

2007

ILLINOIS

REGISTER

RULES
OF GOVERNMENTAL
AGENCIES



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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.

Rulemaking activity consists 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 of 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' rulemakings.

The Illinois Register is the property of the State of Illinois, granted by the authority of the Illinois Administrative Procedure Act [5 ILCS 100/1-1, et seq.].

2007 REGISTER SCHEDULE VOLUME #31

<u>Issue #</u>	<u>Rules Due Date</u>	<u>Date of Issue</u>
1	December 26, 2006	January 5, 2007
2	January 2, 2007	January 12, 2007
3	January 8, 2007	January 19, 2007
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5	January 22, 2007	February 2, 2007
6	January 29, 2007	February 9, 2007
7	February 5, 2007	February 16, 2007
8	February 13, 2007	February 23, 2007
9	February 20, 2007	March 2, 2007
10	February 26, 2007	March 9, 2007
11	March 5, 2007	March 16, 2007
12	March 12, 2007	March 23, 2007
13	March 19, 2007	March 30, 2007
14	March 26, 2007	April 6, 2007
15	April 2, 2007	April 13, 2007
16	April 9, 2007	April 20, 2007
17	April 16, 2007	April 27, 2007
18	April 23, 2007	May 4, 2007
19	April 30, