - B) The instructor must possess good physical and mental health. An application/physical exam form will be provided by the Secretary of State which must be completed by the instructor and a physician.
  - C) The instructor must qualify under one of the following requirements:
    - i) Be a certified teacher meeting the requirements of 23 Ill. Adm. Code 252.40(b)(3).
    - ii) Hold a baccalaureate degree and have 6 months of experience in teaching teacher behind-the-wheel to adults.
    - iii) Have 7 years of uninterrupted teaching experience in a commercial driver training school.
    - iv) Be licensed by the Secretary of State, complete the 48 hour course (48 Hour Course – a course, at least 48 hours in length, designed to provide individuals with the knowledge, methods and procedures specific to conducting driver education instructional courses that has been approved by the Department Director) or an equivalent college or university course approved by the Director of Driver Services, and provide written documentation verifying they have had 2 months of experience teaching behind-the-wheel to adults.
    - v) Hold a valid State teaching certificate and complete a 48 hour course approved by the Director of Driver Services.
- 3) Classroom and/or behind-the-wheel driver education teachers are to be assigned not more than 12 clock hours of instructional work daily. No teen instruction, classroom or behind-the-wheel can take place between the hours of 10:00 p.m. and 6:00 a.m.
- d) Student Qualifications

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- 1) A driver training school or driver training instructor licensed by the Secretary of State shall comply with all of the requirements of Section 6-408.5 of the Illinois Vehicle Code [625 ILCS 5/6-408.5] prior to requesting a certificate of completion from the Secretary of State.
- 2) A superintendent or chief school administrator may waive the requirements contained within Section 6-408.5 of the Illinois Vehicle Code if he/she deems it to be in the best interests of the student or dropout. The State Board of Education may, at their discretion, by rule or regulation, establish guidelines for the waiver of the requirements of Section 6-408.5 of the Illinois Vehicle Code [625 ILCS 5/6-408.5].
- 3) Prior to a driver training school or driver training school instructor requesting a certificate of completion for a student, the driver training school or driver training instructor must verify that the student is enrolled in school and has received a passing grade in at least 8 courses during the 2 semesters. Verification of a student's eligibility to obtain a certificate of completion from the Secretary of State shall be by one of the following methods:
  - A) obtain written documentation on a form prepared or approved by the Secretary of State stating the student has received a passing grade in at least 8 courses during the previous 2 semesters;
  - B) obtain written waiver from a superintendent or school administrator on a form prepared or approved by the Secretary of State;
  - C) obtain written verification on a form prepared or approved by the Secretary of State stating the student is enrolled in a home school;
  - D) obtain copies of the student's report card and/or transcript for the previous 2 semesters indicating a passing grade in at least 8 courses during the previous 2 semesters.
- 4) Verification of eligibility for any person who has dropped out of school and has not yet attained the age of 18 years shall be by one of the following methods:
  - A) obtain written documentation verifying the dropout's enrollment in GED or an alternative education program or obtain a copy of the dropout's GED certificate;
  - B) obtain written verification that the student prior to dropping out had received a passing grade in at least 8 courses during the 2 previous semesters last ending prior to requesting a certificate of completion; or
  - C) obtain written consent on a form prepared or approved by the Secretary of State from the dropout's parents or guardian and the

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regional superintendent.

- 5) Students enrolled in a driver training school shall be informed in writing of the eligibility requirements of Section 6-408.5 of the Illinois Vehicle Code at the time of registration which shall be documented in the student's file.
  - 6) The driver training school and/or driver training school instructor shall maintain a copy and make available for inspection all written documentation required by this Section.
- e) Classroom Instruction – for persons under age 18 years
- 1) No classroom instruction shall be provided to any person who is enrolled as a student in any public or non-public secondary school unless the restrictions contained in Section 6-408.5 of the Illinois Vehicle Code [625 ILCS 5/6-408.5] are complied with.
  - 2) Classroom instruction shall include not less than 30 class hours. Instructional periods are to be no longer than 2 hours daily with meetings distributed regularly throughout the minimum of four complete weeks. The maximum number of students cannot exceed 30 per class for classroom instruction unless the size of the classroom exceeds 350 square feet, then a maximum of 35 students shall be allowed.
  - 3) Classroom instruction shall include subject matter relating to the rules of the road, safe driving practices, pedestrian safety, driver responsibility, theory of driving, defensive driving techniques, behavioral characteristics of drivers, auto insurance and financial responsibility, development of perception for driving, emergency situation procedures, the use of automobile safety devices, and the effects of alcohol and/or other drugs on driving.
  - 4) Each classroom course must have a definite starting date and completion date. Late registrations shall not be accepted beyond the third day of the course, at which time the course must be closed to further enrollments.
  - 5) Late registrants and absentees shall be given make-up instruction and assignments. No school shall permit the student to be absent from more than 4 class sessions without requiring the student to re-enroll in a later course and to start over.
  - 6) The teaching facilities must provide adequate, comfortable seating for students. Lighting must be adequate and the maintenance (housekeeping) of the room orderly.
  - 7) A textbook on driver education must be in the possession of each student for the duration of the course, to be used as a regular part of the course content, and consistent with the recommended course outline.
  - 8) Audio-visual materials shall be used as a supplement to the teacher's

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presentation but not as a replacement. Reference materials are to be available to the students and their use assured by assignments. All assignments are to be made in advance of due dates and should include outside reading as well as preparation for testing.

- 9) A regular schedule of classroom testing shall be followed. Student progress in acquaintance with information, data, and knowledge is to be periodically evaluated. Criteria for passing or failing the course must be evident to the students and successful completion clearly defined.
  - 10) Each student shall be informed prior to the time instruction begins of the character and amount of any and all fees or charges made for enrollments or registration, tuition, use of equipment, text and reference materials, supplies, and any service, equipment, or materials provided by the commercial driving school.
  - 11) Instruction for each student in the class shall begin on the date and location designated by advertisement and continue throughout the designated period unless the course is cancelled and the student is refunded any fees already paid.
  - 12) A listing of students enrolled in the classroom shall be sent to the Department of Driver Services Blue Slip Unit within 3 days after the third day of classroom instruction on forms provided by the Secretary of State. A certificate will not be issued to anyone whose name has not been submitted on this form signed by an authorized official of the school.
- f) Laboratory Instruction – for persons under age 18 years
- 1) Laboratory instruction shall not begin until such time as the student is enrolled in a classroom program of driver education and possesses the basic information required for safe operation of a vehicle in traffic. At least 4 hours of classroom instruction must be given before behind-the-wheel lessons are started.
  - 2) Each student must have in his or her possession when engaged in vehicle operation a valid instruction permit issued by the Secretary of State.
  - 3) Not less than two nor more than four students are to occupy the car with an instructor when instruction is in progress. Student driving experiences shall be for periods of not more than 90 minutes for each student per session. The accumulation of 6 hours of practice driving shall be distributed regularly throughout a minimum of two complete weeks. Although observation time in the car may not be counted as practice driving, a minimum of 6 hours is required. The only exception shall be when a parent requests that observers be excluded because the parent has chosen an alternate formula. The alternate formula may substitute 1 additional hour of behind the wheel instruction for 3 hours of observation;

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or 2 additional hours of behind the wheel instruction for 6 hours of observation. If an alternate formula is chosen the student may drive alone with an instructor. The school must maintain on file a parental signature authorizing the student to take an alternate formula for the behind the wheel portion of instruction. ~~the student is disturbed by having an observer in the car.~~

- 4) Each student shall receive a minimum of 6 full hours of behind-the-wheel instruction. There can be no allowance for any absences without actual make-up time spent behind-the-wheel. Satisfactory completion denotes that each student has the competencies to be certified by the school for issuance of a certificate.
  - 5) Lesson time or practice driving time may not be used to call for, deliver or dismiss other students to their homes or pick-up points.
  - 6) Practice driving instruction shall include actual experience in starting, stopping, shifting, turning, backing, parking, steering, and emergency situation procedure in a vehicle equipped according to Section 6-410 of the Illinois Vehicle Code [625 ILCS 5/6-410].
- g) Records
- 1) Records shall be maintained by schools which substantiate daily attendance, lesson time, and periodic evaluation of each student. Also recorded shall be the beginning and ending dates of classroom as well as laboratory instruction. Students are to be identified by their social security numbers as well as by name, address and other personal information. Such records are to be on file in the office of the management for a period of 3 years.
  - 2) A Secretary of State form shall be used for submitting the names of those students who have satisfactorily fulfilled the requirements of the complete course in driver education and who qualify for a certificate. The form shall be signed by an authorized official of the school.

(Source: Amended at 26 Ill. Reg. 15020, effective Oct 1, 2002)

**Section 1060.190 Denial, Cancellation, Suspension, ~~and~~ ~~And~~ ~~Revocation of~~ ~~Of~~ Commercial Driver Training School's License ~~and~~ ~~And~~ Instructor's License**

a) The Secretary of State may deny, suspend, or revoke a commercial driver training school license or commercial driver training school instructor license for:

- 1) Any violation of 625 ILCS 5/Ch. 6, Art. IV
- 2) Any violation of this Part.

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- b) The Secretary of State may cancel a commercial driver training school license for:
- 1) Any violation of Section 6-402 of the Illinois Vehicle Code [625 ILCS 5/6-402].
  - 2) Any violation of Section 1060.20(a), (b), (c), and (e) of this Part.
- c) The Secretary of State may cancel a commercial driver training school instructor license for:
- 1) Any violation of Section 6-411 of the Illinois Vehicle Code [625 ILCS 5/6-411].
  - 2) Any violation of Section 1060.20 of this Part.
- ~~a) The Secretary of State shall deny or cancel a commercial driver training school license for failing to correct after being served written notice, giving five business days to correct any violation of the following regulations and laws governing commercial driver training schools:~~
- ~~1) a violation of any requirements in Sections 1060.50 of this Part and Sections 6-403, 6-404, 6-405, 6-406, and 6-407 of the Illinois Driver Licensing Law of the Illinois Vehicle Code [625 ILCS 5/6-403, 6-404, 6-405, 6-406, and 6-407] relating to the physical facilities of the school;~~
  - ~~2) a violation of any requirements in Sections 1060.60 and 1060.200(e)(1) of this Part and Sections 6-408 and 6-408.5 of the Illinois Driver Licensing Law of the Illinois Vehicle Code [625 ILCS 5/6-408 and 6-408.5] relating to the maintenance of driver training school records;~~
  - ~~3) a violation of any requirements in Section 1060.110 of this Part and Section 6-410 of the Illinois Driver Licensing Law of the Illinois Vehicle Code [625 ILCS 5/6-410] relating to the safety inspection and requirements of a driver training school's motor vehicles;~~
  - ~~4) failure of school to own or lease a vehicle;~~
  - ~~5) failure to pay the fees required by Section 6-402 of the Illinois Driver Licensing Law of the Illinois Vehicle Code [625 ILCS 5/6-402];~~
  - ~~6) for a violation of Section 1060.20(a)(2) of this Part relating to the employment of a licensed driver training instructor;~~
  - ~~7) for any violation of the requirements of Section 1060.30 of this Part relating to driver training school names and business organizational status;~~
  - ~~8) for any violation of the requirements of the Business Corporation Act of 1983 [805 ILCS 5];~~
  - ~~9) for a violation of the requirements of a vehicle used for instruction to have a safety inspection sticker as required by Section 1060.110 of this Part and Section 6-410 of the Illinois Driver Licensing Law of the Illinois Vehicle Code [625 ILCS 5/6-410];~~
  - ~~10) for a violation of the requirement of a vehicle used for instruction to have a current and valid registration on the vehicle used for driver training that~~

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- ~~is retained in the vehicle as required by Section 1060.110(d)(9) of this Part.~~
- ~~b) A commercial driver training school's license shall be immediately canceled:~~
- ~~1) for a violation of the requirements of Section 6-402(e) of the Illinois Driver Licensing Law of the Illinois Vehicle Code [625 ILCS 5/6-402(e)];~~
  - ~~2) for a violation of the requirements of Section 6-402(d) of the Illinois Driver Licensing Law of the Illinois Vehicle Code [625 ILCS 5/6-402(d)];~~
  - ~~3) for a violation of the requirements of Section 1060.90 of this Part.~~
- ~~c) If a branch license is canceled because the branch facility does not meet the standards found in Section 1060.50 of this Part, the school's license shall not be canceled but the branch shall remain closed until the branch facility comes into compliance.~~
- ~~d) To be eligible to be reinstated following cancellation, the school shall reapply for a license, pay the required application fee of \$250 for a school as required by Section 6-402(i) of the Illinois Driver Licensing Law of the Illinois Vehicle Code [625 ILCS 5/6-402(i)] and demonstrate compliance with the provisions of this Part for which the cancellation was issued (e.g., proof of insurance).~~
- ~~e) The Secretary of State shall cancel a commercial driver training school instructor's license for failing to correct after being served written notice, giving five business days to correct, any violation of Section 6-418 of the Illinois Driver Licensing Law of the Illinois Vehicle Code [625 ILCS 5/6-418].~~
- ~~f) A commercial driver training school instructor's license shall be immediately canceled:~~
- ~~1) upon notification to the Commercial Driver Training Section that the instructor is no longer employed by the school or no longer has a valid driver's license;~~
  - ~~2) for failure to produce records after a written warning and demand to produce the records within 5 business days.~~
- ~~g) In order to be eligible to be reinstated following cancellation, the instructor shall reapply for a license; pay the required fee of \$35 for an instructor as required by Section 6-411(g) of the Illinois Vehicle Code [625 ILCS 5/6-411(g)]; and demonstrate compliance with the provisions of this Part for which cancellation was issued (e.g., proof of insurance).~~
- ~~h) The Secretary of State shall suspend a commercial driver training school license up to 1 year depending on the severity of the violation if the school violates any of the following regulations and laws governing commercial driver training schools:~~
- ~~1) for any violation of this Part;~~
  - ~~2) for any violation of Section 6-407, 6-408, 6-408.5 or 6-409 of the Illinois Vehicle Code [625 ILCS 5/6-407, 6-408, 6-408.5 or 6-409];~~
  - ~~3) if a school accredited to teach teens pursuant to Section 1060.180 of this Part fails to keep records on teenage clients as required in Section 1060.180(g), the school shall have its teen accreditation as found in~~

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- ~~Section 1060.180(a) suspended, but not their school license;~~
- 4) ~~if a school accredited to teach teens pursuant to Section 1060.180 of this Part violates any of the provisions in Section 1060.180(d), the school shall have its teen accreditation as found in Section 1060.180(a) suspended, but not its school license.~~
- i) ~~A school which wishes to have a license reinstated following suspension shall reapply and pay the application fee of \$250 as required by Section 6-402(i) of the Illinois Driver Licensing Law of the Illinois Vehicle Code [625 ILCS 5/6-402(i)].~~
- j) ~~The Secretary of State shall suspend a commercial driver training school instructor's license up to 1 year depending upon the severity of the infraction for any violation of this Part.~~
- k) ~~An instructor who wishes to have a license reinstated following suspension shall reapply and pay \$35 required by Section 6-411(g) of the Illinois Driver Licensing Law of the Illinois Vehicle Code [625 ILCS 5/6-411(g)].~~
- l) ~~The Secretary of State shall revoke a commercial driver training school license for any of the following reasons:~~
- 1) ~~if the school engages in or permits any type of fraudulent activity, either with reference to a student or the Secretary of State;~~
  - 2) ~~for selling, assigning, bartering, or trading any school or instructor license issued by the Secretary of State;~~
  - 3) ~~for remaining in operation if the school's license has been suspended, canceled, revoked, or not renewed;~~
  - 4) ~~for having unauthorized possession of application forms or questionnaires used by the Driver Services Department of the Secretary of State's Office in conjunction with administering driver's license examinations;~~
  - 5) ~~for making a false statement or knowingly concealing a material fact in the application for a school license;~~
  - 6) ~~for a subsequent violation of Section 6-407 of the Illinois Driver Licensing Law of the Illinois Vehicle Code [625 ILCS 5/6-407];~~
  - 7) ~~for repeated violations of this Part or Article IV of the Illinois Driver Licensing Law of the Illinois Vehicle Code [625 ILCS 5/Ch. 6, Art. IV];~~
  - 8) ~~a violation of Section 11-501 of the Illinois Vehicle Code [625 ILCS 5/11-501] relating to driving under the influence of drugs and/or alcohol;~~
  - 9) ~~if the owner(s) of the commercial driver training school has received a suspension of driving privileges under Section 11-501.1 of the Illinois Vehicle Code [625 ILCS 5/11-501.1] that has terminated within the last 10 years prior to the date of application.~~
- m) ~~A revocation shall be for an indefinite period. After 1 year the school may apply for reinstatement by requesting a formal administrative hearing as found in 92 Ill. Adm. Code 1001.Subpart A.~~

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- ~~n) The Secretary of State shall revoke a commercial driver training school instructor's license if the instructor violates any of the following regulations and laws governing commercial driver training schools:~~
- ~~1) If he/she is convicted of the following:
    - ~~A) a violation of Section 11-501 of the Illinois Rules of the Road of the Illinois Vehicle Code [625 ILCS 5/11-501] relating to driving under the influence of drugs and/or alcohol.~~
    - ~~B) a violation of Section 11-503 of the Illinois Rules of the Road of the Illinois Vehicle Code [625 ILCS 5/11-503].~~
    - ~~C) a violation of Section 9-3 of the Criminal Code of 1961 [720 ILCS 5/9-3] relating to reckless homicide.~~
    - ~~D) a violation of Section 11-401 of the Illinois Rules of the Road of the Illinois Vehicle Code [625 ILCS 5/11-401].~~
    - ~~E) any sex or drug related offense.~~~~
  - ~~2) If he/she engages or permits any type of fraudulent activity either with reference to a student or the Secretary of State.~~
  - ~~3) A violation of Section 6-420(5) of the Illinois Rules of the Road of the Illinois Vehicle Code [625 ILCS 5/6-420(5)].~~
  - ~~4) If he/she knowingly aids or assists an applicant in obtaining a driver's license by fraudulent procedure.~~
  - ~~5) If he/she has in possession unauthorized application forms or questionnaires used by the Driver Services Department in conjunction with administering driver's license examinations.~~
  - ~~6) For repeated violations of this Part or Article IV of the Illinois Driver Licensing Law of the Illinois Vehicle Code [625 ILCS 5/Ch. 6, Art. IV].~~
  - ~~7) If he/she has received a suspension of driving privileges under Section 11-501.1 of the Illinois Rules of the Road of the Illinois Vehicle Code [625 ILCS 5/11-501.1], which has terminated within the last 10 years prior to the date of application.~~
- ~~o) A revocation of an instructor's license shall be for an indefinite period of time. After 1 year, the instructor may apply for reinstatement by requesting a formal administrative hearing as found in 92 Ill. Adm. Code 1001.Subpart A.~~
- ~~p) An owner's or instructor's license shall be immediately canceled for lack of good moral character. In making a determination of good moral character, the Department is not limited to, but may consider, the following:~~
- ~~1) If the owner or instructor has been convicted of a felony:
    - ~~A) The relationship of any crime of which the person has been convicted to the ability to operate a driver training school; or~~
    - ~~B) Opinions of the community members concerning the owner or instructor; or~~~~

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- ~~C) — The length of time that has elapsed since the owner's or instructor's last criminal conviction.~~
- ~~2) — If the owner or instructor has been indicted, formally charged, or otherwise charged with a felony:~~
- ~~A) — If the owner or instructor whose commercial driver training school or instructor license has been canceled under this Section is adjudicated "guilty" by the court systems, the cancellation previously entered on his/her record in accordance with this Section shall stand. This action does not preclude further suspension and/or revocation of the commercial driver training school or instructor license under another Section of the Illinois Vehicle Code.~~
- ~~B) — If the owner or instructor whose commercial driver training school or instructor license has been canceled under this Section is adjudicated "not guilty" by the court systems, the cancellation previously entered on the license in accordance with this Section shall be rescinded. This action does not preclude further suspension and/or revocation of the commercial driver training school or instructor license under another Section of the Illinois Vehicle Code.~~
- ~~C) — If the owner or instructor whose commercial driver training school or instructor license has been canceled under this Section is granted a disposition of "court supervision" by the court system, the cancellation previously entered in accordance with this Section shall be rescinded. This action does not preclude further suspension and/or revocation of the commercial driver training school license under another Section of the Illinois Vehicle Code.~~
- ~~3) — An individual whose commercial driver training school or instructor license has been canceled pursuant to this Part may request an administrative hearing pursuant to 92 Ill. Adm. Code 1001.~~
- ~~q) — The Secretary of State shall have the discretionary authority to issue warning letters to commercial driver training schools or instructors for violations of the regulations and laws governing commercial driver training schools as found in this Part and Article IV of the Illinois Driver Licensing Law of the Illinois Vehicle Code, prior to the cancellation, suspension, or revocation of the school's or instructor's license.~~
- ~~r) — Prior to the cancellation, suspension, or revocation of a school's or instructor's license, the Secretary may schedule a conference with the individual whose commercial license has been found to be in violation and administrative consultation will occur at this time. If the violation(s) are not corrected within a reasonable time, the Administrator shall take corrective measures upon the issuance of an "Advisory Letter for Correction" to the individual and/or school. If the violations are not corrected a warning letter shall be issued and the~~

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~~disciplinary process will begin pursuant to the regulations and laws governing commercial driving schools as found in this Part and Article IV of the Illinois Driver Licensing Law of the Illinois Vehicle Code.~~

(Source: Amended at 26 Ill. Reg. 15020, effective Oct 1, 2002)

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## NOTICE OF EMERGENCY AMENDMENTS

- 1) Heading of the Part: Medical Assistance Programs
- 2) Code Citation: 89 Ill. Adm. Code 120
- 3) 

<u>Section Numbers:</u>	<u>Emergency Action:</u>
120.32	New Section
120.60	Amendment
- 4) Statutory Authority: Section 12-13 of the Illinois Public Aid Code [305 ILCS 5/12-13], Public Act 92-600 and Public Act 92-597
- 5) Effective Date: October 1, 2002
- 6) If this emergency amendment is to expire before the end of the 150-day period, please specify the date on which it is to expire: Not Applicable
- 7) Date Filed with the Index Department: October 1, 2002
- 8) A copy of the emergency amendments, including any materials incorporated by reference, is on file in the agency's principal office and is available for public inspection.
- 9) Reason for Emergency This emergency rulemaking is being filed pursuant to a Governor's initiative and the State's Budget Implementation Plan for fiscal year 2003. The amendments establish eligibility standards for the KidCare Parent Coverage Waiver program to assist families with obtaining coverage for medical services. For families with children that meet the new income standard, parents or caretaker relatives who are 19 years of age or older will be eligible for coverage under the Department's Medical Assistance Program. This new program will also affect the Children's Health Insurance Program by allowing federal matching funds at 50 percent for KidCare Rebate. Immediate implementation of these and related amendments is necessary to provide access to necessary medical services and allow the capture of federal matching funds. Emergency rulemaking is specifically authorized for the implementation of these changes for fiscal year 2003 by Section 5-45 of Public Act 92-597.
- 10) Complete Description of the Subjects and Issues Involved: These emergency amendments establish eligibility standards for the KidCare Parent Coverage Waiver program which has been approved by the federal Department of Health and Human Services. Under this program, which is designed to assist families with obtaining coverage for necessary medical services, the income eligibility standard for a parent or another adult caretaker relative who is 19 years of age or older is being increased to 49 percent of the Federal

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Poverty Level. For families with children that meet the new income standard, the parent/caretaker relative will be eligible for coverage under the Department's Medical Assistance Program.

This waiver will also affect the Children's Health Insurance Program by allowing federal matching funds at 50 percent for KidCare Rebate. Currently, no federal match is provided to the State under KidCare Rebate.

Related emergency amendments concerning the KidCare Parent Coverage Waiver are also being filed at 89 Ill. Adm. Code 125 and 89 Ill. Adm. Code 140.

This new program will involve additional expenditures but will also generate offsetting increases in federal reimbursement. To cover costs related to medical coverage for parents, the Department anticipates additional expenditures of \$15 million and \$32 million during federal fiscal years 2003 and 2004, respectively. Program costs are included in the State fiscal year 2003 budget plan.

- 11) Are there any other amendments pending on this Part? Yes

<u>Sections</u>	<u>Proposed Action</u>	<u>Illinois Register Citation</u>
120.20	Amendment	July 12, 2002 (26 Ill. Reg. 10241)
120.387	Amendment	April 5, 2002 (26 Ill. Reg. 5047)
120.520	Amendment	May 24, 2002 (26 Ill. Reg.7635)

- 12) Statement of Statewide Policy Objectives: These emergency amendments neither create nor expand any State mandates affecting units of local government.

- 13) Information and questions regarding this amendment shall be directed to:

Joanne Scattoloni  
Office of the General Counsel, Rules Section  
Illinois Department of Public Aid  
201 South Grand Avenue East, Third Floor  
Springfield, Illinois 62763-0002  
(217) 524-0081

The full text of the emergency amendments begins on the next page:

## DEPARTMENT OF PUBLIC AID

## NOTICE OF EMERGENCY AMENDMENTS

TITLE 89: SOCIAL SERVICES  
 CHAPTER I: DEPARTMENT OF PUBLIC AID  
 SUBCHAPTER b: ASSISTANCE PROGRAMS

PART 120  
 MEDICAL ASSISTANCE PROGRAMS  
 SUBPART A: GENERAL PROVISIONS

Section  
 120.1 Incorporation by Reference

## SUBPART B: ASSISTANCE STANDARDS

Section  
 120.10 Eligibility For Medical Assistance  
 120.11 MANG(P) Eligibility  
 120.12 Healthy Start – Medicaid Presumptive Eligibility Program For Pregnant Women  
 120.20 MANG(AABD) Income Standard  
 120.30 MANG(C) Income Standard  
 120.31 MANG(P) Income Standard  
120.32 KidCare Parent Coverage Waiver Eligibility and Income Standard  
EMERGENCY  
 120.40 Exceptions To Use Of MANG Income Standard  
 120.50 AMI Income Standard (Repealed)

## SUBPART C: FINANCIAL ELIGIBILITY DETERMINATION

Section  
 120.60 Cases Other Than Long Term Care, Pregnant Women and Certain Children  
EMERGENCY  
 120.61 Cases in Intermediate Care, Skilled Nursing Care and DMHDD –  
 MANG(AABD) and All Other Licensed Medical Facilities  
 120.62 Department of Mental Health and Developmental Disabilities (DMHDD)  
 Approved Home and Community Based Residential Settings Under 89 Ill. Adm.  
 Code 140.643  
 120.63 Department of Mental Health and Developmental Disabilities (DMHDD)  
 Approved Home and Community Based Residential Settings  
 120.64 MANG(P) Cases  
 120.65 Department of Mental Health and Developmental Disabilities (DMHDD)  
 Licensed Community – Integrated Living Arrangements

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## SUBPART D: SUPPLEMENTARY MEDICAL INSURANCE

Section	
120.70	Supplementary Medical Insurance Benefits (SMIB) Buy-In Program
120.72	Eligibility for Medicare Cost Sharing as a Qualified Medicare Beneficiary (QMB)
120.73	Eligibility for Medicaid Payment of Medicare Part B Premiums as a Specified Low-Income Medicare Beneficiary (SLIB)
120.74	Qualified Medicare Beneficiary (QMB) Income Standard
120.75	Specified Low-Income Medicare Beneficiary (SLIB) Income Standards
120.76	Hospital Insurance Benefits (HIB)

## SUBPART E: RECIPIENT RESTRICTION PROGRAM

Section	
120.80	Recipient Restriction Program

## SUBPART F: MIGRANT MEDICAL PROGRAM

Section	
120.90	Migrant Medical Program (Repealed)
120.91	Income Standards (Repealed)

## SUBPART G: AID TO THE MEDICALLY INDIGENT

Section	
120.200	Elimination Of Aid To The Medically Indigent
120.208	Client Cooperation (Repealed)
120.210	Citizenship (Repealed)
120.211	Residence (Repealed)
120.212	Age (Repealed)
120.215	Relationship (Repealed)
120.216	Living Arrangement (Repealed)
120.217	Supplemental Payments (Repealed)
120.218	Institutional Status (Repealed)
120.224	Foster Care Program (Repealed)
120.225	Social Security Numbers (Repealed)
120.230	Unearned Income (Repealed)
120.235	Exempt Unearned Income (Repealed)
120.236	Education Benefits (Repealed)

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120.240	Unearned Income In-Kind (Repealed)
120.245	Earmarked Income (Repealed)
120.250	Lump Sum Payments and Income Tax Refunds (Repealed)
120.255	Protected Income (Repealed)
120.260	Earned Income (Repealed)
120.261	Budgeting Earned Income (Repealed)
120.262	Exempt Earned Income (Repealed)
120.270	Recognized Employment Expenses (Repealed)
120.271	Income From Work/Study/Training Program (Repealed)
120.272	Earned Income From Self-Employment (Repealed)
120.273	Earned Income From Roomer and Boarder (Repealed)
120.275	Earned Income In-Kind (Repealed)
120.276	Payments from the Illinois Department of Children and Family Services (Repealed)
120.280	Assets (Repealed)
120.281	Exempt Assets (Repealed)
120.282	Asset Disregards (Repealed)
120.283	Deferral of Consideration of Assets (Repealed)
120.284	Spend-down of Assets (AMI) (Repealed)
120.285	Property Transfers (Repealed)
120.290	Persons Who May Be Included in the Assistance Unit (Repealed)
120.295	Payment Levels for AMI (Repealed)

## SUBPART H: MEDICAL ASSISTANCE – NO GRANT

Section	
120.308	Client Cooperation
120.309	Caretaker Relative
120.310	Citizenship
120.311	Residence
120.312	Age
120.313	Blind
120.314	Disabled
120.315	Relationship
120.316	Living Arrangements
120.317	Supplemental Payments
120.318	Institutional Status
120.319	Assignment of Rights to Medical Support and Collection of Payment
120.320	Cooperation in Establishing Paternity and Obtaining Medical Support
120.321	Good Cause for Failure to Cooperate in Establishing Paternity and Obtaining

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	Medical Support
120.322	Proof of Good Cause for Failure to Cooperate in Establishing Paternity and Obtaining Medical Support
120.323	Suspension of Paternity Establishment and Obtaining Medical Support Upon Finding Good Cause
120.324	Health Insurance Premium Payment (HIPP) Program
120.325	Health Insurance Premium Payment (HIPP) Pilot Program
120.326	Foster Care Program
120.327	Social Security Numbers
120.330	Unearned Income
120.332	Budgeting Unearned Income
120.335	Exempt Unearned Income
120.336	Education Benefits
120.338	Incentive Allowance
120.340	Unearned Income In-Kind
120.342	Child Support and Spousal Maintenance Payments
120.345	Earmarked Income
120.346	Medicaid Qualifying Trusts
120.347	Treatment of Trusts
120.350	Lump Sum Payments and Income Tax Refunds
120.355	Protected Income
120.360	Earned Income
120.361	Budgeting Earned Income
120.362	Exempt Earned Income
120.363	Earned Income Disregard – MANG(C)
120.364	Earned Income Exemption
120.366	Exclusion From Earned Income Exemption
120.370	Recognized Employment Expenses
120.371	Income From Work/Study/Training Programs
120.372	Earned Income From Self-Employment
120.373	Earned Income From Roomer and Boarder
120.375	Earned Income In Kind
120.376	Payments from the Illinois Department of Children and Family Services
120.379	Provisions for the Prevention of Spousal Impoverishment
120.380	Assets
120.381	Exempt Assets
120.382	Asset Disregard
120.383	Deferral of Consideration of Assets
120.384	Spend-down of Assets (AABD MANG)
120.385	Property Transfers for Applications Filed Prior to October 1, 1989 (Repealed)

## DEPARTMENT OF PUBLIC AID

## NOTICE OF EMERGENCY AMENDMENTS

120.386	Property Transfers Occurring On or Before August 10, 1993
120.387	Property Transfers Occurring On or After August 11, 1993
120.390	Persons Who May Be Included In the Assistance Unit
120.391	Individuals Under Age 18 Who Do Not Qualify For AFDC/AFDC-MANG And Children Born October 1, 1983, or Later
120.392	Pregnant Women Who Would Not Be Eligible For AFDC/AFDC-MANG If The Child Were Already Born Or Who Do Not Qualify As Mandatory Categorically Needy
120.393	Pregnant Women And Children Under Age Eight Years Who Do Not Qualify As Mandatory Categorically Needy Demonstration Project
120.395	Payment Levels for MANG (Repealed)
120.399	Redetermination of Eligibility
120.400	Twelve Month Eligibility for Persons under Age 19

## SUBPART I: SPECIAL PROGRAMS

## Section

120.500	Health Benefits for Persons with Breast or Cervical Cancer
120.510	Health Benefits for Workers with Disabilities

TABLE A Value of a Life Estate and Remainder Interest

TABLE B Life Expectancy

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

SOURCE: Filed effective December 30, 1977; peremptory amendment at 2 Ill. Reg. 17, p. 117, effective February 1, 1978; amended at 2 Ill. Reg. 31, p. 134, effective August 5, 1978; emergency amendment at 2 Ill. Reg. 37, p. 4, effective August 30, 1978, for a maximum of 150 days; peremptory amendment at 2 Ill. Reg. 46, p. 44, effective November 1, 1978; peremptory amendment at 2 Ill. Reg. 46, p. 56, effective November 1, 1978; emergency amendment at 3 Ill. Reg. 16, p. 41, effective April 9, 1979, for a maximum of 150 days; emergency amendment at 3 Ill. Reg. 28, p. 182, effective July 1, 1979, for a maximum of 150 days; amended at 3 Ill. Reg. 33, p. 399, effective August 18, 1979; amended at 3 Ill. Reg. 33, p. 415, effective August 18, 1979; amended at 3 Ill. Reg. 38, p. 243, effective September 21, 1979; peremptory amendment at 3 Ill. Reg. 38, p. 321, effective September 7, 1979; amended at 3 Ill. Reg. 40, p. 140, effective October 6, 1979; amended at 3 Ill. Reg. 46, p. 36, effective November 2, 1979; amended at 3 Ill. Reg. 47, p. 96, effective November 13, 1979; amended at 3 Ill. Reg. 48, p. 1, effective November 15, 1979; peremptory amendment at 4 Ill. Reg. 9, p. 259, effective February 22, 1980; amended at 4 Ill. Reg. 10, p. 258, effective February 25, 1980; amended at 4 Ill. Reg. 12, p. 551, effective

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March 10, 1980; amended at 4 Ill. Reg. 27, p. 387, effective June 24, 1980; emergency amendment at 4 Ill. Reg. 29, p. 294, effective July 8, 1980, for a maximum of 150 days; amended at 4 Ill. Reg. 37, p. 797, effective September 2, 1980; amended at 4 Ill. Reg. 37, p. 800, effective September 2, 1980; amended at 4 Ill. Reg. 45, p. 134, effective October 27, 1980; amended at 5 Ill. Reg. 766, effective January 2, 1981; amended at 5 Ill. Reg. 1134, effective January 26, 1981; preemptory amendment at 5 Ill. Reg. 5722, effective June 1, 1981; amended at 5 Ill. Reg. 7071, effective June 23, 1981; amended at 5 Ill. Reg. 7104, effective June 23, 1981; amended at 5 Ill. Reg. 8041, effective July 27, 1981; amended at 5 Ill. Reg. 8052, effective July 24, 1981; preemptory amendment at 5 Ill. Reg. 8106, effective August 1, 1981; preemptory amendment at 5 Ill. Reg. 10062, effective October 1, 1981; preemptory amendment at 5 Ill. Reg. 10079, effective October 1, 1981; preemptory amendment at 5 Ill. Reg. 10095, effective October 1, 1981; preemptory amendment at 5 Ill. Reg. 10113, effective October 1, 1981; preemptory amendment at 5 Ill. Reg. 10124, effective October 1, 1981; preemptory amendment at 5 Ill. Reg. 10131, effective October 1, 1981; amended at 5 Ill. Reg. 10730, effective October 1, 1981; amended at 5 Ill. Reg. 10733, effective October 1, 1981; amended at 5 Ill. Reg. 10760, effective October 1, 1981; amended at 5 Ill. Reg. 10767, effective October 1, 1981; preemptory amendment at 5 Ill. Reg. 11647, effective October 16, 1981; preemptory amendment at 6 Ill. Reg. 611, effective January 1, 1982; amended at 6 Ill. Reg. 1216, effective January 14, 1982; emergency amendment at 6 Ill. Reg. 2447, effective March 1, 1982, for a maximum of 150 days; preemptory amendment at 6 Ill. Reg. 2452, effective February 11, 1982; preemptory amendment at 6 Ill. Reg. 6475, effective May 18, 1982; preemptory amendment at 6 Ill. Reg. 6912, effective May 20, 1982; emergency amendment at 6 Ill. Reg. 7299, effective June 2, 1982, for a maximum of 150 days; amended at 6 Ill. Reg. 8115, effective July 1, 1982; amended at 6 Ill. Reg. 8142, effective July 1, 1982; amended at 6 Ill. Reg. 8159, effective July 1, 1982; amended at 6 Ill. Reg. 10970, effective August 26, 1982; amended at 6 Ill. Reg. 11921, effective September 21, 1982; amended at 6 Ill. Reg. 12293, effective October 1, 1982; amended at 6 Ill. Reg. 12318, effective October 1, 1982; amended at 6 Ill. Reg. 13754, effective November 1, 1982; amended at 7 Ill. Reg. 394, effective January 1, 1983; codified at 7 Ill. Reg. 6082; amended at 7 Ill. Reg. 8256, effective July 1, 1983; amended at 7 Ill. Reg. 8264, effective July 5, 1983; amended (by adding Section being codified with no substantive change) at 7 Ill. Reg. 14747; amended (by adding Sections being codified with no substantive change) at 7 Ill. Reg. 16108; amended at 8 Ill. Reg. 5253, effective April 9, 1984; amended at 8 Ill. Reg. 6770, effective April 27, 1984; amended at 8 Ill. Reg. 13328, effective July 16, 1984; amended (by adding Sections being codified with no substantive change) at 8 Ill. Reg. 17897; amended at 8 Ill. Reg. 18903, effective September 26, 1984; preemptory amendment at 8 Ill. Reg. 20706, effective October 3, 1984; amended at 8 Ill. Reg. 25053, effective December 12, 1984; emergency amendment at 9 Ill. Reg. 830, effective January 3, 1985, for a maximum of 150 days; amended at 9 Ill. Reg. 4515, effective March 25, 1985; amended at 9 Ill. Reg. 5346, effective April 11, 1985; amended at 9 Ill. Reg. 7153, effective May 6, 1985; amended at 9 Ill. Reg. 11346, effective July 8, 1985; amended at 9 Ill. Reg. 12298, effective July 25, 1985; amended at 9 Ill. Reg. 12823, effective August 9, 1985;

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amended at 9 Ill. Reg. 15903, effective October 4, 1985; amended at 9 Ill. Reg. 16300, effective October 10, 1985; amended at 9 Ill. Reg. 16906, effective October 18, 1985; amended at 10 Ill. Reg. 1192, effective January 10, 1986; amended at 10 Ill. Reg. 3033, effective January 23, 1986; amended at 10 Ill. Reg. 4907, effective March 7, 1986; amended at 10 Ill. Reg. 6966, effective April 16, 1986; amended at 10 Ill. Reg. 10688, effective June 3, 1986; amended at 10 Ill. Reg. 12672, effective July 14, 1986; amended at 10 Ill. Reg. 15649, effective September 19, 1986; amended at 11 Ill. Reg. 3992, effective February 23, 1987; amended at 11 Ill. Reg. 7652, effective April 15, 1987; amended at 11 Ill. Reg. 8735, effective April 20, 1987; emergency amendment at 11 Ill. Reg. 12458, effective July 10, 1987, for a maximum of 150 days; amended at 11 Ill. Reg. 14034, effective August 14, 1987; amended at 11 Ill. Reg. 14763, effective August 26, 1987; amended at 11 Ill. Reg. 20142, effective January 1, 1988; amended at 11 Ill. Reg. 20898, effective December 14, 1987; amended at 12 Ill. Reg. 904, effective January 1, 1988; amended at 12 Ill. Reg. 3516, effective January 22, 1988; amended at 12 Ill. Reg. 6234, effective March 22, 1988; amended at 12 Ill. Reg. 8672, effective May 13, 1988; amended at 12 Ill. Reg. 9132, effective May 20, 1988; amended at 12 Ill. Reg. 11483, effective June 30, 1988; emergency amendment at 12 Ill. Reg. 11632, effective July 1, 1988, for a maximum of 150 days; emergency amendment at 12 Ill. Reg. 11839, effective July 1, 1988, for a maximum of 150 days; amended at 12 Ill. Reg. 12835, effective July 22, 1988; emergency amendment at 12 Ill. Reg. 13243, effective July 29, 1988, for a maximum of 150 days; amended at 12 Ill. Reg. 17867, effective October 30, 1988; amended at 12 Ill. Reg. 19704, effective November 15, 1988; amended at 12 Ill. Reg. 20188, effective November 23, 1988; amended at 13 Ill. Reg. 116, effective January 1, 1989; amended at 13 Ill. Reg. 2081, effective February 3, 1989; amended at 13 Ill. Reg. 3908, effective March 10, 1989; emergency amendment at 13 Ill. Reg. 11929, effective June 27, 1989, for a maximum of 150 days; emergency expired November 25, 1989; emergency amendment at 13 Ill. Reg. 12137, effective July 1, 1989, for a maximum of 150 days; amended at 13 Ill. Reg. 15404, effective October 6, 1989; emergency amendment at 13 Ill. Reg. 16586, effective October 2, 1989, for a maximum of 150 days; emergency expired March 1, 1990; amended at 13 Ill. Reg. 17483, effective October 31, 1989; amended at 13 Ill. Reg. 17838, effective November 8, 1989; amended at 13 Ill. Reg. 18872, effective November 17, 1989; amended at 14 Ill. Reg. 760, effective January 1, 1990; emergency amendment at 14 Ill. Reg. 1494, effective January 2, 1990, for a maximum of 150 days; amended at 14 Ill. Reg. 4233, effective March 5, 1990; emergency amendment at 14 Ill. Reg. 5839, effective April 3, 1990, for a maximum of 150 days; amended at 14 Ill. Reg. 6372, effective April 16, 1990; amended at 14 Ill. Reg. 7637, effective May 10, 1990; amended at 14 Ill. Reg. 10396, effective June 20, 1990; amended at 14 Ill. Reg. 13227, effective August 6, 1990; amended at 14 Ill. Reg. 14814, effective September 3, 1990; amended at 14 Ill. Reg. 17004, effective September 30, 1990; emergency amendment at 15 Ill. Reg. 348, effective January 1, 1991, for a maximum of 150 days; amended at 15 Ill. Reg. 5302, effective April 1, 1991; amended at 15 Ill. Reg. 10101, effective June 24, 1991; amended at 15 Ill. Reg. 11973, effective August 12, 1991; amended at 15 Ill. Reg. 12747, effective August 16, 1991; amended at 15 Ill. Reg. 14105, effective

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September 11, 1991; amended at 15 Ill. Reg. 14240, effective September 23, 1991; amended at 16 Ill. Reg. 139, effective December 24, 1991; amended at 16 Ill. Reg. 1862, effective January 20, 1992; amended at 16 Ill. Reg. 10034, effective June 15, 1992; amended at 16 Ill. Reg. 11582, effective July 15, 1992; amended at 16 Ill. Reg. 17290, effective November 3, 1992; amended at 17 Ill. Reg. 1102, effective January 15, 1993; amended at 17 Ill. Reg. 6827, effective April 21, 1993; amended at 17 Ill. Reg. 10402, effective June 28, 1993; amended at 18 Ill. Reg. 2051, effective January 21, 1994; amended at 18 Ill. Reg. 5934, effective April 1, 1994; amended at 18 Ill. Reg. 8718, effective June 1, 1994; amended at 18 Ill. Reg. 11231, effective July 1, 1994; amended at 19 Ill. Reg. 2905, effective February 27, 1995; emergency amendment at 19 Ill. Reg. 9280, effective July 1, 1995, for a maximum of 150 days; amended at 19 Ill. Reg. 11931, effective August 11, 1995; amended at 19 Ill. Reg. 15079, effective October 17, 1995; amended at 20 Ill. Reg. 5068, effective March 20, 1996; amended at 20 Ill. Reg. 15993, effective December 9, 1996; emergency amendment at 21 Ill. Reg. 692, effective January 1, 1997, for a maximum of 150 days; amended at 21 Ill. Reg. 7423, effective May 31, 1997; amended at 21 Ill. Reg. 7748, effective June 9, 1997; amended at 21 Ill. Reg. 11555, effective August 1, 1997; amended at 21 Ill. Reg. 13638, effective October 1, 1997; emergency amendment at 22 Ill. Reg. 1576, effective January 5, 1998, for a maximum of 150 days; amended at 22 Ill. Reg. 7003, effective April 1, 1998; amended at 22 Ill. Reg. 8503, effective May 1, 1998; amended at 22 Ill. Reg. 16291, effective August 28, 1998; emergency amendment at 22 Ill. Reg. 16640, effective September 1, 1998, for a maximum of 150 days; amended at 22 Ill. Reg. 19875, effective October 30, 1998; amended at 23 Ill. Reg. 2381, effective January 22, 1999; amended at 23 Ill. Reg. 11301, effective August 27, 1999; amended at 24 Ill. Reg. 7361, effective May 1, 2000; emergency amendment at 24 Ill. Reg. 10425, effective July 1, 2000, for a maximum of 150 days; amended at 24 Ill. Reg. 15075, effective October 1, 2000; amended at 24 Ill. Reg. 18309, effective December 1, 2000; amended at 25 Ill. Reg. 8783, effective July 1, 2001; emergency amendment at 25 Ill. Reg. 10533, effective August 1, 2001, for a maximum of 150 days; amended at 25 Ill. Reg. 16098, effective December 1, 2001; amended at 26 Ill. Reg. 409, effective December 28, 2001; emergency amendment at 26 Ill. Reg. 8583, effective June 1, 2002, for a maximum of 150 days; amended at 26 Ill. Reg. 9843, effective June 26, 2002; emergency amendment at 26 Ill. Reg. 11029, effective July 1, 2002, for a maximum of 150 days; emergency amendment at 26 Ill. Reg. 15051, effective October 1, 2002, for a maximum of 150 days

## SUBPART B: ASSISTANCE STANDARDS

**Section 120.32 KidCare Parent Coverage Waiver Eligibility and Income Standard**  
**EMERGENCY**

- a) A caretaker relative (see Section 120.390) who is 19 years of age or older qualifies for medical assistance when countable income is below the appropriate income

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- standard and all MANG(C) eligibility requirements in this Part, with the exception of Sections 120.320 through 120.323, are met.
- b) The appropriate income standard is 49 per cent of the Federal Poverty Income Guidelines, as published annually in the Federal Register, for the appropriate family size.
- c) If income is greater than this amount, it is compared to the MANG(C) Income Standard in Section 120.30 to determine the spenddown amount.

(Source: Added by emergency rulemaking at 26 Ill. Reg. 15051, effective October 1, 2002, for a maximum of 150 days)

## SUBPART C: FINANCIAL ELIGIBILITY DETERMINATION

**Section 120.60 Cases Other Than Long Term Care, Pregnant Women and Certain Children****EMERGENCY**

The following subsections apply to all cases other than those receiving care in licensed intermediate care facilities, licensed skilled nursing facilities, Department of Human Services (DHS) facilities, or DHS approved community based residential settings under 89 Ill. Adm. Code 140.643, or pregnant women and children under age 19 who do not qualify as mandatory categorically needy.

- a) The eligibility period shall begin with:
- 1) the first day of the month of application;
  - 2) the first day of any month, prior to the month of application, in which the client meets non-financial eligibility requirements up to three months prior to the month of application, if the client so desires; or
  - 3) the first day of a month, after the month of application, in which the client meets non-financial eligibility requirements.
- b) Eligibility Without Spenddown for MANG
- 1) For AABD MANG, if the client's nonexempt income available during the eligibility period is equal to or below the applicable MANG standard (Sections 120.20 and 120.30) and nonexempt assets are not in excess of the applicable asset disregard (Section 120.382), the client is eligible for medical assistance from the first day of the eligibility period. The Department will pay for covered services received during the entire eligibility period.
  - 2) For TANF MANG, if the client's nonexempt income available during the eligibility period is equal to or below the applicable MANG standard (Sections 120.20 and 120.30), the client is eligible for medical assistance

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from the first day of the eligibility period. The Department will pay for covered services received during the entire eligibility period.

- 3) The client is responsible for reporting any changes that occur during the eligibility period which might affect eligibility for medical assistance. If changes occur, appropriate action shall be taken by the Department, including termination of eligibility for medical assistance. If changes in income, assets or family composition occur which would make the client a spenddown case, a spenddown obligation will be determined and subsection (c) of this Section will apply.
  - 4) A redetermination of eligibility will be made at least every 12 months.
- c) Eligibility with Spenddown for MANG
- 1) For AABD MANG, if the client's nonexempt income available during the applicable eligibility period is greater than the applicable MANG standard and/or nonexempt assets are over the applicable asset disregard, the client must meet the spenddown obligation determined for the eligibility period before becoming eligible to receive medical assistance. The spenddown obligation is the sum of the amount by which the client's nonexempt income exceeds the MANG standard and the amount of nonexempt assets in excess of the applicable asset disregard.
  - 2) For TANF MANG, if the client's nonexempt income available during the applicable eligibility period is greater than the applicable MANG standard, the client must meet the spenddown obligation determined for the eligibility period before becoming eligible to receive medical assistance. The spenddown obligation is the amount by which the client's nonexempt income exceeds the MANG standard.
  - 3) The client meets the spenddown obligation by incurring or paying for medical expenses in an amount equal to the spenddown obligation.
    - A) Medical expenses shall be applied to the spenddown obligation in the following order:
      - i) Charges for DHS Home Services and/or Community Based Services. These charges are considered incurred the first day of the month, regardless of the day the services are actually provided.
      - ii) Payments made for medical expenses within the previous six months. Payments are considered incurred the first day of the month of payment.
      - iii) Unpaid medical expenses. These are considered as of the date of service and are applied in chronological order.
    - B) If multiple medical expenses are incurred on the same day, the expenses shall be applied in the following order:

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- i) Health insurance deductibles (including Medicare and other co-insurance charges).
  - ii) All copayment charges incurred or paid on spenddown met day.
  - iii) Expenses for medical services and/or items not covered by the Department's Medical Assistance Program.
  - iv) Cost share amounts incurred for in-home care services by individuals receiving services through the Department on Aging (DOA).
  - v) Expenses incurred for in-home care services by individuals receiving or purchasing services from private providers.
  - vi) Expenses incurred for medical services or items covered by the Department's Medical Assistance Program. If more than one covered service is received on the day, the charges will be considered in order of amount. The bill for the smallest amount will be considered first.
- C) If a service is provided during the eligibility period but payment may be made by a third party, such as an insurance company, the medical expense will not be considered towards spenddown until the bill is adjudicated. When adjudicated, that part determined to be the responsibility of the client shall be considered as incurred on the date of service.
- 4) After application for medical assistance for cases eligible with a spenddown obligation who do not have a QMB or MANG(P) member, an additional eligibility determination will be made.
- A) For TANF MANG, if countable income is greater than the ~~QMB~~ income standard (Section ~~120.30~~ ~~120.74~~), and for AABD MANG, if countable income is greater than the income standard or countable assets are greater than the ~~QMB~~-asset disregard (Section 120.382(d)), ~~a person the case~~ will not be enrolled in spenddown unless:
    - i) the ~~person case~~ does not have a spenddown obligation for any month of the ~~12~~ ~~twelve~~-month enrollment period;
    - ii) medical expenses equal the spenddown obligation for at least one month of the ~~12~~ ~~twelve~~-month enrollment period;
    - or
    - iii) the person is on a waiting list or would be on a waiting list to receive a transplant if he or she had a source of payment.
  - B) Cases which meet any of these conditions will be notified, in writing, of the spenddown obligation. The client will also be

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notified that his or her case will be reviewed beginning in the sixth month of the ~~12 twelve~~-month enrollment period. If the client has not had medical eligibility in one of the last three months at the time of review (including the month of review), the case will terminate unless the case contains a person who is on a waiting list or who would be on a waiting list to receive a transplant if he or she had a source of payment. A new application will be required if the client wishes continued medical assistance.

- C) When proof of incurred medical expenses equal to the spenddown obligation is provided to the local office, eligibility for medical assistance shall begin effective the first day that the spenddown obligation is met. The Department will pay for covered services received from that date until the end of the eligibility period. The client shall be responsible, directly to the provider, for payment for services provided prior to the time the client meets the spenddown obligation.
- 5) Cases with a spenddown obligation which do not have a QMB, a MANG(P) member or a person on a waiting list or who would be on a waiting list to receive a transplant if he or she had a source of payment, will be reviewed beginning in the sixth month of enrollment to determine if they have had medical eligibility within the last three months, including the month of review. If so, enrollment will continue. If not, enrollment will be terminated and the client will be advised that if he or she wishes continued medical assistance, a reapplication must be filed. Upon reapplication, a new ~~12 twelve~~-month enrollment period will be established (assuming non-financial factors of eligibility are met). If appropriate, a new spenddown obligation will be created.
- A) If the client files a reapplication prior to four months after the end of the period of enrollment, the client will be sent through a special abbreviated intake procedure making use of current case record material to verify factors of eligibility not subject to change.
- B) Cases that remain eligible in the tenth month of the enrollment period or which have a QMB, a MANG (P) member or a person on a waiting list or who would be on a waiting list to receive a transplant if he or she had a source of payment, will remain enrolled and will be redetermined once every 12 months.
- 6) The client is responsible for reporting any changes that occur during the enrollment period which might affect eligibility for medical assistance. If changes occur, appropriate action shall be taken by the Department including termination of eligibility for medical assistance.

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- 7) For AABD MANG, if changes in income, assets or family composition occur, appropriate adjustments to the spenddown obligation and date of eligibility for medical assistance shall be made by the Department. The client will be notified, in writing, of the new spenddown obligation.
- A) If income decreases or assets fall below the applicable asset disregard and, as a result, the client has already met the new spenddown obligation, eligibility for medical assistance shall be back-dated to the appropriate date.
  - B) If income or assets increase and, as a result, the client has not produced proof of incurred medical expenses equal to the new spenddown obligation, the written notification of the new spenddown amount will also inform the client that eligibility for medical assistance will be interrupted until proof of medical expenses equal to the new spenddown obligation is produced.
- 8) For TANF MANG, if changes in income or family composition occur, appropriate adjustments to the spenddown obligation and date of eligibility for medical assistance shall be made by the Department. The client will be notified, in writing, of the new spenddown obligation.
- A) If income decreases and, as a result, the client has already met the new spenddown obligation, eligibility for medical assistance shall be back-dated to the appropriate date.
  - B) If income increases and, as a result, the client has not produced proof of incurred medical expenses equal to the new spenddown obligation, the written notification of the new spenddown amount will also inform the client that eligibility for medical assistance will be interrupted until proof of medical expenses equal to the new spenddown obligation is produced.

(Source: Amended by emergency rulemaking at 26 Ill. Reg. 15051, effective October 1, 2002, for a maximum of 150 days)

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- 1) Heading of the Part: Children's Health Insurance Program
- 2) Code Citation 89 Ill. Adm. Code 125
- 3) 

<u>Section Numbers</u> :	<u>Emergency Action</u> :
125.205	Amendment
125.245	Amendment
125.260	Amendment
- 4) Statutory Authority: Section 12-13 of the Illinois Public Aid Code [305 ILCS 5/12-13], Public Act 92-600 and Public Act 92-597
- 5) Effective Date: October 1, 2002
- 6) If this emergency amendment is to expire before the end of the 150-day period, please specify the date on which it is to expire: Not Applicable
- 7) Date Filed with the Index Department: October 1, 2002
- 8) A copy of the emergency amendments, including any materials incorporated by reference, is on file in the agency's principal office and is available for public inspection.
- 9) Reason for Emergency: This emergency rulemaking is being filed pursuant to a Governor's initiative and the State's Budget Implementation Plan for fiscal year 2003. The amendments relate to companion emergency amendments which establish a new Medicaid waiver program to assist families with obtaining coverage for medical services. For families with children that meet the new income standard, caretaker relatives who are 19 years of age or older will be eligible for coverage under the Department's Medical Assistance Program. The new program will affect the Children's Health Insurance Program by allowing federal matching funds at 50 percent for KidCare Rebate. Immediate implementation of these and related amendments is necessary to provide access to necessary medical services and allow the capture of federal matching funds. Emergency rulemaking is specifically authorized for the implementation of these changes for fiscal year 2003 by Section 5-45 of Public Act 92-597.
- 10) Complete Description of the Subjects and Issues Involved: These emergency amendments relate to companion amendments establishing the KidCare Parent Coverage Waiver that has been approved by the federal Department of Health and Human Services. Under this program, which is designed to assist families with obtaining coverage for necessary medical services, the income eligibility standard for a parent or another adult caretaker

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relative who is 19 years of age or older is being increased to 49 percent of the Federal Poverty Level. For families with parents or caretaker relatives that meet the new income standard, the parent/caretaker relative will be eligible for coverage under the Department's Medical Assistance Program.

The waiver will affect the Children's Health Insurance Program by allowing federal matching funds at 50 percent for KidCare Rebate. Currently, no federal match is provided to the State under KidCare Rebate. Specific proposed changes to Part 125 include:

- permitting families with incomes between 133 percent and 185 percent of the Federal Poverty Level with qualifying insurance to choose to receive either KidCare Rebate or KidCare Health Plan;
- the continuation of benefits during KidCare Rebate appeals if the family files a timely appeal; and
- eliminating the three-month period of non-eligibility when a family voluntarily drops its health insurance without good cause.

The Department is also filing related emergency amendments at 89 Ill. Adm. Code 120 and 89 Ill. Adm. Code 140.

The new program will involve additional expenditures but will also generate offsetting increases in federal reimbursement. Program costs are included in the fiscal year 2003 budget.

- 11) Are there any other amendments pending on this Part? No
- 12) Statement of Statewide Policy Objective: These emergency amendments neither create nor expand any State mandates affecting units of local government.
- 13) Information and questions regarding this amendment shall be directed to:

Joanne Scattoloni  
Office of the General Counsel, Rules Section  
Illinois Department of Public Aid  
201 South Grand Avenue East, Third Floor  
Springfield, Illinois 62763-0002  
(217) 524-0081

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The full text of the emergency amendments begins on the next page:

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TITLE 89: SOCIAL SERVICES  
CHAPTER I: DEPARTMENT OF PUBLIC AID  
SUBCHAPTER b: ASSISTANCE PROGRAMSPART 125  
CHILDREN'S HEALTH INSURANCE PROGRAM

## SUBPART A: GENERAL PROVISIONS

Section	
125.100	General Description
125.110	Definitions

## SUBPART B: GENERAL ELIGIBILITY AND ENROLLMENT

Section	
125.200	Eligibility for Children's Health Insurance Program
125.205	Eligibility Exclusions and Terminations
	<u>EMERGENCY</u>
125.220	Application Process
125.230	Determination of Monthly Countable Income
125.240	Eligibility Determination and Enrollment Process
125.245	Appeals
	<u>EMERGENCY</u>
125.250	Annual Renewals
125.260	Adding Children to and Removing Children from the Program and Changes in Participation

| EMERGENCY

## SUBPART C: KIDCARE HEALTH PLAN

Section	
125.300	Covered Services
125.305	Service Exclusions
125.310	Copayments
125.320	Premium Requirements
125.330	Non-payment of Premium
125.340	Provider Reimbursement

## SUBPART D: KIDCARE REBATE

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## Section

125.400	Minimum Coverage Requirements
125.420	Coverage Verification Process
125.430	Provision of Policyholder's Social Security Number
125.440	KidCare Insurance Rebate
125.445	Rebate Overpayments

AUTHORITY: Implementing and authorized by the Children's Health Insurance Program Act [215 ILCS 106] and Section 12-13 of the Illinois Public Aid Code [305 ILCS 5/12-13].

SOURCE: Adopted by emergency rulemaking at 22 Ill. Reg. 15706, effective August 12, 1998, for maximum of 150 days; adopted at 23 Ill. Reg. 543, effective December 24, 1998; emergency amendment at 24 Ill. Reg. 4217, effective March 1, 2000, for a maximum of 150 days; amended at 24 Ill. Reg. 11822, effective July 28, 2000; amended at 26 Ill. Reg. 12313, effective July 26, 2002; emergency amendment at 26 Ill. Reg. 15066, effective October 1, 2002.

## SUBPART B: GENERAL ELIGIBILITY AND ENROLLMENT

**Section 125.205 Eligibility Exclusions and Terminations****EMERGENCY**

- a) A child shall not be determined eligible for coverage under the Program if:
  - 1) The child is an inmate of a public institution.
  - 2) The child is a patient in an institution for mental diseases.
  - 3) The child is a member of a Family that is eligible for health benefits coverage under a State of Illinois health benefits plan on the basis of a member's employment with a public agency.
  - 4) The child is in categories described in Section 125.200(e)(6) or (e)(7), and the child entered the United States on or after August 22, 1996; he or she shall not be eligible for five years beginning on the date the child entered the United States.
- b) A child with significant health insurance can choose between KidCare Health Plan and KidCare Rebate. If a child is otherwise eligible for coverage under the KidCare Health Plan, described in Subpart C of this Part, and the child was previously covered under a private or employer based insurance plan, coverage under the KidCare Health Plan shall not begin until the first day of the month following a three month period that shall begin on the day following the last day of the coverage under the private or employer based insurance plan. The three-month period of being uninsured specified in this subsection (b) does not apply if the child involuntarily loses coverage through a private or employer based

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- ~~insurance plan.~~
- c) Termination of a child's coverage under the Program shall be initiated upon the occurrence of any of the following events:
- 1) The child becomes ineligible due to:
    - A) Losing his or her Illinois residency.
    - B) Attaining 19 years of age.
    - C) Becoming enrolled in Medical Assistance.
    - D) Meeting the provisions of subsection (a)(1) or (a)(3) of this Section.
  - 2) The child's Caretaker Relative fails to pay the required premiums under the KidCare Health Plan, as specified in Sections 125.320 and 125.330.
  - 3) A child enrolled in KidCare Rebate no longer being covered under a private or employer-based health insurance plan, except that a child may change enrollment from KidCare Rebate to the KidCare Health Plan pursuant to Section 125.260(c) ~~when loss of insurance was involuntary.~~
  - 4) The child's Caretaker Relative fails to report to the Department changes in non-financial information that impacts upon the child's eligibility for the Program.
  - 5) The child's Caretaker Relative makes a request to the Department to terminate the coverage.
  - ~~6) The Department determines that a child enrolled under the KidCare Health Plan has other Significant Health Insurance, except that a child may change enrollment from KidCare Health Plan to KidCare Rebate pursuant to Section 125.260(d).~~
  - 67) The Department determines that the child is no longer eligible based on any other applicable State or federal law or regulation.
  - 78) The Department determines that the child's Caretaker Relative failed to provide eligibility information that was truthful and accurate to the best of the applicant's knowledge and belief and that affected the eligibility determination.
  - 89) There has been a Rebate overpayment and it has not been repaid to the Department according to terms established by the Department, which may include recoupment out of future Rebate payments or a payment plan.
  - 910) The Department determines that the child's eligibility was incorrectly determined.
  - 1011) The application was approved pending receipt of the child's Social Security Number and it is not provided later when requested.
- d) Following termination of a child's coverage under the Program, the following action is required before the child can be re-enrolled:
- 1) A new application must be completed and the child must be determined

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- otherwise eligible;
- 2) There must be full payment of premiums under the KidCare Health Plan, for periods in which a premium was owed and not paid for the child, including premiums owed when the child was, for purposes of this Part, a member of another Family;
  - 3) Any overpayment of Rebates paid on behalf of the child must be repaid to the Department. A Rebate overpayment shall be considered repaid if the Department can recoup the overpayment out of future Rebate payments.
  - 4) If the termination was the result of non-payment of premiums, the child must be out of the program for three months before re-enrollment; and
  - 5) The first month's premium must be paid if the child is eligible for KidCare Premium and the child's Family chose to have coverage under subsection (g) of this Section when the child was initially enrolled in the Program or if there was an unpaid premium on the date the child's previous case was canceled.
- e) An application will be denied if any of the adults in the Family was a Caretaker Relative of a child during a period for which a premium was due to the Department for that child and the premium remains unpaid at the time of application. Such an application shall be denied regardless of whether the child for whom the premium remains unpaid is included in the application.
  - f) An application will be denied if any of the adults in the Family was a Caretaker Relative of a child during a period for which a Rebate overpayment was received or was the payee of a Rebate overpayment and the overpayment has not been repaid to the Department. Such an application shall be denied regardless of whether the child for whom the Rebate overpayment remains unpaid is included in the application.
  - g) A certificate of prior creditable coverage will be issued when a child's coverage is terminated under the KidCare Health Plan.

(Source: Amended by emergency rulemaking at 26 Ill. Reg. 15066, effective October 1, 2002, for a maximum of 150 days)

**Section 125.245 Appeals****EMERGENCY**

- a) Any individual who applies for or receives assistance under the Program shall have the right to appeal any of the following actions:
  - 1) Refusal to accept an application.
  - 2) Denial of an application or cancellation at the annual renewal including denial based on failure to meet one or more of the eligibility requirements

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specified in this Part. If the denial or cancellation is not upheld on appeal, coverage under the Program shall be retroactive to the date the coverage would have commenced had the application or annual determination been approved. However, if the child is eligible for KidCare Premium, it will be at the Family's option whether coverage following a successful appeal shall be prospective only for the remainder of the 12-month period following application or retroactive to the date the coverage would have commenced had the application been approved. All premium and copayment requirements shall apply to the retroactive period.

- 3) Termination of coverage based on failure to continue to meet one or more of the eligibility requirements specified in this Part. ~~Coverage shall not be continued during the appeal process.~~ If the termination is not upheld on appeal and benefits were not continued during the appeal, coverage under the Program shall be reinstated retroactive to the termination date. However, if the child is eligible for KidCare Premium, it will be at the Family's option whether coverage following a successful appeal shall be prospective only for the remainder of the 12-month period following application or retroactive to the date of termination. All premium and copayment requirements shall apply to any retroactive period.
  - 4) Determination of the amount of the premium, Rebate, or copayments required. Coverage, Rebate amount and any premium or copayment requirements, as determined by the Department, shall remain in force during the appeal process.
- b) In addition to the actions that are appealable under subsection (a) of this Section, individuals covered under the KidCare Health Plan shall have the right to appeal any of the following actions:
- 1) Termination of coverage due to non-payment of the required premium.
  - 2) Denial of payment for a medical service or item that requires prior approval.
  - 3) Decision granting prior approval for a lesser or different medical service or item than was originally requested.
- c) The Department's decision to deny an application due to closing of enrollment for the Program shall not be appealable.
- d) Individuals may initiate the appeal process by:
- 1) Filing a written, signed request for a hearing directed to the Department's Assistance Hearings Section;
  - 2) Calling a toll free telephone number, (800/435-0774), or as designated by the Department.
- e) The request for a hearing may be filed by the individual affected by the action or by the individual's authorized representative.

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- f) For purposes of initiating the appeal process, a copy of a written, signed request for a hearing is considered the same as the original written, signed request.
- g) The request for a hearing must be filed no later than 60 days after notice of the appealable action has been given.
- h) ~~Unless otherwise specified, KidCare Rebate coverage shall not be continued when an appeal is pending.~~ If an appeal is initiated within ten calendar days after the notice of intended Department action and the individual specifically requests that the benefits be continued, ~~KidCare Share and KidCare Premium~~ benefits shall be continued at the level in effect prior to the proposed action, pending the results of the fair hearing process. All copayment obligations including premiums must be met during the period.
- i) The provisions of Subpart A of the Department's administrative rules at 89 Ill. Adm. Code 104, Practice in Administrative Hearings, shall govern the handling of appeals and the conduct of hearings under the Program.
- j) An individual can, prior to a decision being rendered on the appeal, reapply for the Program.

(Source: Amended by emergency rulemaking at 26 Ill. Reg. 15066, effective October 1, 2002, for a maximum of 150 days)

**Section 125.260 Adding Children to and Removing Children from the Program and Changes in Participation****EMERGENCY**

- a) Families may add eligible children to the Program during the 12-month eligibility period, without eligibility being reviewed by the Department. Coverage for children added shall be prospective from the effective date determined according to Section 125.240(e) and shall continue for the remainder of the Family's original 12-month eligibility period and may also include any prior coverage established pursuant to Section 125.240(g).
- b) Premium amounts under the KidCare Health Plan and Rebates under KidCare Rebate will be adjusted to reflect adding or removing a child from the Program.
- c) A child who would otherwise be terminated from KidCare Rebate pursuant to 125.205(b) ~~(e)~~ (3) may change coverage to the KidCare Health Plan without eligibility being reviewed by the Department ~~if the child involuntarily loses coverage through a private or employer-based health insurance plan~~ if there is no unpaid Rebate overpayment. Coverage under the KidCare Health Plan shall be prospective from the effective date determined according to Section 125.240(e) and shall continue for the remainder of the existing 12-month eligibility period. However, at the time of the change in coverage a Family may choose to have the

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KidCare Share or/Premium coverage retroactive to the first day of the first month following the last month of coverage under the private or employer sponsored insurance if the Family refunds within 30 days after the Department's notice that the child's coverage has been changed to KidCare Health Plan and any Rebate payment received for a month in which there was no private or employer based insurance coverage, notwithstanding Section 125.445(c).

- d) A child who would otherwise be terminated from the KidCare Health Plan pursuant to Section 125.205(c)(6) may change coverage to KidCare Rebate without eligibility being reviewed by the Department if the child obtains coverage through a private or employer-based insurance plan, returns a Rebate form within 30 days after the Department's notice that the Family's coverage under KidCare Health Plan is being terminated and there are no unpaid premiums owed to the Department. Coverage under KidCare Rebate shall be prospective from the effective date determined according to Section 125.240(e) following receipt by the Department of a completed Rebate Form and shall continue for the remainder of the existing 12-month eligibility period.

(Source: Amended by emergency rulemaking at 26 Ill. Reg. 15066, effective October 1, 2002, for a maximum of 150 days)

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- 1) Heading of the Part: Medical Payment
- 2) Code Citation: 89 Ill. Adm. Code 140
- 3) 

<u>Section Numbers:</u>	<u>Emergency Action:</u>
140.3	Amendment
140.21	Amendment
- 4) Statutory Authority: Section 12-13 of the Illinois Public Aid Code [305 ILCS 5/12-13], Public Act 92-600 and Public Act 92-597
- 5) Effective Date: October 1, 2002
- 6) If this emergency amendment is to expire before the end of the 150-day period, please specify the date on which it is to expire: Not Applicable
- 7) Date Filed with the Index Department: October 1, 2002
- 8) A copy of the emergency amendments, including any materials incorporated by reference, is on file in the agency's principal office and is available for public inspection.
- 9) Reason for Emergency:

***Section 140.3***

This emergency rulemaking is being filed pursuant to a Governor's initiative and the State's Budget Implementation Plan for fiscal year 2003. The amendments relate to the KidCare Parent Coverage Waiver program that is designed to assist families with obtaining coverage for medical services. For families that meet the new income standard, parents or caretaker relatives who are 19 years of age or older will be eligible for coverage under the Department's Medical Assistance Program. This new program will also affect the Children's Health Insurance Program by allowing federal matching funds at 50 percent for KidCare Rebate. Immediate implementation of these and related amendments is necessary to provide access to necessary medical services and allow the capture of federal matching funds.

***Section 140.21***

Emergency amendments are being filed in coordination with the State's budget plan for fiscal year 2003. The changes require pharmacies and providers of durable medical

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supplies to bill Medicare prior to billing the Department for certain drugs and supplies provided to Medicaid beneficiaries who are also enrolled in the federal Medicare program. Additional changes provide reimbursement decreases for certain medical services for Qualified Medicare Beneficiaries. These changes respond to the State's current budgetary imbalance and the resulting expenditure constraints that must be imposed.

Emergency rulemaking is specifically authorized for the implementation of these changes at 89 Ill. Adm. Code 140 for fiscal year 2003 by Section 5-45 of Public Act 92-597.

10) Complete Description of the Subjects and Issues Involved:

***Section 140.3***

These emergency amendments relate to the KidCare Parent Coverage Waiver program which has been approved by the federal Department of Health and Human Services. Under this program, which is designed to assist families with obtaining coverage for necessary medical services, the income eligibility standard for a parent or another adult caretaker relative who is 19 years of age or older is being increased to 49 percent of the Federal Poverty Level. The emergency amendments specify medical assistance coverage under this new waiver.

This waiver will also affect the Children's Health Insurance Program by allowing federal matching funds at 50 percent for KidCare Rebate. Currently, no federal match is provided to the State under KidCare Rebate.

Related emergency amendments concerning the KidCare Parent Coverage Waiver are also being filed at 89 Ill. Adm. Code 120 and 89 Ill. Adm. Code 125.

This new program will involve additional expenditures, but will also generate offsetting increases in federal reimbursement. To cover costs related to medical coverage for parents, the Department anticipates additional expenditures of \$15 million and \$32 million during federal fiscal years 2003 and 2004, respectively. Program costs are included in the State fiscal year 2003 budget plan.

***Section 140.21***

These emergency amendments pertain to Medicaid coverage for Qualified Medicare Beneficiaries (QMBs). The changes require pharmacies and providers of durable medical supplies to bill Medicare prior to billing the Department for certain drugs and supplies provided to Medicaid beneficiaries who are also enrolled in the federal Medicare program.

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Once Medicare has adjudicated the claim, any liability remaining for the Department, in the form of coinsurance and deductibles, will be reimbursed at the full Medicare allowable rate. Three groups of individuals will be affected by these changes, including QMB eligible medical assistance recipients, 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. These changes are expected to result in an estimated annual savings of \$20 million.

Other changes will affect the amount of reimbursement provided for services approved by Medicare, but not covered by Medicaid, that is paid to providers of medical services for QMBs. The Department will provide payment at 80 percent, rather than 100 percent, of the full Medicare allowable charge when determining the amount of deductible and coinsurance due to the provider. The Department anticipates that these changes will result in an annual savings of approximately \$158,200.

- 11) Are there any other amendments pending on this Part? Yes

<u>Sections</u>	<u>Proposed Action</u>	<u>Illinois Register Citation</u>
140.13	Amendment	September 13, 2002 (26 Ill. Reg. 13450)
140.20	Amendment	March 15, 2002 (26 Ill. Reg. 3852)
140.21	Amendment	August 9, 2002 (26 Ill. Reg. 12126)
140.24	Amendment	September 13, 2002 (26 Ill. Reg. 13450)
140.71	Amendment	August 16, 2002 (26 Ill. Reg. 12545)
140.402	Amendment	July 19, 2002 (26 Ill. Reg. 11210)
140.405	New Section	May 24, 2002 (26 Ill. Reg. 7647)
140.445	Amendment	July 19, 2002 (26 Ill. Reg. 11210)
140.450	Amendment	June 7, 2002 (26 Ill. Reg. 8243)
140.481	Amendment	July 19, 2002 (26 Ill. Reg. 11210)
140.492	Amendment	July 19, 2002 (26 Ill. Reg. 11210)
140.493	Amendment	July 19, 2002 (26 Ill. Reg. 11210)
140.523	Amendment	July 19, 2002 (26 Ill. Reg. 10243)
140.530	Amendment	August 30, 2002 (26 Ill. Reg. 13026)
140.860	New Section	September 6, 2002 (26 Ill. Reg. 13146)

- 12) Statement of Statewide Policy Objective: These emergency amendments neither create nor expand any State mandates affecting units of local government.
- 13) Information and questions regarding this amendment shall be directed to:

Joanne Scattoloni

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

Office of the General Counsel, Rules Section  
Illinois Department of Public Aid  
201 South Grand Avenue East, Third Floor  
Springfield, Illinois 62763-0002  
(217) 524-0081

The full text of the emergency amendments begins on the next page:

## DEPARTMENT OF PUBLIC AID

## NOTICE OF EMERGENCY AMENDMENTS

TITLE 89: SOCIAL SERVICES  
CHAPTER I: DEPARTMENT OF PUBLIC AID  
SUBCHAPTER d: MEDICAL PROGRAMSPART 140  
MEDICAL PAYMENT

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## Section

- 140.1 Incorporation By Reference
- 140.2 Medical Assistance Programs
- 140.3 Covered Services Under Medical Assistance Programs
- EMERGENCY
- 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

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- 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
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- 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
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- 140.22 Magnetic Tape Billings (Repealed)  
 140.23 Payment of Claims  
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 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)  
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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].

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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, 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.

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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 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;

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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. 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 26, 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;

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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 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;

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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. 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 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,

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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, 2000, 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 at 26 Ill. Reg. 12772, effective August 12, 2002, for a maximum of 150 days; 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

## SUBPART A: GENERAL PROVISIONS

**Section 140.3 Covered Services Under Medical Assistance Programs****EMERGENCY**

- a) As described in this Section, medical services shall be covered for:
- 1) recipients of financial assistance under the AABD (Aid to the Aged, Blind or Disabled), TANF (Temporary Assistance to Needy Families), or Refugee/Entrant/Repatriate programs;
  - 2) recipients of medical assistance only under the AABD program (AABD-MANG);
  - 3) recipients of medical assistance only under the TANF program (TANF-MANG);
  - 4) individuals under age 18 not eligible for TANF (see Section 140.7), pregnant women who would be eligible if the child were born and pregnant women and children under age eight who do not qualify as mandatory categorically needy (see Section 140.9);
  - 5) disabled persons under age 21 who may qualify for Medicaid and in-home care (Model Waiver); ~~and~~
  - 6) recipients eligible under the State Transitional Assistance Program who are determined by the Department to be disabled; ~~and-~~
  - 7) Individuals 19 years of age or older eligible under the KidCare Parent Coverage Waiver as described at 89 Ill. Adm. Code 120.32 except for:
    - A) Services provided only through a waiver approved under section 1915(c) of the Social Security Act; and
    - B) Termination of pregnancy.

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- b) The following medical services shall be covered for recipients under age 21 who are included under subsection (a) above:
- 1) Inpatient hospital services;
  - 2) Hospital outpatient and clinic services;
  - 3) Hospital emergency room visits. The visit must be for the alleviation of severe pain or for immediate diagnosis and/or treatment of conditions or injuries which might result in disability or death if there is not immediate treatment;
  - 4) Encounter rate clinic visits;
  - 5) Physician services;
  - 6) Pharmacy services;
  - 7) Home health agency visits;
  - 8) Laboratory and x-ray services;
  - 9) Group care services;
  - 10) Family planning services and supplies;
  - 11) Medical supplies, equipment, prostheses and orthoses, and respiratory equipment and supplies;
  - 12) Transportation to secure medical services;
  - 13) Medichex (EPSDT) services;
  - 14) Dental services;
  - 15) Chiropractic services;
  - 16) Podiatric services;
  - 17) Optical services and supplies;
  - 18) Subacute alcoholism and substance abuse services pursuant to Sections 140.390 through 140.396; and
  - 19) Hospice services.
- c) The following medical services shall be covered for recipients age 21 or over who are included under subsection (a) above:
- 1) Inpatient hospital services;
  - 2) Hospital outpatient and clinic services;
  - 3) Hospital emergency room visits. The visit must be for the alleviation of severe pain or for immediate diagnosis and/or treatment of conditions or injuries which might result in disability or death if there is not immediate treatment;
  - 4) Encounter rate clinic visits;
  - 5) Physician services;
  - 6) Pharmacy services;
  - 7) Home health agency visits;
  - 8) Laboratory and x-ray services;
  - 9) Group care services;

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- 10) Family planning services and supplies;
- 11) Medical supplies, equipment, prostheses and orthoses, and respiratory equipment and supplies;
- 12) Transportation to secure medical services;
- 13) Medichex (EPSDT) services;
- 14) Subacute alcoholism and substance abuse services pursuant to Sections 140.390 through 140.396;
- 15) Hospice services;
- 16) Dental services;
- 17) Chiropractic services;
- 18) Podiatric services; and
- 19) Optical services and supplies.

(Source: Amended by emergency rulemaking at 26 Ill. Reg. 15076, effective October 1, 2002, for a maximum of 150 days)

## SUBPART B: MEDICAL PROVIDER PARTICIPATION

**Section 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 Covered Medicaid Services for Qualified Medicare Beneficiaries (QMBs)**  
**EMERGENCY**

- a) In order to be qualified to receive reimbursement for services provided to QMB (Qualified Medicare Beneficiary) eligible medical assistance recipients, QMB eligible only recipients ~~clients~~ (see 89 Ill. Adm. Code 120.72), or individuals who are entitled to Medicare Part A or Part B and are eligible for some form of Medicaid benefits, providers must be enrolled in the Medical Assistance Program. Providers must also accept assignment of Medicare benefits for QMB eligible medical assistance recipients and individuals who are entitled to Medicare Part A or Part B and are eligible for some form of Medicaid benefits, when payment for services to such persons is sought from the Department.
- b) For Medicaid covered services, the Department will reimburse qualified providers who render services to QMB eligible medical assistance recipients, 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 ~~QMBs~~ in accordance with Department standards for the service(s) provided, with the following exception: for certain drugs and medical supplies provided by a pharmacy or DME provider, the Department's liability for deductible and coinsurance amounts shall be at the

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~~full Medicare rate. For individuals enrolled in the SeniorCare Program, the provisions in this subsection (b) will apply to services provided on or after October 16, 2002. For services approved by Medicare but not covered by Medicaid, the Department will reimburse qualified providers who render services to QMBs at the full Medicare deductible and coinsurance rate.~~

- c) For services approved by Medicare but not covered by Medicaid, the maximum allowable rate payable to qualified providers who render services to QMB eligible medical assistance recipients and recipients who are QMB eligible only is 80 percent of full Medicare rate when determining the Department's liability for deductible and coinsurance amounts.
- d)e) Licensed and Medicare certified nursing facilities that enroll for the sole purpose of receiving payment for services to QMB only residents of the facility, then disenroll, are not subject to the provisions found in Section 140.506 governing voluntary withdrawal from the Medical Assistance Program.

(Source: Amended by emergency rulemaking at 26 Ill. Reg. 15076, effective October 1, 2002, for a maximum of 150 days)

## DEPARTMENT OF HUMAN SERVICES

## NOTICE OF PEREMPTORY AMENDMENTS

- 1) Heading of the Part: Food Stamps
  - 2) Code Citation: 89 Ill. Adm. Code 121
  - 3) Section Numbers:      Peremptory Action:  
     121.60                      Amendment  
     121.61                      Amendment  
     121.63                      Amendment  
     121.64                      Amendment
- Reference to the Specific State or Federal Court Order, Federal Rule or Statute Which Requires this Peremptory Rulemaking: These changes are being made to conform with Food and Nutrition Service regulations.
- 5) Statutory Authority: Implementing Sections 12-4.4 through 12-4.6 and authorized by Section 12-13 of the Illinois Public Aid Code [305 ILCS 5/12-4.4 through 12-4.6 and 12-13].
  - 6) Effective Date: October 1, 2002
  - 7) A Complete Description of the Subjects and Issues Involved: In accordance with regulations from the Food and Nutrition Service, this rulemaking revises the income eligibility standards and benefit allowances.
  - 8) Does this rulemaking contain an automatic repeal date? No
  - 9) Date Filed with the Index Department: October 1, 2002
  - 10) A copy of the peremptory rule, including any material incorporated by reference, is on file in the agency's principal office and is available for public inspection.
  - 11) This rulemaking is in compliance with Section 5-50 of the Illinois Administrative Procedure Act.
  - 12) Are there any proposed amendments pending to this Part? Yes
 

<u>Section Numbers</u>	<u>Proposed Action</u>	<u>Illinois Register Citation</u>
121.20	Amendment	26 Ill. Reg. 11706
121.26	Amendment	26 Ill. Reg. 9563
121.59	Amendment	26 Ill. Reg. 11706
121.151	Amendment	26 Ill. Reg. 9563
121.63	Amendment	26 Ill. Reg. 11706
  - 13) Statement of Statewide Policy Objective: This rulemaking does not create or expand a State mandate.
  - 14) Information and questions regarding these Peremptory Amendments shall be directed to:

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NOTICE OF PEREMPTORY AMENDMENTS

Susan Weir, Bureau Chief  
Bureau of Administrative Rules and Procedures  
Department of Human Services  
100 South Grand Avenue East  
3rd Floor Harris Bldg.  
Springfield IL 62762

The full text of the preemptory amendments begins on the next page :

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TITLE 89: SOCIAL SERVICES  
CHAPTER IV: DEPARTMENT OF HUMAN SERVICES  
SUBCHAPTER b: ASSISTANCE PROGRAMSPART 121  
FOOD STAMPS

## SUBPART A: APPLICATION PROCEDURES

## Section

- 121.1 Application for Assistance
- 121.2 Time Limitations on the Disposition of an Application
- 121.3 Approval of an Application and Initial Authorization of Assistance
- 121.4 Denial of an Application
- 121.5 Client Cooperation
- 121.6 Emergency Assistance
- 121.7 Expedited Service
- 121.10 Interviews

## SUBPART B: NON-FINANCIAL FACTORS OF ELIGIBILITY

## Section

- 121.18 Work Requirement
- 121.19 Ending a Voluntary Quit Disqualification (Repealed)
- 121.20 Citizenship
- 121.21 Residence
- 121.22 Social Security Numbers
- 121.23 Work Registration/Participation Requirements
- 121.24 Individuals Exempt from Work Registration Requirements
- 121.25 Failure to Comply with Work Provisions
- 121.26 Period of Sanction
- 121.27 Voluntary Job Quit/Reduction in Work Hours
- 121.28 Good Cause for Voluntary Job Quit/Reduction in Work Hours
- 121.29 Exemptions from Voluntary Quit/Reduction in Work Hours Rules

## SUBPART C: FINANCIAL FACTORS OF ELIGIBILITY

## Section

- 121.30 Unearned Income
- 121.31 Exempt Unearned Income

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121.32	Education Benefits
121.33	Unearned Income In-Kind
121.34	Lump Sum Payments and Income Tax Refunds
121.40	Earned Income
121.41	Budgeting Earned Income
121.50	Exempt Earned Income
121.51	Income from Work/Study/Training Programs
121.52	Earned Income from Roomer and Boarder
121.53	Income From Rental Property
121.54	Earned Income In-Kind
121.55	Sponsors of Aliens
121.57	Assets
121.58	Exempt Assets
121.59	Asset Disregards

## SUBPART D: ELIGIBILITY STANDARDS

Section	
121.60	Net Monthly Income Eligibility Standards
121.61	Gross Monthly Income Eligibility Standards
121.62	Income Which Must Be Annualized
121.63	Deductions from Monthly Income
121.64	Food Stamp Benefit Amount

## SUBPART E: HOUSEHOLD CONCEPT

Section	
121.70	Composition of the Assistance Unit
121.71	Living Arrangement
121.72	Nonhousehold Members
121.73	Ineligible Household Members
121.74	Strikers
121.75	Students
121.76	Households Receiving AFDC, SSI, Interim Assistance and/or GA – Categorical Eligibility

## SUBPART F: MISCELLANEOUS PROGRAM PROVISIONS

Section	
121.80	Fraud Disqualification (Renumbered)

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- 121.81 Initiation of Administrative Fraud Hearing (Repealed)
- 121.82 Definition of Fraud (Renumbered)
- 121.83 Notification To Applicant Households (Renumbered)
- 121.84 Disqualification Upon Finding of Fraud (Renumbered)
- 121.85 Court Imposed Disqualification (Renumbered)
- 121.90 Monthly Reporting and Retrospective Budgeting
- 121.91 Monthly Reporting
- 121.92 Retrospective Budgeting
- 121.93 Issuance of Food Stamp Benefits
- 121.94 Replacement of the EBT Card or Food Stamp Benefits
- 121.95 Restoration of Lost Benefits
- 121.96 Uses For Food Coupons
- 121.97 Supplemental Payments
- 121.98 Client Training for the Electronic Benefits Transfer (EBT) System
- 121.105 State Food Program (Repealed)
- 121.107 New State Food Program
- 121.120 Recertification of Eligibility
- 121.130 Residents of Shelters for Battered Women and their Children
- 121.131 Fleeing Felons and Probation/Parole Violators
- 121.135 Incorporation By Reference
- 121.140 Small Group Living Arrangement Facilities and Drug/Alcoholic Treatment Centers
- 121.145 Quarterly Reporting

## SUBPART G: INTENTIONAL VIOLATIONS OF THE PROGRAM

## Section

- 121.150 Definition of Intentional Violations of the Program
- 121.151 Penalties for Intentional Violations of the Program
- 121.152 Notification To Applicant Households
- 121.153 Disqualification Upon Finding of Intentional Violation of the Program
- 121.154 Court Imposed Disqualification

## SUBPART H: FOOD STAMP EMPLOYMENT AND TRAINING PROGRAM

## Section

- 121.160 Persons Required to Participate
- 121.162 Program Requirements
- 121.163 Vocational Training
- 121.164 Orientation (Repealed)

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121.165	Community Work
121.166	Assessment and Employability Plan (Repealed)
121.167	Counseling/Prevention Services
121.170	Job Search Activity
121.172	Basic Education Activity
121.174	Job Readiness Activity
121.176	Work Experience Activity
121.177	Illinois Works Component (Repealed)
121.178	Job Training Component (Repealed)
121.179	JTPA Employability Services Component (Repealed)
121.180	Grant Diversion Component (Repealed)
121.182	Earnfare Activity
121.184	Sanctions for Non-cooperation with Food Stamp Employment and Training
121.186	Good Cause for Failure to Cooperate
121.188	Supportive Services
121.190	Conciliation
121.200	Types of Claims (Recodified)
121.201	Establishing a Claim for Intentional Violation of the Program (Recodified)
121.202	Establishing a Claim for Unintentional Household Errors and Administrative Errors (Recodified)
121.203	Collecting Claim Against Households (Recodified)
121.204	Failure to Respond to Initial Demand Letter (Recodified)
121.205	Methods of Repayment of Food Stamp Claims (Recodified)
121.206	Determination of Monthly Allotment Reductions (Recodified)
121.207	Failure to Make Payment in Accordance with Repayment Schedule (Recodified)
121.208	Suspension and Termination of Claims (Recodified)

## SUBPART I: WORK REQUIREMENT FOR FOOD STAMPS

Section	
121.220	Work Requirement Components (Repealed)
121.221	Meeting the Work Requirement with the Earnfare Component (Repealed)
121.222	Volunteer Community Work Component (Repealed)
121.223	Work Experience Component (Repealed)
121.224	Supportive Service Payments to Meet the Work Requirement (Repealed)
121.225	Meeting the Work Requirement with the Illinois Works Component (Repealed)
121.226	Meeting the Work Requirement with the JTPA Employability Services Component (Repealed)

AUTHORITY: Implementing Sections 12-4.4 through 12-4.6 and authorized by Section 12-13

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of the Illinois Public Aid Code [305 ILCS 5/12-4.4 through 12-4.6 and 12-13].

SOURCE: Adopted December 30, 1977; amended at 3 Ill. Reg. 5, p. 875, effective February 2, 1979; amended at 3 Ill. Reg. 31, p. 109, effective August 3, 1979; amended at 3 Ill. Reg. 33, p. 399, effective August 18, 1979; amended at 3 Ill. Reg. 41, p. 165, effective October 11, 1979; amended at 3 Ill. Reg. 42, p. 230, effective October 9, 1979; amended at 3 Ill. Reg. 44, p. 173, effective October 19, 1979; amended at 3 Ill. Reg. 46, p. 36, effective November 2, 1979; amended at 3 Ill. Reg. 47, p. 96, effective November 13, 1979; amended at 3 Ill. Reg. 48, p. 1, effective November 15, 1979; peremptory amendment at 4 Ill. Reg. 3, p. 49, effective January 9, 1980; peremptory amendment at 4 Ill. Reg. 9, p. 259, effective February 23, 1980; amended at 4 Ill. Reg. 10, p. 253, effective February 27, 1980; amended at 4 Ill. Reg. 12, p. 551, effective March 10, 1980; emergency amendment at 4 Ill. Reg. 29, p. 294, effective July 8, 1980, for maximum of 150 days; amended at 4 Ill. Reg. 37, p. 797, effective September 2, 1980; amended at 4 Ill. Reg. 45, p. 134, effective October 17, 1980; amended at 5 Ill. Reg. 766, effective January 2, 1981; amended at 5 Ill. Reg. 1131, effective January 16, 1981; amended at 5 Ill. Reg. 4586, effective April 15, 1981; peremptory amendment at 5 Ill. Reg. 5722, effective June 1, 1981; amended at 5 Ill. Reg. 7071, effective June 23, 1981; peremptory amendment at 5 Ill. Reg. 10062, effective October 1, 1981; amended at 5 Ill. Reg. 10733, effective October 1, 1981; amended at 5 Ill. Reg. 12736, effective October 29, 1981; amended at 6 Ill. Reg. 1653, effective January 17, 1982; amended at 6 Ill. Reg. 2707, effective March 2, 1982; amended at 6 Ill. Reg. 8159, effective July 1, 1982; amended at 6 Ill. Reg. 10208, effective August 9, 1982; amended at 6 Ill. Reg. 11921, effective September 21, 1982; amended at 6 Ill. Reg. 12318, effective October 1, 1982; amended at 6 Ill. Reg. 13754, effective November 1, 1982; amended at 7 Ill. Reg. 394, effective January 1, 1983; codified at 7 Ill. Reg. 5195; amended at 7 Ill. Reg. 5715, effective May 1, 1983; amended at 7 Ill. Reg. 8118, effective June 24, 1983; peremptory amendment at 7 Ill. Reg. 12899, effective October 1, 1983; amended at 7 Ill. Reg. 13655, effective October 4, 1983; peremptory amendment at 7 Ill. Reg. 16067, effective November 18, 1983; amended at 7 Ill. Reg. 16169, effective November 22, 1983; amended at 8 Ill. Reg. 5673, effective April 18, 1984; amended at 8 Ill. Reg. 7249, effective May 16, 1984; peremptory amendment at 8 Ill. Reg. 10086, effective July 1, 1984; amended at 8 Ill. Reg. 13284, effective July 16, 1984; amended at 8 Ill. Reg. 17900, effective September 14, 1984; amended (by adding Section being codified with no substantive change) at 8 Ill. Reg. 17898; peremptory amendment at 8 Ill. Reg. 19690, effective October 1, 1984; peremptory amendment at 8 Ill. Reg. 22145, effective November 1, 1984; amended at 9 Ill. Reg. 302, effective January 1, 1985; amended at 9 Ill. Reg. 6804, effective May 1, 1985; amended at 9 Ill. Reg. 8665, effective May 29, 1985; peremptory amendment at 9 Ill. Reg. 8898, effective July 1, 1985; amended at 9 Ill. Reg. 11334, effective July 8, 1985; amended at 9 Ill. Reg. 14334, effective September 6, 1985; peremptory amendment at 9 Ill. Reg. 15582, effective October 1, 1985; amended at 9 Ill. Reg. 16889, effective October 16, 1985; amended at 9 Ill. Reg. 19726, effective December 9, 1985; amended at 10 Ill. Reg. 229, effective December 20, 1985; peremptory amendment at 10 Ill. Reg. 7387, effective April

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21, 1986; preemptory amendment at 10 Ill. Reg. 7941, effective May 1, 1986; amended at 10 Ill. Reg. 14692, effective August 29, 1986; preemptory amendment at 10 Ill. Reg. 15714, effective October 1, 1986; Sections 121.200 thru 121.208 recodified to 89 Ill. Adm. Code 165 at 10 Ill. Reg. 21094; preemptory amendment at 11 Ill. Reg. 3761, effective February 11, 1987; emergency amendment at 11 Ill. Reg. 3754, effective February 13, 1987, for a maximum of 150 days; emergency amendment at 11 Ill. Reg. 9968, effective May 15, 1987, for a maximum of 150 days; amended at 11 Ill. Reg. 10269, effective May 22, 1987; amended at 11 Ill. Reg. 10621, effective May 25, 1987; preemptory amendment at 11 Ill. Reg. 11391, effective July 1, 1987; preemptory amendment at 11 Ill. Reg. 11855, effective June 30, 1987; emergency amendment at 11 Ill. Reg. 12043, effective July 6, 1987, for a maximum of 150 days; amended at 11 Ill. Reg. 13635, effective August 1, 1987; amended at 11 Ill. Reg. 14022, effective August 10, 1987; emergency amendment at 11 Ill. Reg. 15261, effective September 1, 1987, for a maximum of 150 days; amended at 11 Ill. Reg. 15480, effective September 4, 1987; amended at 11 Ill. Reg. 15634, effective September 11, 1987; amended at 11 Ill. Reg. 18218, effective October 30, 1987; preemptory amendment at 11 Ill. Reg. 18374, effective October 30, 1987; amended at 12 Ill. Reg. 877, effective December 30, 1987; emergency amendment at 12 Ill. Reg. 1941, effective December 31, 1987, for a maximum of 150 days; amended at 12 Ill. Reg. 4204, effective February 5, 1988; amended at 12 Ill. Reg. 9678, effective May 23, 1988; amended at 12 Ill. Reg. 9922, effective June 1, 1988; amended at 12 Ill. Reg. 11463, effective June 30, 1988; amended at 12 Ill. Reg. 12824, effective July 22, 1988; emergency amendment at 12 Ill. Reg. 14045, effective August 19, 1988, for a maximum of 150 days; preemptory amendment at 12 Ill. Reg. 15704, effective October 1, 1988; preemptory amendment at 12 Ill. Reg. 16271, effective October 1, 1988; amended at 12 Ill. Reg. 20161, effective November 30, 1988; amended at 13 Ill. Reg. 3890, effective March 10, 1989; amended at 13 Ill. Reg. 13619, effective August 14, 1989; preemptory amendment at 13 Ill. Reg. 15859, effective October 1, 1989; amended at 14 Ill. Reg. 729, effective January 1, 1990; amended at 14 Ill. Reg. 6349, effective April 13, 1990; amended at 14 Ill. Reg. 13202, effective August 6, 1990; preemptory amendment at 14 Ill. Reg. 15158, effective October 1, 1990; amended at 14 Ill. Reg. 16983, effective September 30, 1990; amended at 15 Ill. Reg. 11150, effective July 22, 1991; amended at 15 Ill. Reg. 11957, effective August 12, 1991; preemptory amendment at 15 Ill. Reg. 14134, effective October 1, 1991; emergency amendment at 16 Ill. Reg. 757, effective January 1, 1992, for a maximum of 150 days; amended at 16 Ill. Reg. 10011, effective June 15, 1992; amended at 16 Ill. Reg. 13900, effective August 31, 1992; emergency amendment at 16 Ill. Reg. 16221, effective October 1, 1992, for a maximum of 150 days; preemptory amendment at 16 Ill. Reg. 16345, effective October 1, 1992; amended at 16 Ill. Reg. 16624, effective October 23, 1992; amended at 17 Ill. Reg. 644, effective December 31, 1992; amended at 17 Ill. Reg. 4333, effective March 19, 1993; amended at 17 Ill. Reg. 14625, effective August 26, 1993; emergency amendment at 17 Ill. Reg. 15149, effective September 7, 1993, for a maximum 150 days; preemptory amendment at 17 Ill. Reg. 17477, effective October 1, 1993; expedited correction at 17 Ill. Reg. 21216, effective October 1, 1993; amended at 18 Ill. Reg. 2033, effective January 21, 1994; emergency

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amendment at 18 Ill. Reg. 2509, effective January 27, 1994, for a maximum of 150 days; amended at 18 Ill. Reg. 3427, effective February 28, 1994; amended at 18 Ill. Reg. 8921, effective June 3, 1994; amended at 18 Ill. Reg. 12829, effective August 5, 1994; amended at 18 Ill. Reg. 14103, effective August 26, 1994; amended at 19 Ill. Reg. 5626, effective March 31, 1995; amended at 19 Ill. Reg. 6648, effective May 5, 1995; emergency amendment at 19 Ill. Reg. 12705, effective September 1, 1995, for a maximum of 150 days; preemptory amendment at 19 Ill. Reg. 13595, effective October 1, 1995; amended at 20 Ill. Reg. 1593, effective January 11, 1996; preemptory amendment at 20 Ill. Reg. 2229, effective January 17, 1996; amended at 20 Ill. Reg. 7902, effective June 1, 1996; amended at 20 Ill. Reg. 11935, effective August 14, 1996; emergency amendment at 20 Ill. Reg. 13381, effective October 1, 1996, for a maximum of 150 days; emergency amendment at 20 Ill. Reg. 13668, effective October 8, 1996, for a maximum of 150 days; amended at 21 Ill. Reg. 3156, effective February 28, 1997; amended at 21 Ill. Reg. 7733, effective June 4, 1997; recodified from the Department of Public Aid to the Department of Human Services at 21 Ill. Reg. 9322; emergency amendment at 22 Ill. Reg. 1954, effective January 1, 1998, for a maximum of 150 days; amended at 22 Ill. Reg. 5502, effective March 4, 1998; amended at 22 Ill. Reg. 7969, effective May 15, 1998; emergency amendment at 22 Ill. Reg. 10660, effective June 1, 1998, for a maximum of 150 days; emergency amendment at 22 Ill. Reg. 12167, effective July 1, 1998, for a maximum of 150 days; amended at 22 Ill. Reg. 16230, effective September 1, 1998; amended at 22 Ill. Reg. 19787, effective October 28, 1998; emergency amendment at 22 Ill. Reg. 19934, effective November 1, 1998, for a maximum of 150 days; amended at 22 Ill. Reg. 20099, effective November 1, 1998; emergency amendment at 23 Ill. Reg. 2601, effective February 1, 1999, for a maximum of 150 days; amended at 23 Ill. Reg. 3374, effective March 1, 1999; amended at 23 Ill. Reg. 7285, effective June 18, 1999; emergency amendment at 23 Ill. Reg. 13253, effective October 13, 1999, for a maximum of 150 days; emergency amendment at 24 Ill. Reg. 3871, effective February 24, 2000, for a maximum of 150 days; amended at 24 Ill. Reg. 4180, effective March 2, 2000; amended at 24 Ill. Reg. 10198, effective June 27, 2000; amended at 24 Ill. Reg. 15428, effective October 10, 2000; emergency amendment at 24 Ill. Reg. 15468, effective October 1, 2000, for a maximum of 150 days; amended at 25 Ill. Reg. 845, effective January 5, 2001; amended at 25 Ill. Reg. 2423, effective January 25, 2001; emergency amendment at 25 Ill. Reg. 2439, effective January 29, 2001, for a maximum of 150 days; emergency amendment at 25 Ill. Reg. 3707, effective March 1, 2001, for a maximum of 150 days; emergency expired July 28, 2001; amended at 25 Ill. Reg. 7720, effective June 7, 2001; amended at 25 Ill. Reg. 10823, effective August 12, 2001; amended at 25 Ill. Reg. 11856, effective August 31, 2001; emergency amendment at 25 Ill. Reg. 13309, effective October 1, 2001, for a maximum of 150 days; amended at 26 Ill. Reg. 151, effective January 1, 2002; amended at 26 Ill. Reg. 2025, effective February 1, 2002; amended at 26 Ill. Reg. 13530, effective September 3, 2002; preemptory amendment at 26 Ill. Reg. 15099, effective October 1, 2002.

## SUBPART D: ELIGIBILITY STANDARDS

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**Section 121.60 Net Monthly Income Eligibility Standards**

- a) Eligible households whose net monthly income does not exceed the maximum monthly income standards shall be assigned food stamp benefits based on the net monthly food stamp income.
- b) The maximum net monthly income standards are:

Household Size	Amount	
1.....	\$ <u>739</u>	<del>716</del>
2.....	<u>995</u>	<del>960</del>
3.....	<u>1,252</u>	<del>1,220</del>
4.....	<u>1,509</u>	<del>1,471</del>
5.....	<u>1,765</u>	<del>1,723</del>
6.....	<u>2,022</u>	<del>1,975</del>
7.....	<u>2,279</u>	<del>2,226</del>
8.....	<u>2,535</u>	<del>2,470</del>
Each additional member.....	<u>257</u>	<del>252</del>

Derived from Office of Management and Budget non-farm, income poverty guidelines.

(Source: Peremptory amendment at 26 Ill. Reg. 15099, effective October 1, 2002)

**Section 121.61 Gross Monthly Income Eligibility Standards**

- a) Gross Monthly Income Eligibility Standards
- 1) The gross income standards of eligibility shall be 130 percent of the nonfarm income poverty guidelines prescribed by the Office of Management and Budget (see 7 CFR 273.9(a)(1)(1990)). However, categorically eligible households and households containing a member who is elderly, blind or disabled will be exempt from this gross income check (see also 7 CFR 273.9(c) (1990)). To qualify for increased benefits, a household must contain a member who meets one of the following requirements:
- A) A member is 60 years of age or older. An individual is considered age 60 in the fiscal month in which he or she becomes 60.
- B) A member receives Supplemental Security Income (SSI) benefits under Title XVI of the Social Security Act, (this includes the household where the member is receiving SSI income pending a final decision from the Social Security Administration. This SSI

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- income is being provided on a temporary or emergency basis).
- C) A member receives Social Security disability or blindness benefits under Title II (RSDI) of the Social Security Act.
  - D) A member receives State Supplemental Payment (SSP) due to blindness or disability.
  - E) A veteran with a service-connected disability rated or paid as totally disabled by the Department of Veterans Affairs (VA).
  - F) A veteran considered by the VA to be in need of regular aid and attendance or permanently housebound.
  - G) A veteran's surviving spouse who is considered in need of aid and attendance or considered permanently housebound by the VA or a veteran's surviving child who is considered permanently incapable of self-support by the VA.
  - H) A veteran's surviving spouse or child entitled to compensation for a service-connected death or pension benefits for a nonservice-connected death from the VA, if the spouse or child also has a disability considered permanent under Social Security requirements.
  - I) A member receives federal, state, or local government disability pension and is considered permanently disabled under Social Security requirements.
  - J) A member receives Railroad Retirement disability benefits.
  - K) A member receives an annuity payment from Railroad Retirement and is eligible for Medicare.
  - L) A member receives disability-related medical assistance benefits (Categories 92, 93 and P3) under Title XIX (Medicaid) of the Social Security Act.
- 2) For those veterans, surviving spouses, or children mentioned in subsections (a)(1)(F) and (G) of this Section, proof of receipt of VA disability benefits is sufficient verification of disability. For those veterans mentioned in subsection (a)(1)(E) of this Section, a verified statement, in writing, from the VA that the individual is totally disabled must be provided. To verify disability for those individuals mentioned in subsection (a)(1)(H) of this Section, the individual must provide a statement from the Social Security Administration or from a physician licensed under the Medical Practice Act of 1987 [225 ILCS 60], or a licensed or certified psychologist under the Clinical Psychologist Licensing Act [225 ILCS 15] that the individual suffers from one of the disabilities listed in the preamble to Section 221(i) of the Social Security Act (42 U.S.C. 421(i)) or if the disability is obvious, by the observation of

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the caseworker (for example, permanent loss of use of both hands).

b) Household Size	Gross Income	
One Person	\$ <u>960</u>	<u>931</u>
Two Persons	<u>1,294</u>	<u>1,258</u>
Three Persons	<u>1,628</u>	<u>1,585</u>
Four Persons	<u>1,961</u>	<u>1,913</u>
Five Persons	<u>2,295</u>	<u>2,240</u>
Six Persons	<u>2,629</u>	<u>2,567</u>
Seven Persons	<u>2,962</u>	<u>2,894</u>
Eight Persons	<u>3,296</u>	<u>3,221</u>
Each Additional Member	+ <u>334</u>	+ <u>328</u>

(Source: Peremptory amendment at 26 Ill. Reg. 15099, effective October 1, 2002)

**Section 121.63 Deductions From Monthly Income**

- a) The deductions described in this Section shall be allowed in the determination of the adjusted net monthly food stamp income.
- b) Earned Income Deduction. Eighty percent of total gross earned income is considered. See Sections 121.40 through 121.54 for a description of earned income.
- c) Standard Deduction. The standard deduction is \$134 per household per month.
- d) Dependent Care Deduction
  - 1) The dependent care deduction consists of payments for the care of a child or other dependent when necessary for a household member to accept or continue employment or to seek employment in compliance with the job search criteria (contained in 89 Ill. Adm. Code 112.70 through 112.73) or to attend training or pursue education which is preparatory for employment.
  - 2) The amount of the deduction is to be determined by the actual costs for care and is not to exceed \$200 per month for each child under age 2 and \$175 per month for each other dependent household member.
- e) Child Support Deduction. The child support deduction is the amount of legally obligated child support paid by a household member to or for a nonhousehold member.
- f) Shelter Costs Deduction
  - 1) The shelter deduction is the amount of shelter costs that exceeds 50% of the household's total income after the allowable deductions in subsections (b), (c), (d), and (e) of this Section have been made. The shelter deduction

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- shall not exceed \$300. The shelter deduction shall not exceed ~~\$367354~~ for certification periods starting March 1, 2001 or later.
- 2) If the household contains a member who is elderly or disabled, as defined at 7 CFR 271.2 (1990) and Section 121.61, there is no limit on the amount of the excess shelter deduction.
  - 3) Shelter costs include only the following:
    - A) continuing charges for the shelter occupied by the household (rent, mortgage and other charges leading to the ownership of the shelter, including interest on such charges);
    - B) property taxes, State and local assessments and insurance on the structure itself; and
    - C) utility costs, as described in subsection (g) of this Section.
  - 4) Shelter costs for a home temporarily unoccupied by the household because of employment or training away from home, illness or abandonment caused by a natural disaster or casualty loss, if:
    - A) the household intends to return to the home;
    - B) the current occupants of the home, if any, are not claiming the shelter costs for food stamp purposes; and
    - C) the home is not leased or rented during the absence of the household.
  - 5) Charges for repair of a home which was damaged or destroyed due to a natural disaster. Shelter costs shall not include repair charges which have been or will be reimbursed by private or public relief agencies, insurance companies or any other source.
- g) Utility Costs
- 1) Utility costs include:
    - A) the cost of heating and cooking fuel, air conditioning, electricity, water, sewerage, garbage and trash collection;
    - B) basic service fee for one telephone (including tax on the basic fee) of \$27; and
    - C) fees charged by the utility provider for initial installation.
  - 2) Utility deposits are not considered to be utility costs.
  - 3) Except for households that claim utility expenses for an unoccupied home, either the air conditioning/heating standard or the electricity standard must be used if the household is billed for air conditioning, heating or electricity. See Section 121.63(g)(7) for households that claim utility expenses for an unoccupied home. Households that are billed for heating or air conditioning, or both, or heating, air conditioning and electricity, must use the air conditioning/heating standard allowance of \$255. Those households that are not billed for air conditioning or heating but are billed

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for electricity must use the electricity standard allowance of \$151.

Households living in rental housing who are billed on a regular basis by a landlord for costs for air conditioning, heating, or electricity must use the appropriate standard. If the air conditioning/heating standard allowance or the electricity standard allowance is used, then no other utility costs may be claimed. If actual utility costs are allowed because the household does not qualify for either standard, then actual, verified costs may be claimed, except that if a separately-billed phone expense is claimed only the basic telephone allowance of \$27 per month is allowed.

- 4) A household that is billed less often than monthly for its costs for heating, air conditioning, or electricity must continue to use the air conditioning/heating standard allowance or the electricity standard allowance, whichever is appropriate, between billing months.
- 5) Households in public housing or privately owned rental units that receive a bill for over-usage are not entitled to use the air conditioning/heating standard allowance or the electricity standard allowance. When households (as defined at 7 CFR 273.1(a) (1990)) live together, the air conditioning/heating standard allowance or the electricity standard allowance, whichever is appropriate, shall be divided equally among the households that contribute toward the utility costs whether or not each household participates in the program.
- 6) Households whose expense for heat or electricity, or both, is covered by indirect energy assistance payments under the Illinois Home Energy Assistance Program (47 Ill. Adm. Code 100) shall be entitled to the air conditioning/heating standard allowance or the electricity standard allowance, whichever is appropriate (7 CFR 273.9 and 273.10(d)(6) (1990)). The provisions of subsection (f)(3) of this Section are applicable to households whose expenses for heating or electricity, or both, are covered by indirect energy assistance payments.
- 7) When the household claims a utility expense for an unoccupied home (as defined in Section 121.63(f)(4)), actual utility expenses are allowed for the unoccupied home as well as the current residence. The air conditioning/heating standard or the electricity standard is not used for either home. The appropriate utility standard may be used if the household chooses not to claim utilities for the unoccupied home.
- h) Excess Medical Deduction. A deduction for excess medical expenses shall be allowed for households which contain an elderly or disabled member as defined at 7 CFR 271.2 (1990) and Section 121.61. The medical expenses incurred by the qualifying household member which are over \$35 will be deducted, if the expenses will not be reimbursed by insurance or a third party.

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(Source: Peremptory amendment at 26 Ill. Reg. 15099, effective October 1, 2002)

**Section 121.64 Food Stamp Benefit Amount**

- a) The monthly food stamp benefit amount is determined by subtracting 30% of the adjusted net monthly income from the maximum monthly food stamp benefit amount.
- b) Maximum Monthly Food Stamp Benefit Amount:

Household Size	Amount	
1.....	<u>\$139</u>	<del>135</del>
2.....	<u>\$256</u>	<del>240</del>
3.....	<u>\$366</u>	<del>256</del>
4.....	<u>\$465</u>	<del>452</del>
5.....	<u>\$553</u>	<del>537</del>
6.....	<u>\$663</u>	<del>644</del>
7.....	<u>\$733</u>	<del>712</del>
8.....	<u>\$838</u>	<del>814</del>
Each additional member.....	<u>\$105</u>	<del>102</del>

- c) All one and two-person households will receive a minimum monthly food stamp benefit amount of \$10.
- d) September Food Stamp Benefit Amount Adjustment  
The annual revisions of maximum gross and net income standards, standard deduction, maximum excess shelter deduction and food stamp benefit amounts are effective October 1st of each year. Because the September fiscal month of certain households includes days which fall in the October calendar month, the portion of the September fiscal food stamp benefit amount covering October 1st and later must be increased to reflect the new standards.

(Source: Peremptory amendment at 26 Ill. Reg. 15099, effective October 1, 2002)

## STATE BOARD OF EDUCATION

## NOTICE OF CORRECTIONS TO PROPOSED AMENDMENTS

1) Heading of the Part for which proposed rulemaking is being corrected:

Special Education

2) Code Citation: 23 Ill. Adm. Code 2263) Illinois Register citation to Notice of Proposed Amendments:

26 Ill. Reg. 14375; October 4, 2002

4) Section being Corrected: 226.8005) Correction being made:

Due to a typographical error, the introductory paragraph to Section 226.800(g) refers to requirements in "23 Ill. Adm. Code 27.140 and 27.150." However, the Part number in which those requirements will be found is 29 rather than 27. Consequently the erroneous reference is being changed to "23 Ill. Adm. Code 29.140 and 29.150." (Related amendments to Part 29 were also proposed on October 4, 2002, at 26 Ill. Reg. 14360.)

## ILLINOIS COMMERCE COMMISSION

## NOTICE OF EXPEDITED CORRECTION

- 1) Heading of the Part: Certification of Alternative Retail Electric Suppliers
- 2) Code Citation: 83 Ill. Adm. Code 451
- 3) Section Number: 451.220
- 4) Date Proposal published in Illinois Register: 12/14/01 at 25 Ill. Reg. 15715
- 5) Date Adoption published in Illinois Register: 05/10/02 at 26 Ill. Reg. 7039
- 6) Date Request for Expedited Correction published in Illinois Register: 08/09/02 at 26 Ill. Reg. 12478
- 7) Adoption Effective Date: 05/01/02
- 8) Correction Effective Date: 05/01/02
- 9) Reason for Approval of Expedited Correction: The expedited correction corrects typographical errors in the text of the adopted amendment and also returns language that appeared in the Notice of Adopted Amendments but was inadvertently deleted from the file pages for the Illinois Administrative Code.

The full text of the corrected rule begins on the following page:

## ILLINOIS COMMERCE COMMISSION

## NOTICE OF EXPEDITED CORRECTION

TITLE 83: PUBLIC UTILITIES  
CHAPTER I: ILLINOIS COMMERCE COMMISSION  
SUBCHAPTER c: ELECTRIC UTILITIESPART 451  
CERTIFICATION OF ALTERNATIVE RETAIL ELECTRIC SUPPLIERS

## SUBPART A: GENERAL PROVISIONS

## Section

451.10	Definitions and Incorporations
451.20	Requirements for All Applicants under Section 16-115(d) of the Act
451.30	Required Filings and Procedures
451.40	Customer Records and Information
451.50	License or Permit Bond Requirements
451.60	Confidential Documentation

SUBPART B: EXPEDITED PROCEDURES FOR APPLICANTS SEEKING TO  
SERVE ONLY NONRESIDENTIAL CUSTOMERS WITH MAXIMUM ELECTRICAL  
DEMANDS OF ONE MEGAWATT OR MORE

## Section

451.100	Applicability of Subpart B
451.110	Financial Qualifications under Subpart B
451.120	Technical Qualifications under Subpart B
451.130	Managerial Qualifications under Subpart B
451.140	Qualifications of Agents and Contractors under Subpart B
451.150	Commission Order in Expedited Proceedings under Subpart B
451.160	Confidential Documentation (Repealed)

SUBPART C: PROCEDURES FOR APPLICANTS SEEKING TO SERVE  
NONRESIDENTIAL RETAIL CUSTOMERS WITH ANNUAL ELECTRICAL  
CONSUMPTION GREATER THAN 15,000 kWh

## Section

451.200	Applicability of Subpart C
451.210	General Qualifications under Subpart C
451.220	Financial Qualifications under Subpart C
451.230	Technical Qualifications under Subpart C
451.240	Managerial Qualifications under Subpart C

## ILLINOIS COMMERCE COMMISSION

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- 451.250 Qualifications of Agents and Contractors under Subpart C
- 451.260 Commission Order in Proceedings under Subpart C
- 451.270 Confidential Documentation under Subpart C (Repealed)

## SUBPART D: PROCEDURES FOR APPLICANTS SEEKING TO SERVE ALL RETAIL CUSTOMERS

## Section

- 451.300 Applicability of Subpart D
- 451.310 General Provisions of Subpart D
- 451.320 Financial Qualifications under Subpart D
- 451.330 Technical Qualifications under Subpart D
- 451.340 Managerial Qualifications under Subpart D
- 451.350 Qualifications of Agents and Contractors under Subpart D
- 451.360 Commission Order in Proceedings under Subpart D
- 451.370 Confidential Documentation under Subpart D (Repealed)

## SUBPART E: PROCEDURES FOR APPLICANTS SEEKING CERTIFICATION TO SERVE ONLY THEMSELVES OR AFFILIATED CUSTOMERS

## Section

- 451.400 Applicability of Subpart E
- 451.410 Required Filings and Procedures under Subpart E
- 451.420 Technical Qualifications under Subpart E
- 451.430 Qualifications of Agents and Contractors under Subpart E
- 451.440 Commission Order in Proceedings under Subpart E
- 451.450 Confidential Documentation under Subpart E (Repealed)

## SUBPART F: FINANCIAL QUALIFICATIONS FOR THE PROVISION OF SINGLE BILLING SERVICE

## Section

- 451.500 Applicability of Subpart F
- 451.510 Financial Qualifications under Subpart F

## SUBPART H: PROCEDURES FOR REPORTING CONTINUING COMPLIANCE WITH CERTIFICATION REQUIREMENTS

## Section

- 451.700 Applicability of Subpart H
- 451.710 General Provisions
- 451.720 Erroneous or Defective Reports

## ILLINOIS COMMERCE COMMISSION

## NOTICE OF EXPEDITED CORRECTION

451.730	Certification of Compliance with Section 16-115(d)(5) of the Act
451.740	Financial Reporting Requirements
451.750	Managerial Reporting Requirements
451.760	Technical Reporting Requirements
451.770	Kilowatt-hour Reporting Requirement

AUTHORITY: Implementing and authorized by Section 16-115 of the Public Utilities Act [220 ILCS 5/16-115].

SOURCE: Adopted at 23 Ill. Reg. 5528, effective May 1, 1999; amended at 23 Ill. Reg. 13820, effective December 1, 1999; amended at 24 Ill. Reg. 15971, effective October 15, 2000; amended at 26 Ill. Reg. 7039, effective May 1, 2002; expedited correction at 26 Ill. Reg. 15115, effective May 1, 2002.

**Section 451.220 Financial Qualifications under Subpart C**

- a) An applicant shall be deemed to possess sufficient financial resources to be certified as an ARES able to serve only nonresidential retail customers with annual electrical consumption in excess of 15,000 kilowatt hours if it meets any of the following criteria:
  - 1) The applicant maintains at least one of the following commercial paper ratings: A-2 or higher from Standard & Poor's or its successor, P-2 or higher from Moody's Investors Service or its successor, or F-2 or higher from Fitch Ratings or its successor; or at least one of the following long-term credit ratings: BBB- or higher from Standard & Poor's or its successor, Baa3 or higher from Moody's Investors Service or its successor, or BBB- or higher from Fitch Ratings or its successor. The applicant shall provide with its application a copy of the ratings agency reports that present the ratings of the applicant.
  - 2) The applicant maintains a borrowing agreement with an affiliate.
    - A) The affiliate must have at least one of the following commercial paper ratings: A-2 or higher from Standard & Poor's or its successor, P-2 or higher from Moody's Investors Service or its successor, or F-2 or higher from Fitch Ratings or its successor; or at least one of the following long-term credit ratings: BBB- or higher from Standard & Poor's or its successor, Baa3 or higher from Moody's Investors Service or its successor, or BBB- or higher from Fitch Ratings or its successor.
    - B) The amount of credit available to the applicant under the borrowing agreement shall be no less than the greater of \$750,000

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or 7.5% of the amount of the applicant's revenue for its most recently completed fiscal year. That amount of revenue must appear in the applicant's certified financial statements, or those of the applicant's parent, that have received an accountant's report that certifies those financial statements to be free of material misstatement. If the applicant is using the certified financial statements of its parent, the amount of credit available under the borrowing agreement shall be determined using the applicable revenue amount from the segment information section of the certified financial statements of the applicant's parent.

- i) If the applicant is listed separately in the segment information section, the applicant's revenue shall be used.
  - ii) If the segment information section is broken down by operation, or other means, the revenue for the entire segment of which the applicant is part shall be used, unless a certified breakdown of the segment by company is provided.
- C) The borrowing agreement shall be valid for a period of not less than one year.
- D) The applicant shall provide a copy of the following:
- i) The ratings agency reports that present the ratings of the affiliate with which the applicant maintains the borrowing agreement;
  - ii) The borrowing agreement;
  - iii) The applicant's certified financial statements or those of the applicant's parent, as applicable; and
  - iv) The accountant's report for the applicant's certified financial statements or those of the applicant's parent, as applicable.
- 34) The obligations of the applicant to unaffiliated companies arising from the acquisition of electric energy that can be delivered to retail customers in the State of Illinois, for sale or lease or in exchange for other value received, are covered under guarantee, payment bond, or letter of credit.
- A) The guarantee, payment bond, or letter of credit shall be in an amount that is no less than the greater of \$750,000 or 7.5% of the amount of the applicant's revenue from the sale of electric energy for the most recently completed fiscal year. That amount of revenue must appear in the applicant's certified financial statements, or those of the applicant's parent, that have received an accountant's report that certifies those financial statements to be

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free of material misstatement. If the applicant is using the certified financial statements of its parent, the amount of credit available under the borrowing agreement shall be determined using the applicable revenue amount from the segment information section of the certified financial statements of the applicant's parent.

- i) If the applicant is listed separately in the segment information section, the applicant's revenue shall be used.
  - ii) If the segment information section is broken down by operation, or other means, the revenue for the entire segment of which the applicant is part shall be used, unless a certified breakdown of the segment by company is provided.
- B) The guarantee, payment bond, or letter of credit shall be valid for a period of not less than one year.
- C) Guarantee. The guarantor shall be an affiliate of the applicant that maintains at least one of the following commercial paper ratings: A-2 or higher from Standard & Poor's or its successor, P-2 or higher from Moody's Investors Service or its successor, or F-2 or higher from Fitch Ratings or its successor; or at least one of the following long-term credit ratings: BBB- or higher from Standard & Poor's or its successor, Baa3 or higher from Moody's Investors Service or its successor, or BBB- or higher from Fitch Ratings or its successor. The guarantee shall obligate the guarantor to make contractually required payment, net of set-offs for any amounts owed to the applicant, to the supplier for services rendered or power supplied in the event the applicant defaults. The applicant shall provide a copy of the following:
- i) The ratings agency reports that present the ratings of the affiliate that is the guarantor;
  - ii) The guarantee;
  - iii) The applicant's certified financial statements or those of the applicant's parent, as applicable, including the accountant's report. If the amount of the guarantee is without dollar limitation, neither the applicant's certified financial statements, nor those of the applicant's parent, are required.
- D) Payment Bond. An applicant using a payment bond or payment bonds shall provide a copy of the following:
- i) The payment bonds;
  - ii) The certified financial statements of the applicant or those of the applicant's parent, as applicable; and

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- iii) The accountant's report for the certified financial statements of the applicant or those of the applicant's parent, as applicable.
  - E) Letter of Credit. The letter of credit shall be irrevocable and issued by a financial institution with a long-term obligation rating of A- or higher from Standard & Poor's or its successor, A3 or higher from Moody's Investors Service or its successor, or A- or higher from Fitch Ratings or its successor. The applicant shall provide a copy of the following:
    - i) The letter of credit;
    - ii) The ratings agency report that presents the long-term obligation rating of the financial institution extending the credit;
    - iii) The certified financial statements of the applicant or those of the applicant's parent, as applicable; and
    - iv) The accountant's report for the certified financial statements of the applicant or those of the applicant's parent, as applicable.
  - F) This option is only available to an applicant that will engage in activities that could result in the applicant holding an ownership interest in or taking title to electric energy for the purpose of sale or resale to Illinois retail customers.
- 4) The applicant certifies that it will offer to reimburse its Illinois retail customers for the additional costs those customers incur to acquire electric energy as a result of the applicant's failure to comply with a contractual obligation to supply such energy. The applicant's prospective obligation to reimburse Illinois retail customers shall be covered by an unconditional guarantee, payment bond, or letter of credit. Any dollar limitation on the unconditional guarantee, payment bond, or letter of credit shall equal not less than the product of 1080 times an estimate of the maximum number of megawatts the applicant expects to schedule over the next twelve months times the average of the 45 highest daily market prices of electric energy traded during the previous year. Each January, the Commission shall choose a published price index for electricity for use in this subsection (a)(4). The daily market price of electric energy shall equal the published price index for electricity traded in Illinois, except in the event that no price index for electricity traded in the State of Illinois is published, then the daily market price of electricity shall be determined by the use of a published price index for electricity traded at the nearest location to the State of Illinois. The unconditional guarantee, payment

## ILLINOIS COMMERCE COMMISSION

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bond, or letter of credit shall be valid for a period of not less than one year. In the alternative, an applicant may elect to calculate its prospective obligation by certifying to the Commission a good faith estimate of the total megawatt hour consumption for the calendar year in which the filing is made. Such estimate shall be a product of multiplying the estimated maximum number of megawatts by 8760 hours, by the estimated average load factor, by one-tenth the per megawatt hour Market Value of Energy Charge established by operation of the Market Value Index (MVI) tariff for the utility service territory in which the customers are served. In making a good faith estimate of the load factor to be used in the calculation, the applicant may rely either on the average load factor of its customers in the prior year or the average load factor for all non-residential customers within the utility service territory or a good faith estimate by the applicant of the prospective load factor of its customers for the applicable period. This option is only available for ARES seeking to serve non-residential customers in service territories that have purchase power option (PPO)-MVI tariffs in effect. The unconditional guarantee, payment bond, or letter of credit shall be valid for a period of not less than one year.

- A) Unconditional Guarantee. The guarantor shall be an affiliate of the applicant that maintains at least one of the following commercial paper ratings: A-2 or higher from Standard & Poor's or its successor, P-2 or higher from Moody's Investors Service or its successor, or F-2 or higher from Fitch Ratings or its successor; or at least one of the following long-term credit ratings: BBB- or higher from Standard & Poor's or its successor, Baa3 or higher from Moody's Investors Service or its successor, or BBB- or higher from Fitch Ratings or its successor. The applicant shall provide a copy of the following:
- i) The ratings agency reports that present the ratings of the affiliate that is the guarantor;
  - ii) The unconditional guarantee; and
  - iii) A good faith estimate of the peak amount of MW the applicant will schedule during the remainder of the current calendar year or, in the alternative, a good faith estimate of the megawatt hour consumption of its customers during the calendar year.
- B) Payment Bond. The payment bond or payment bonds shall be issued by a qualifying surety authorized to transact business in the State of Illinois or by a surety whose Best's rating is A- or better

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and whose Best's financial size category is VII or larger, and whose contract of insurance is issued pursuant to Section 445 or 445a of the Illinois Insurance Code and countersigned by the Surplus Line Association of Illinois or its successor. The applicant shall provide a copy of the following:

- i) The payment bonds or the contract of insurance with the countersignature of the Surplus Line Association of Illinois or its successor as applicable; and
  - ii) A good faith estimate of the peak amount of MW the applicant will schedule during the remainder of the current calendar year or, in the alternative, a good faith estimate of the megawatt hour consumption of its customers during the calendar year.
- C) Letter of Credit. The letter of credit shall be irrevocable and issued by a financial institution with a long-term obligation rating of A- or higher from Standard & Poor's or its successor, A3 or higher from Moody's Investors Service or its successor, or A- or higher from Fitch Ratings or its successor. The applicant shall provide a copy of the following:
- i) The letter of credit;
  - ii) The ratings agency report that presents the long-term obligation rating of the financial institution extending the credit; and
  - iii) A good faith estimate of the peak amount of MW the applicant will schedule during the remainder of the current calendar year or, in the alternative, a good faith estimate of the megawatt hour consumption of its customers during the calendar year.
- 5) The applicant maintains a line of credit or revolving credit agreement.
- A) The line of credit or revolving credit agreement must be from a financial institution with a long-term obligation rating of A- or higher from Standard & Poor's or its successor, A3 or higher from Moody's Investors Service or its successor, or A- or higher from Fitch Ratings or its successor.
  - B) The amount of the line of credit or revolving credit agreement shall be no less than the greater of \$750,000 or 7.5% of the amount of the applicant's revenue for the most recently completed fiscal year. That amount of revenue must appear in the applicant's certified financial statements, or those of the applicant's parent, that have received an accountant's report that certifies those financial

## ILLINOIS COMMERCE COMMISSION

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statements to be free of material misstatement. If the applicant is using the certified financial statements of its parent, the amount of credit available under the borrowing agreement shall be determined using the applicable revenue amount from the segment information section of the certified financial statements of the applicant's parent.

- i) If the applicant is listed separately in the segment information section, the applicant's revenue shall be used.
- ii) If the segment information section is broken down by operation, or other means, the revenue for the entire segment of which the applicant is part shall be used, unless a certified breakdown of the segment by company is provided.

C) The line of credit or revolving credit agreement shall be valid for a period of not less than one year.

DE) The applicant shall provide a copy of the following:

- i) The line of credit or revolving credit agreement;
- ii) The ratings agency report that presents the long-term obligation rating of the financial institution extending the credit;
- iii) The applicant's certified financial statements or those of the applicant's parent, as applicable; and
- iv) The accountant's report for the applicant's certified financial statements or those of the applicant's parent, as applicable.

6) The applicant earns 12 points on the financial ratios set forth in subsection (a)(6)(A):

A) Financial Ratios

- i) Pre-Tax Interest Coverage (rounded to the nearest 0.1)

4.4 or above: 5 points

3.9 to 4.3: 4 points

3.4 to 3.8: 3 points

2.9 to 3.3: 2 points

2.4 to 2.8: 1 point

2.3 or below: 0 points

- ii) Funds from Operations Interest Coverage (rounded to the nearest 0.1)

## ILLINOIS COMMERCE COMMISSION

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4.9 or above: 5 points  
4.4 to 4.8: 4 points  
3.9 to 4.3: 3 points  
3.4 to 3.8: 2 points  
2.9 to 3.3: 1 point  
2.8 or below: 0 points

- iii) Funds from Operations to Total Debt (rounded to the nearest 1%)

38% or above: 5 points  
33% to 37%: 4 points  
28% to 32%: 3 points  
23% to 27%: 2 points  
18% to 22%: 1 point  
17% or below: 0 points

- iv) Total Debt to Total Capitalization (rounded to the nearest 1%)

50% or below: 5 points  
51% to 53%: 4 points  
54% to 56%: 3 points  
57% to 59%: 2 points  
60% to 62%: 1 point  
63% or above: 0 points

- B) The applicant shall provide the following:

- i) The applicant's certified financial statements for its most recently completed fiscal year;
- ii) The accountant's report for the applicant's certified financial statements; and
- iii) A schedule showing the calculation of each financial ratio with a reference to the applicant's certified financial statements provided for each input of the calculation.

- b) An applicant that does not either meet or qualify for certification under any of the criteria set forth in subsection (a) shall describe its financial resources and explain why those financial resources are sufficient for the goods and services it seeks to provide. If the applicant's financial resources are not sufficient for the services it

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seeks to provide or if the financial documents do not otherwise establish that the applicant possesses adequate financial resources to provide the service for which it seeks a certificate of service authority, the Commission shall deny granting that certificate of service authority. In its application, the applicant shall provide the following:

- 1) An explanation of how its supporting documentation demonstrates that its financial resources are sufficient for the goods and services it seeks to provide; and
- 2) The applicant's certified financial statements, or those of its parent if the segment information contained in the parent's financial statements is sufficiently detailed to establish the adequacy of the applicant's financial resources, and accountant's report. If the applicant does not have certified financial statements and an accountant's report, the applicant shall provide all of the following:
  - A) A balance sheet that reflects the applicant's current financial condition and includes a statement of assets, liabilities and owner's equity;
  - B) An income statement that reflects the applicant's current earnings. If the applicant has not yet started operations, it shall provide a projected income statement;
  - C) A listing of shareholders, owners, partners or proprietors with ownership interests in excess of 5% and the amount of their respective ownership interests;
  - D) A listing of any entities with which the applicant expects to enter into a contract within the next 12 months concerning the provision of electric power or energy, or the delivery or furnishing of electric power or energy, to retail customers;
  - E) Copies of all contracts with outside contractors and with all affiliated entities concerning the provision of electric power or energy, or the delivery or furnishing of electric power or energy, to retail customers;
  - F) A projected budget for the next three fiscal years following the current year; and
  - G) If available:
    - i) Unaudited financial statements (for the most recent period available) including any compilation or review opinions;
    - ii) The most recent federal and state income tax return;
    - iii) General ledgers for the most recent 12 month period available; and
    - iv) The applicant's Dun & Bradstreet Business Information

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## Report.

- c) An applicant that will provide electric power and energy with property, plant, and equipment that it owns, controls, or operates shall have in force, and provide proof that it has in force, general liability insurance that shall remain in effect for a period of not less than one year.
- 1) The applicant shall be deemed to have sufficient commercial general liability insurance if that coverage is in the amount of at least \$100,000,000. The commercial general liability insurance must be maintained with insurance companies assigned Best's ratings of A- or better and Best's financial sizes of VII or larger.
  - 2) The applicant shall provide a certificate of insurance as part of its application for certification. If the applicant or ARES renews or makes changes in its insurance coverage, the insurance coverage must be continuous and without interruption. The certificate of insurance and the insurance policies shall contain a provision that coverage afforded under the policies shall not be cancelled, allowed to expire, or subjected to a reduction in the limits in any manner unless at least 30 days prior written notice (10 days notice in the case of nonpayment of premium) has been given to the Commission.
  - 3) Applicants having commercial general liability insurance coverage in an amount that is less than \$100,000,000 shall explain why that insurance is sufficient for the coverage of losses caused by any act or omission of the applicants or of their employees, contractors, or other agents, in the conduct of the applicants' business. If the applicant's insurance coverage is deemed insufficient or if the documents it supplies do not otherwise establish that the applicant possesses adequate insurance coverage, the Commission shall deny granting a certificate of service authority. With its explanation, the applicant shall describe the factors it considered in establishing the amount of its commercial general liability insurance coverage. In addition, the applicant shall describe the age, capacity, and fuel of the electric power production plant and the amount of its annual revenues and assets and number of employees.

(Source: Expedited correction at 26 Ill. Reg. 15115, effective May 1, 2002)

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 October 1, 2002 through October 7, 2002 and have been scheduled for review by the Committee at its November 19, 2002 meeting in Springfield. **Please note that the November meeting date has been changed.** 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>
11/14/02	<u>Illinois Commerce Commission</u> , Non-Discrimination in Affiliate Transactions for Gas Utilities (83 Ill. Adm. Code 550)	7/26/02 26 Ill. Reg. 11329	11/19/02
11/14/02	<u>Department of Human Services</u> , Food Stamps (89 Ill. Adm. Code 121)	8/2/02 26 Ill. Reg. 11706	11/19/02
11/14/02	<u>Illinois Racing Board</u> , Claiming Races (11 Ill. Adm. Code 510)	8/16/02 26 Ill. Reg. 12574	11/19/02
11/14/02	<u>Illinois Racing Board</u> , Medication (11 Ill. Adm. Code 603)	8/16/02 26 Ill. Reg. 12579	11/19/02
11/14/02	<u>Illinois Racing Board</u> , Starting (11 Ill. Adm. Code 1415)	8/16/02 26 Ill. Reg. 12587	11/19/02
11/15/02	<u>Department of Children and Family Services</u> , Licensing Standards for Child Welfare Agencies (89 Ill. Adm. Code 401)	8/2/02 26 Ill. Reg. 11630	11/19/02
11/15/02	<u>Department of Children and Family Services</u> , Licensing Standards for Child Care Institutions and Maternity Centers (89 Ill. Adm. Code 404)	8/2/02 26 Ill. Reg. 11643	11/19/02

JOINT COMMITTEE ON ADMINISTRATIVE RULES  
ILLINOIS GENERAL ASSEMBLY

## SECOND NOTICES RECEIVED

11/20/02	<u>Department of Public Health</u> , Sexual Assault Survivors Emergency Treatment Code (77 Ill. Adm. Code 545)	6/7/02 26 Ill. Reg. 8260	11/19/02
11/20/02	<u>Department of Public Health</u> , Hospital Licensing Requirements (77 Ill. Adm. Code 250)	8/9/02 26 Ill. Reg. 12128	11/19/02

## DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

AGENCY RESPONSE TO JOINT COMMITTEE OBJECTION  
TO PROPOSED RULEMAKING

Heading of the Part: The Travel Regulation Council

Code Citation: 80 Illinois Administrative Code 3000

Register Citation: 26 Ill. Reg. 5270

Agency Response to Specific Joint Committee Objections:

Public Act 92-0315 amended the State Finance Act [30 ILCS 105/12-2(e)] to provide that the maximum lodging rate for state employees traveling in Cook County and the District of Columbia be equal to the rate established by the federal government. This law was passed to tie the State reimbursement rate to the federal reimbursement rate and avoid the necessity to make rule changes each time the federal rate changes. In keeping with that legislative intent, we did not show the rates in the rules but simply referred readers to the statutory authorization.

JCAR objected saying the rates were deliberately made difficult to find. That is simply not a true characterization of our actions. It was never the intent of the Travel Regulation Council, nor CMS, to make it difficult to find the actual rate. In fact, the actual rates are published in the Travel Guide for State Employees (published annually) and on the Internet. Should the federal rate change, all state agencies and all travel control boards are informed and the Internet site is updated. The public has complete access to the Internet site and this site provides greater access to information than the rule file itself.

CMS will adopt the amendments as submitted to JCAR at Second Notice.

## DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

AGENCY RESPONSE TO JOINT COMMITTEE OBJECTION  
TO PROPOSED RULEMAKING

Heading of the Part: Travel

Code Citation: 80 Illinois Administrative Code 2800

Register Citation: 26 Ill. Reg. 5264

Agency Response to Specific Joint Committee Objections:

Public Act 92-0315 amended the State Finance Act [30 ILCS 105/12-2(e)] to provide that the maximum lodging rate for state employees traveling in Cook County and the District of Columbia be equal to the rate established by the federal government. This law was passed to tie the State reimbursement rate to the federal reimbursement rate and avoid the necessity to make rule changes each time the federal rate changes. In keeping with that legislative intent, we did not show the rates in the rules but simply referred readers to the statutory authorization.

JCAR objected saying the rates were deliberately made difficult to find. That is simply not a true characterization of our actions. It was never the intent of the Governor's Travel Control Board, nor CMS, to make it difficult to find the actual rate. In fact, the actual rates are published in the Travel Guide for State Employees (published annually) and on the Internet. Should the federal rate change, all state agencies and all travel control boards are informed and the Internet site is updated. The public has complete access to the Internet site and this site provides greater access to information than the rule file itself.

CMS will adopt the amendments as submitted to JCAR at Second Notice.

**EXECUTIVE ORDERS****2002-9****Executive Order For Disaster Funding**

WHEREAS, a violent tornadoes, severe thunderstorms and flash flooding that occurred throughout the State in the months of April and May caused extensive damage to homes, businesses, farms local roads and other properties in various communities and rural unincorporated areas in Illinois; and,

WHEREAS, in April and May, 2002 I made declarations of disasters for numerous Illinois counties and, thereafter requested the President of the United States to declare a major disaster in Illinois for the purpose of capturing federal aid; and,

WHEREAS, I hereby find the demands placed on funds regularly appropriated to the Illinois Emergency Management Agency in coping with these events are unexpectedly great; and,

WHEREAS, I hereby find that monies available from the Disaster Relief fund are insufficient to meet the needs of the Illinois Emergency Management Agency in coping with this disaster; and,

WHEREAS, Section 9 of the Illinois Emergency Management Act, 20 ILCS 3305/9, authorizes the Governor to transfer and expend monies appropriated for other purposes to cope with a disaster when other sources of money are insufficient or to borrow for a term not to exceed 2 years from the United States government or other public or private source, until such time as a quorum of the General Assembly can convene to enact legislation as it may deem necessary; and

WHEREAS, the President of the Senate and the Speaker of the House have certified that the Senate and House are not in session;

THEREFORE, pursuant to the power vested in me by the Illinois Constitution, and Section 9 of the Illinois Emergency Management Act, I, George H. Ryan, hereby order the following: A total of \$37,250 of expenditure authority shall be transferred from the funds appropriated to the Department of Transportation, Article 51, Section 18b of Public Act 92-538 to the Illinois Emergency Management Agency into the line "Disaster Relief, Individual, Payable from the General Revenue Fund, State Share of the Individual and Family Grant Program for Disaster Declarations in Prior years", Article 90, Section 5 of P.A. 92-538.

This order shall take effect immediately.

Date Filed with Secretary Of State: October 7, 2002

Issued by the Governor      October 7, 2002  
Filed by the Secretary of State      October 7, 2002

## PROCLAMATIONS

**2002-512****October 12, 2002 as City of Benton Day**

WHEREAS, Benton, Illinois was incorporated as a village in 1841. Benton, the County Seat of Franklin County, was incorporated as a city under the mayor/commissioner form of government in 1902; and

WHEREAS, on October 12, 2002, the City of Benton will celebrate its 100th year as a city with a centennial celebration making note of the municipal history and the individuals who built the city; and

WHEREAS, at the centennial celebration, Mayor Patricia Bauer will cut the ribbon on the city's streetscape improvement program, the \$427,000 project that will renovate much of Benton's public square; and

WHEREAS, the public square is part of Benton's unique heritage. It is the retail center, and the investment in renovation will attract new businesses and assist existing businesses to grow and prosper; and

WHEREAS, in the face of extreme poverty, the residents of Benton have looked for the positive attributes of the community and made a long-lasting financial investment for the future; THEREFORE, I, George H. Ryan, Governor of the State of Illinois, proclaim October 12, 2002, as *CITY OF BENTON DAY* in Illinois.

Issued by the Governor      October 2, 2002

Filed by the Secretary of State      October 7, 2002

**2002-513****October 5, 2002 as American Cancer Society, Illinois Division, Inc. Day**

WHEREAS, the American Cancer Society is the nationwide community-based voluntary health organization dedicated to eliminating cancer as a major health problem by preventing cancer, saving lives and diminishing suffering from cancer through research, education, advocacy and service; and

WHEREAS, the American Cancer Society has the largest non-governmental cancer research program in the United States, funding over \$130 million in research in 2001; and

WHEREAS, the American Cancer Society has set three nationwide goals for the year 2015: to reduce cancer incidence rates by 25 percent, to reduce cancer mortality rates by 50 percent, and to improve the overall quality of life for cancer patients; and

WHEREAS, the American Cancer Society, Illinois Division, Inc. will be celebrating the 50th anniversary of its Cancer Research Program on October 5, 2002, at the Fairmont Hotel in Chicago;

THEREFORE, I, George H. Ryan, Governor of the State of Illinois, proclaim October 5, 2002, as *AMERICAN CANCER SOCIETY, ILLINOIS DIVISION, INC. DAY* in Illinois.

Issued by the Governor      October 2, 2002

Filed by the Secretary of State      October 7, 2002

**2002-514**

## PROCLAMATIONS

**October 20-26, 2002 as World Population Awareness Week**

WHEREAS, world population stands today at more than 6.1 billion and increases by some one billion every thirteen years; and

WHEREAS, the most significant feature of the 20th century phenomenon of unprecedented world population growth was rapid urbanization; and

WHEREAS, cities and urban areas today occupy only two percent of the earth's land, but contain 50 percent of its population and consume 75 percent of its resources; and

WHEREAS, the most rapid urban growth over the next two decades is expected in cities with populations ranging from 250,000 to one million; and

WHEREAS, along with advantages and amenities, the rapid growth of cities leads to substantial pressure on their infrastructure, manifested in sanitary, health, and crime problems, as well as deterring the provision of basic social services; and

WHEREAS, in the interest of national and environmental security, nations must redouble voluntary and humanitarian efforts to stabilize their population growth at sustainable levels, while at all times respecting the cultural and religious beliefs and values of their citizens;

THEREFORE, I, George H. Ryan, Governor of the State of Illinois, proclaim October 20-26, 2002, as *WORLD POPULATION AWARENESS WEEK* in Illinois.

Issued by the Governor      October 13, 2002

Filed by the Secretary of State      October 7, 2002

**2002-515****October 7-13, 2002 as the LaSalle Bank of Chicago Marathon Week**

WHEREAS, the LaSalle Bank and more than 30 other corporate sponsors have joined together to ensure the success of the 2002 LaSalle Bank Chicago Marathon; and

WHEREAS, more than 37,000 participants are expected to run in the 25th Annual Marathon; and

WHEREAS, 7,500 volunteers, including more than 1,500 members of Chicago's Police, Park District, Public Works and Streets and Sanitation Departments will be on-site to help stage a technically sound event; and

WHEREAS, over 900,000 spectators will line 26.2 miles of the city's streets from Grant Park to Lincoln Park to cheer on the marathoners;

THEREFORE, I, George H. Ryan, Governor of the State of Illinois, proclaim October 7-13, 2002, as the *LASALLE BANK OF CHICAGO MARATHON WEEK* in Illinois.

Issued by the Governor      October 13, 2002

Filed by the Secretary of State      October 7, 2002

**2002-516****October 15, 2002 as Pregnancy and Infant Loss Remembrance Day**

WHEREAS, according to a 1996 study by the C.D.C. 16 percent of 6 million-plus pregnancies ended in either a miscarriage or a stillbirth, that's almost a million prenatal losses. Of

**PROCLAMATIONS**

those 6 million plus pregnancies, 62 percent (3,720,000) ended in live births, and 26,784 of those births ended in infant deaths from 11 months and younger; and

WHEREAS, the availability of information and support is of the utmost importance to families who suffer from Pregnancy and Infant Loss to better help them cope; and

WHEREAS, a public that is informed and educated about Pregnancy and Infant Loss can better learn how to respond with compassion to affected families; and

WHEREAS, professionals who come in contact with families who have suffered Pregnancy or Infant Loss, such as physicians, clergy, emergency medical technicians, funeral directors, police officers, public health nurses, and employers, can better serve families if they have special training and better knowledge of Pregnancy and Infant Loss; and

WHEREAS, a Pregnancy and Infant Loss Remembrance Day, October 15, 2002, is set aside to remember all of the Pregnancies and Infants lost in order to heal and be comforted in a time of pain and heartache, and to have hope for the future;

THEREFORE, I, George H. Ryan, Governor of the State of Illinois, proclaim October 15, 2002, as *PREGNANCY AND INFANT LOSS REMEMBRANCE DAY* in Illinois.

Issued by the Governor      October 13, 2002

Filed by the Secretary of State      October 7, 2002

**2002-517****October 2002 as Breast Cancer Awareness Month in Illinois and October 18, 2002 as Mammography Day**

WHEREAS, nearly 9,000 Illinois women will be diagnosed in 2002 with breast cancer and approximately 2,000 women in Illinois will die from the disease; and

WHEREAS, breast cancer can be cured if detected early; and

WHEREAS, only about 68 percent of breast cancer cases in Illinois are detected at the earliest and most curable stages, which can increase the survival rate to 96 percent to 98 percent; and

WHEREAS, research shows that deaths from breast cancer could be reduced if women follow breast cancer screening recommendations and obtain routine mammography, regular examinations by a physician and monthly self-examinations; and

WHEREAS, the Illinois Department of Public Health's Office of Women's Health strives to promote public awareness of breast health; and

WHEREAS, October is National Breast Cancer Awareness Month;

THEREFORE, I, George H. Ryan, Governor of the State of Illinois, proclaim October 2002 as *BREAST CANCER AWARENESS MONTH* in Illinois and October 18, 2002 as *MAMMOGRAPHY DAY* in Illinois, and I encourage women throughout the state to protect themselves through early detection.

Issued by the Governor      October 27, 2002

Filed by the Secretary of State      October 7, 2002

**2002-518**

**PROCLAMATIONS****October 6-13, 2002 as Respect Life Week**

WHEREAS, the Preamble of the Constitution of the United States was designated for the people of this land to "secure the blessings of liberty to ourselves and our posterity"; and

WHEREAS, the Declaration of Independence states that we are endowed by our creator with certain inalienable rights, including the right to life; and

WHEREAS, the life of each person is sacred--the young and the old, the healthy and the sick, the gifted and disadvantaged; and

WHEREAS, the purpose of Respect Life Week is to remind the American people of the dignity of human life;

THEREFORE, I, George H. Ryan, Governor of the State of Illinois, proclaim October 6-13, 2002, as *RESPECT LIFE WEEK* in Illinois.

Issued by the Governor           October 27, 2002

Filed by the Secretary of State   October 7, 2002

**2002-519****October 1, 2002 as Edelman Public Relations Day**

WHEREAS, Edelman Public Relations was founded in Chicago by its still active chairman, Dan Edelman, in 1952; and

WHEREAS, Edelman Public Relations is the largest independent public relations company in the world, with 38 offices and 1,900 employees worldwide. Its Chicago office alone employs 350 people; and

WHEREAS, Edelman has pioneered the practices that define the public relations industry. Its heritage of innovation, independence and a strong entrepreneurial spirit has allowed Edelman to create programs for its clients that help them "stand apart" in their own market arena; and

WHEREAS, Edelman is dedicated to building long-term, rewarding partnerships that add value to its clients and its people; and

WHEREAS, October 1, 2002, marks the 50th anniversary of Edelman Public Relations;

THEREFORE, I, George H. Ryan, Governor of the State of Illinois, proclaim October 1, 2002, as *EDELMAN PUBLIC RELATIONS DAY* in Illinois.

Issued by the Governor           October 26, 2002

Filed by the Secretary of State   October 7, 2002

OFFICE OF BANKS AND REAL ESTATE

NOTICE OF PUBLIC INFORMATION

Please be advised that the Emergency Suspension of May 20, 2002, issued against Dolphin Mortgage Corporation, License No. 4198 of Oak Brook Terrace, IL., has been lifted, and Dolphin has been placed on Probation for at least six months pursuant to order of September 19, 2002.

OFFICE OF BANKS AND REAL ESTATE

NOTICE OF PUBLIC INFORMATION

Please be advised that the fine issued against Impac Funding Corporation, License No. 5841 of Newport Beach, CA., on June 19, 2002, has been rescinded by the Commissioner of Banks & Real Estate effective September 26, 2002.

## DEPARTMENT OF REVENUE

## NOTICE OF PUBLIC INFORMATION

## 2002 THIRD QUARTER SUNSHINE INDEX

1. Statute requiring agency to publish information concerning Private Letter Rulings in the *Illinois Register*:

Name of Act: Illinois Department of Revenue Sunshine Act

Citation: 20 ILCS 2515/1

2. Summary of information:

Index of Department of Revenue sales tax Private Letter Rulings and General Information Letters issued for the Third Quarter of 2002. Private letter rulings are issued by the Department in response to specific taxpayer inquiries concerning the application of a tax statute or rule to a particular fact situation. Private letter rulings are binding on the Department only as to the taxpayer who is the subject of the request for ruling. (See 86 Ill. Adm. Code 1200.110) General information letters are issued by the Department in response to written inquiries from taxpayers, taxpayer representatives, business, trade, industrial associations or similar groups. General information letters contain general discussions of tax principles or applications. General information letters are designed to provide general background information on topics of interest to taxpayers. General information letters do not constitute statements of agency policy that apply, interpret, or prescribe tax laws administered by the Department. *General information letters may not be relied upon by taxpayers in taking positions with reference to tax issues and create no rights for taxpayers under the Taxpayers' Bill of Rights Act.* (See 86 Ill. Adm. Code 1200.120)

The letters are listed numerically, are identified as either a General Information Letter or a Private Letter Ruling and are summarized with a brief synopsis under the following subjects:

Bulk Sales	Gross Receipts
Certificate of Registration	Hotel Operator's Tax
Cigarette Tax	Leasing
Computer Software	Local Taxes
Construction Contractors	Manufacturer's Purchase Credit
Delivery Charges	Manufacturing Machinery & Equipment
Electricity Excise Tax	Medical Appliances
Enterprise Zones	Miscellaneous
Exempt Organizations	

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Farm Machinery & Equipment	Motor Fuel Tax
Food	Nexus
Governmental Bodies	Pollution Control Facilities
Public Utility Taxes	Service Occupation Tax
Returns	Telecommunications Excise Tax
Sale for Resale	Use Tax
Sale of Service	

Copies of the ruling letters themselves are available for inspection and may be purchased for a minimum of \$1.00 per opinion plus 50¢ per page for each page over one. Copies of the ruling letters may be downloaded free of charge from the Department's World Wide Web site at [www.revenue.state.il.us/](http://www.revenue.state.il.us/).

The annual index of Sales and Excise Tax letter rulings (all four quarters) is available for \$3.00.

3. Name and address of person to contact concerning this information:

Marie Keeney  
Legal Services Office  
101 West Jefferson Street  
Springfield, Illinois 62794  
Telephone: (217) 782-2844

## DEPARTMENT OF REVENUE

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## 2002 THIRD QUARTER SUNSHINE INDEX

## Bulk Sales

ST 02-0188-GIL 08/30/2002 Successor liability provisions in the Illinois Retailers' Occupation Tax are found at 35 ILCS 120/5j. (This is a GIL).

## CERTIFICATE OF REGISTRATION

ST 02-0199-GIL 09/12/2002 The requirement that Form NUC-1, Illinois Business Registration, be signed by an individual who will be responsible for filing returns and payment of taxes due (Question 14) is set out at Section 2a of the Retailers' Occupation Tax Act. See 35 ILCS 120/2a. (This is a GIL.)

## CIGARETTE TAX

ST 02-0202-GIL 09/16/2002 Only a licensed distributor may sell cigarettes to another licensed distributor without charging the tax. See 35 ILCS 130/2. (This is a GIL.)

## COMPUTER SOFTWARE

ST 02-0152-GIL 07/12/2002 Transactions for the licensing of computer software may not be subject to ROT if the transaction agreements contain all the criteria set out in 86 Ill. Adm. code 130.1935(a)(1). (This is a GIL.)

ST 02-0157-GIL 07/18/2002 If transactions for the licensing of computer software meet all of the criteria provided in Section 130.1935(a)(1), neither the transfer of the software or the subsequent software updates will be subject to Retailers' Occupation Tax. (This is a GIL.)

ST 02-0172-GIL 08/06/2002 If transactions for the licensing of computer software meet all of the criteria provided in Section 130.1935(a)(1), neither the transfer of the software or the subsequent software updates will be subject to Retailers' Occupation Tax. (This is a GIL.)

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## 2002 THIRD QUARTER SUNSHINE INDEX

ST 02-0189-GIL 09/04/2002 Acceptance of a computer software license agreement by the customer clicking "accept" while online does not generally constitute a written agreement signed by the licensor and the customer for purposes of subsection (a)(1)(A) of Section 130.1935. See 86 Ill. Adm. Code 130.1935. (This is a GIL.)

## CONSTRUCTION CONTRACTORS

ST 02-0159-GIL 07/19/2002 Construction contractors incur Retailers' Occupation Tax liability when they engage in selling any kind of tangible personal property (over-the-counter sales) to purchasers without permanently affixing the tangible personal property to real estate. See 86 Ill. Adm. Code 130.1940. (This is a GIL.)

ST 02-0162-GIL 07/19/2002 Persons who permanently affix tangible personal property to real estate act as construction contractors and incur Use Tax liability on their cost price of tangible personal property they physically incorporate into realty. See 86 Ill. Adm. Code 130.1940. (This is a GIL.)

ST 02-0184-GIL 08/16/2002 Construction contractors who physically incorporate tangible personal property into real estate owned by exempt organizations that hold tax exempt "E" numbers can purchase such property tax-free by providing their suppliers with the certification described in 86 Ill. Adm. Code 130.2075(d), as well as the "E" number of the group into whose real estate that property will be incorporated. (This is a GIL.)

## DELIVERY CHARGES

ST 02-0214-GIL 09/25/2002 Charges for shipping are gross receipts subject to Retailers' Occupation Tax when they are part of the selling price of the tangible personal property being sold. See 86 Ill. Adm. Code 130.415. (This is a GIL.)

## ELECTRICITY EXCISE TAX

## DEPARTMENT OF REVENUE

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ST 02-0021-PLR 08/05/2002 "Use" does not include the exercise of right or power over electricity for the generation, production, transmission, distribution, delivery or sale of electricity in the regular course of business or the use of electricity for such purposes. See 35 ILCS 640/2-3. (This is a PLR).

## ENTERPRISE ZONES

ST 02-0203-GIL 09/17/2002 This letter discusses the new provisions of P. A. 92-0779 with regard to sales of building materials for incorporation into real estate located in Illinois enterprise zones. See 35 ILCS 120/5k. (This is a GIL.)

## EXEMPT ORGANIZATIONS

ST 02-0023-PLR 08/13/2002 A school does not incur Retailers' Occupation Tax liability on its operation of a cafeteria or other dining facility which is conducted on the school's premises, and which confines its selling to the students and employees of the school. See 86 Ill. Adm. Code 130.2005(b)(4). (This is a PLR).

ST 02-0195-GIL 09/09/2002 Organizations that have E numbers are also allowed to engage in a very limited amount of retail selling without incurring Retailers' Occupation Tax liability. These limited amounts of selling are described at 86 Ill. Adm. Code 130.2005(a)(2) through (a)(4). (This is a GIL.)

ST 02-0196-GIL 09/09/2002 Organizations that qualify as exclusively religious, charitable, or educational can apply to the Illinois Department of Revenue to obtain tax exemption identification (an "E" number) numbers. See 86 Ill. Adm. Code 130.2007. (This is a GIL.)

## FARM MACHINERY &amp; EQUIPMENT

ST 02-0215-GIL 09/27/2002 In order for a transaction to qualify for exemption on the basis of the Farm machinery & Equipment exemption, a certification must be obtained containing the information set out at 86 Ill. Adm. Code 130.305(m). (This is a GIL.)

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## 2002 THIRD QUARTER SUNSHINE INDEX

## FOOD

- ST 02-0148-GIL 07/01/2002 Soft drinks do not qualify for the low rate of tax that is applicable to certain food items. See 86 Ill. Adm. Code 130.310. (This is a GIL.)
- ST 02-0161-GIL 07/19/2002 Soft drinks do not qualify for the low rate of tax that is applicable to certain food items. See 86 Ill. Adm. Code 130.310. (This is a GIL.)
- ST 02-0187-GIL 08/30/2002 Food is defined as any solid, liquid, powder or item intended by the seller primarily for human internal consumption, whether simple, compound or mixed, including foods such as condiments, spices, seasonings, vitamins, bottled water and ice. See 86 Ill. Adm. Code 130.310. (This is a GIL.)
- ST 02-0212-GIL 09/25/2002 For purposes of the Illinois Retailers' Occupation Tax Act, food is "any solid, liquid, powder or item intended by the seller primarily for human internal consumption, whether simple, compound or mixed, including food such as condiments, spices, seasonings, vitamins, bottled water and ice." See 86 Ill. Adm. Code 130.310(b)(1). (This is a GIL.)

## GOVERNMENTAL BODIES

- ST 02-0200-GIL 09/12/2002 This letter discusses the sale of commissary items in correctional institutions by an independent vendor. See 86 Ill. Adm. Code 130.2055. (This is a GIL.)

## GROSS RECEIPTS

- ST 02-0155-GIL 07/16/2002 Charges for the wait time associated with making a delivery of ready-mix must be included in the sales tax base for the sale. See 86 Ill. Adm. Code 130.410. (This is a GIL.)

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- ST 02-0175-GIL 08/07/2002 If a seller and buyer agree upon the installation charges separately from the selling price of the tangible personal property which is sold, then the receipts from the installation charges are not a part of the "selling price" of the tangible personal property which is sold. Instead such charges constitute a service charge, separately contracted for, which need not be included in the figure upon which the seller computes his Retailers' Occupation Tax liability. See 86 Ill. Adm. Code 130.450. (This is a GIL).
- ST 02-0205-GIL 09/17/2002 When a retailer allows a purchaser a discount from the selling price on the basis of a discount coupon for which the retailer receives no reimbursement from any source, the amount of such discount is not subject to tax. See 86 Ill. Adm. Code 130.2135. (This is a GIL.)
- ST 02-0213-GIL 09/25/2002 The Illinois Retailers' Occupation Tax (sales tax) is imposed upon the total gross receipts that are received by a retailer who makes a retail sale to an Illinois end user. See 86 Ill. Adm. Code 130.101. (This is a GIL.)

## HOTEL OPERATORS' TAX

- ST 02-0173-GIL 08/06/2002 The Hotel Operators' Occupation Tax Act imposes a tax upon persons engaged in the business of renting, leasing or letting rooms in a hotel in Illinois. See 86 Ill. Adm. Code 480.101. (This is a GIL).

## LEASING

- ST 02-0151-GIL 07/08/2002 Lessors of tangible personal property under true leases in Illinois are deemed end users of the property to be leased. See 86 Ill. Adm. Code 130.220. (This is a GIL.)
- ST 02-0153-GIL 07/12/2002 86 Ill. Adm. Code Section 130.2010(a), sets out the factors to be considered in determining whether a transaction is a lease or a conditional sales contract for purposes of the Retailers' Occupation Tax Act. (This is a GIL.)

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- ST 02-0166-GIL 07/26/2002 Lessors of tangible personal property under true leases in Illinois are deemed end users of the property to be leased. As end users of tangible personal property located in Illinois, lessors owe Use Tax on their cost price of such property. See 86 Ill. Adm. Code 130.220. (This is a GIL.)
- ST 02-0177-GIL 08/09/2002 Lessors of tangible personal property under true leases in Illinois are deemed end users of the property to be leased and owe Use Tax on their cost price of such property. See 86 Ill. Adm. Code 130.220. (This is a GIL.)
- ST 02-0185-GIL 08/19/2002 86 Ill. Adm. Code Section 130.2010(a), sets out the factors to be considered in determining whether a transaction is a lease or a conditional sales contract for purposes of the Retailers' Occupation Tax Act. (This is a GIL.)
- ST 02-0207-GIL 09/18/2002 Lessors of tangible personal property under true leases in Illinois are deemed end users of the property to be leased. As end users of tangible personal property located in Illinois, lessors owe Use Tax on their cost price of such property. See 86 Ill. Adm. Code 130.220. (This is a GIL.)
- ST 02-0211-GIL 09/24/2002 Lease agreements that contain purchase options that are equal to the fair market value of the tangible personal property at the end of the lease term are considered true leases, and the lessors incur Use Tax liability on their cost price of tangible personal property purchased for rental purposes. See 86 Ill. Adm. Code 130.2010. (This is a GIL.)
- LOCAL TAXES
- ST 02-0015-PLR 07/05/2002 The Department's opinion is that the most important element of selling is the seller's acceptance of the purchase order. Consequently, if a purchase order is accepted in a jurisdiction that imposes a local tax, that tax will be incurred. See 86 Ill. Adm. Code 270.115. (This is a PLR.)
- ST 02-0016-PLR 07/08/2002 The Department's opinion is that the most important element of selling is the seller's acceptance of the purchase order. Consequently, if

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a purchase order is accepted in a jurisdiction that imposes a local tax, that tax will be incurred. See 86 Ill. Adm. Code 270.115. (This is a PLR.)

- ST 02-0018-PLR 07/31/2002 The Department's opinion is that the most important element of selling is the seller's acceptance of the purchase order. Consequently, if a purchase order is accepted in a jurisdiction that imposes a local tax, that tax will be incurred. See 86 Ill. Adm. Code 270.115. (This is a PLR.)
- ST 02-0019-PLR 08/01/2002 The Department's opinion is that the most important element of selling is the seller's acceptance of the purchase order. Consequently, if a purchase order is accepted in a jurisdiction that imposes a local tax, that tax will be incurred. See 86 Ill. Adm. Code 270.115. (This is a PLR.)
- ST 02-0022-PLR 08/05/2002 The Department's opinion is that the most important element of selling is the seller's acceptance of the purchase order. Consequently, if a purchase order is accepted in a jurisdiction that imposes a local tax, that tax will be incurred. See 86 Ill. Adm. Code 270.115. (This is a PLR.)
- ST 02-0025-PLR 09/06/2002 The Department's opinion is that the most important element of selling is the seller's acceptance of the purchase order or other contracting action in the making of the sales contract. Consequently, if a purchase order is accepted in a jurisdiction that imposes a local tax, that tax will be incurred. 86 Ill. Adm. Code 270.115. (This is a PLR.)
- ST 02-0150-GIL 07/08/2002 The Department's opinion is that the most important element of selling is the seller's acceptance of the purchase order. Consequently, if a purchase order is accepted in a jurisdiction that imposes a local tax, that tax will be incurred. 86 Ill. Adm. Code 270.115. (This is a GIL.)
- ST 02-0156-GIL 07/16/2002 The regulation governing jurisdictional questions under the Home Rule Municipal Retailers' Occupation Tax does not apply to titled and registered tangible personal property. 86 Ill. Adm. Code 270.115. (This is a GIL.)
- ST 02-0167-GIL 07/26/2002 In general, the imposition of the various sales tax related local taxes in Illinois are triggered when "selling" occurs in a jurisdiction imposing a tax. The Department's opinion is that the most important element of selling is the seller's acceptance of the purchase order.

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Consequently, if a purchase order is accepted in a jurisdiction that imposes a local tax, that tax will be incurred. See 86 Ill. Adm. Code 270.115. (This is a GIL.)

ST 02-0194-GIL 09/06/2002 Retailers subject to Special County Retailers' Occupation Tax For Public Safety are authorized to pass on the cost of that tax to their customers. See 86 Ill. Adm. Code 670.101. (This is a GIL.)

ST 02-0216-GIL 09/30/2002 Local taxes are triggered when "selling" occurs in a jurisdiction imposing a tax. The Department's opinion is that the most important element of selling is the seller's acceptance of the purchase order. Consequently, if a purchase order is accepted in a jurisdiction that imposes a local tax, that tax will be incurred. Please see 86 Ill. Adm. Code 270.115. (This is a GIL.)

## MANUFACTURER'S PURCHASE CREDIT

ST 02-0190-GIL 09/04/2002 Digital cameras do not qualify as production related tangible personal property for purposes of using Manufacturer's Purchase Credit. See 86 Ill. Adm. Code 130.331. (This is a GIL.)

## MANUFACTURING MACHINERY &amp; EQUIPMENT

ST 02-0017-PLR 07/12/2002 Exempt manufacturing equipment can include independent devices or tools separate from any machinery but essential to an integrated manufacturing or assembling process. See 86 Ill. Adm. Code 130.330(c)(3). (This is a PLR.)

ST 02-0149-GIL 07/05/2002 Under the Retailers' Occupation Tax Act, the manufacturing machinery and equipment exemption is available for machinery and equipment used primarily (over 50% of the time) in the manufacturing or assembling of tangible personal property for wholesale or retail sale or lease. See 86 Ill. Adm. Code 130.330. (This is a GIL.)

ST 02-0154-GIL 07/15/2002 This letter discusses why the purchase of asphalt and concrete production machines by construction contractors who will transfer the

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product into roadways does not qualify because the contractors are using product themselves and not selling it. (This is a GIL.)

- ST 02-0160-GIL 07/19/2002 Exempt manufacturing equipment can include independent devices or tools separate from any machinery but essential to an integrated manufacturing or assembling process. See 86 Ill. Adm. Code 130.330(c)(3). (This is a GIL.)
- ST 02-0180-GIL 08/13/2002 Under the Retailers' Occupation Tax Act, the manufacturing machinery and equipment exemption is available for machinery and equipment used primarily (over 50% of the time) in the manufacturing or assembling of tangible personal property for wholesale or retail sale or lease. See 86 Ill. Adm. Code 130.330. (This is a GIL).
- ST 02-0186-GIL 08/26/2002 Under the Retailers' Occupation Tax Act, the manufacturing machinery and equipment exemption is available for machinery and equipment used primarily (over 50% of the time) in the manufacturing or assembling of tangible personal property for wholesale or retail sale or lease. See 86 Ill. Adm. Code 130.330. (This is a GIL).
- ST 02-0209-GIL 09/23/2002 Exempt manufacturing equipment can include chemicals that meet the conditions set out in 86 Ill. Adm. Code 130.330(c)(6). (This is a GIL.)

## MEDICAL APPLIANCES

- ST 02-0208-GIL 09/23/2002 Dental lab coats do not qualify as medical appliances. See 86 Ill. Adm. Code 130.310. (This is a GIL.)

## MISCELLANEOUS

- ST 02-0168-GIL 08/01/2002 This letter describes the Retailers' Occupation Tax or Service Occupation Tax liability of a company that sells merchandise and services to entities providing workers compensation benefits. See 86 Ill. Adm. Code 130.310. (This is a GIL).

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ST 02-0169-GIL 08/05/2002 This letter responds to an annual survey. See 86 Ill. Adm. Code Part 130. (This is a GIL).

## MOTOR FUEL TAX

ST 02-0191-GIL 09/05/2002 When the legal incidence of a tax is on the consumer, it is not considered to be part of the “selling price” of the tangible personal property for the purpose of calculating Retailers’ Occupation Tax. See 86 Ill. Adm. Code 130.445. (This is a GIL.)

ST 02-0210-GIL 09/23/2002 This letter discusses Motor Fuel Tax related to motor vehicles brought into the State by a manufacturer. See 35 ILCS 505/1 et seq. (This is a GIL.)

## NEXUS

ST 02-0181-GIL 08/15/2002 A “retailer maintaining a place of business in Illinois” as described in 86 Ill. Adm. Code 150.201(i), is required to register with the State as an Illinois Use Tax collector. See 86 Ill. Adm. Code 150.801. (This is a GIL).

ST 02-0192-GIL 09/06/2002 This letter discusses nexus and other issues related to determining which sales taxes are owed. See 35 ILCS 105/1 et seq. (This is a GIL.)

## POLLUTION CONTROL FACILITIES

ST 02-0170-GIL 08/05/2002 Purchasers of Pollution Control Facilities must give their sellers certifications as set out in 86 Ill. Adm. Code 130.335(a). (This is a GIL).

ST 02-0197-GIL 09/11/2002 Equipment which is used for the primary purpose of reducing or eliminating pollution can qualify for the Pollution Control Facilities exemption. Equipment which provides an economic benefit cannot

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quality for the exemption. See 86 Ill. Adm. Code 130.335. (This is a GIL.)

## PUBLIC UTILITY TAXES

ST 02-0020-PLR 08/05/2002 System losses do not constitute electricity that is distributed to an end user. 35 ILCS 620/2a.1. (This is a PLR).

ST 02-0201-GIL 09/13/2002 Energy Assistance Charges and Renewable Energy Resources and Coal Technology Development Assistance Charges are statutorily considered charges for public utility services and are subject to Gas Revenue Tax liability when that tax is computed at the 5% rate on gross receipts. See 86 Ill. Adm. Code 470.101. (This is a GIL.)

## RETURNS

ST 02-0176-GIL 08/09/2002 Taxpayers that conduct businesses at more than one location in the State are required to file a single consolidated return (multi-site return). See 86 Ill. Adm. Code 130.530. (This is a GIL).

## SALE FOR RESALE

ST 02-0163-GIL 07/22/2002 Certificates of resale must contain the information set out in 86 Ill. Adm. Code 130.1415(b). (This is a GIL.)

ST 02-0182-GIL 08/15/2002 Illinois law requires a Certificate of Resale to contain the information set out in 86 Ill. Adm. Code 130.1405(b). (This is a GIL).

ST 02-0183-GIL 08/16/2002 Illinois law requires a Certificate of Resale to contain the information set out in 86 Ill. Adm. Code 130.1405(b). (This is a GIL).

ST 02-0204-GIL 09/17/2002 In order for a Certificate of Resale to be valid in Illinois, it must contain the information set out in 86 Ill. Adm. Code 130.1405(b) (This is a GIL.)

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## SALE OF SERVICE

- ST 02-0164-GIL 07/24/2002 The transfer of tangible personal property by automobile repairmen to customers incident to a repair job is a sale of service is subject to liability under the Service Occupation Tax Act. (This is a GIL.)
- ST 02-0171-GIL 08/05/2002 Under the Service Occupation Tax Act, servicemen are taxed on tangible personal property transferred incident to sales of service. See 86 Ill. Adm. Code Part 140. (This is a GIL.)
- ST 02-0193-GIL 09/06/2002 Tangible personal property may be purchased for resale only if it is to be sold or is incorporated into an item that is to be sold. See 86 Ill. Adm. Code 130.410. (This is a GIL.)
- ST 02-0198-GIL 09/11/2002 Repair work performed under a warranty may or may not be a taxable sale of service. See 86 Ill. Adm. Code 140.141 for explanations of the tax consequences of warranty repair work. (This is a GIL.)

## SERVICE OCCUPATION TAX

- ST 02-0158-GIL 07/18/2002 A pharmacist who remits Service Occupation Tax to the Department may make tax-free sales of prescription drugs to an organization that provides an exemption identification number issued by the Department. (This is a GIL.)

## TELECOMMUNICATIONS EXCISE TAX

- ST 02-0024-PLR 08/20/2002 Any method that accurately approximates the Illinois portion of an interstate inter-office channel of a private line can be used in calculating Illinois Telecommunications Excise Tax liability. (This is a PLR.)
- ST 02-0165-GIL 07/25/2002 This letter amends ST-02-0005-PLR regarding provisions of the Telecommunications Excise Tax. (This is a GIL.)

## DEPARTMENT OF REVENUE

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## USE TAX

- ST 02-0174-GIL 08/06/2002 If a direct mail firm accepts the purchase orders outside of Illinois, and its printing and mailing operations are conducted outside of the State of Illinois, no power or control is generally exercised over the property shipped in Illinois. Therefore, no taxable use of the property would be made in Illinois. See 86 Ill. Adm. Code 150.305. (This is a GIL).
- ST 02-0178-GIL 08/09/2002 Retailers are prohibited from advertising or holding out that they will absorb the purchaser's Use Tax obligation. See 86 Ill. Adm. Code 150.515. (This is a GIL).
- ST 02-0179-GIL 08/09/2002 Retailers are prohibited from advertising or holding out that they will absorb the purchaser's Use Tax obligation. See 86 Ill. Adm. Code 150.515. (This is a GIL).
- ST 02-0206-GIL 09/17/2002 Section 3 of the Use Tax Act (35 ILCS 105/3) imposes a tax upon the privilege of using in this State tangible personal property purchased at retail from a retailer. (This is a GIL.)

# ILLINOIS ADMINISTRATIVE CODE

## Issue Index

Rules acted upon in Volume 26, Issue 42 are listed in the Issues Index by Title number, Part number, Volume and Issue. Inquires about the Issue Index may be directed to the Administrative Code Division at (217) 782-7017/18.

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Total Editing Time: 214 Minutes  
Last Printed On: 10/18/2002 3:44 PM  
As of Last Complete Printing  
Number of Pages: 233  
Number of Words: 67,147 (approx.)  
Number of Characters: 382,743 (approx.)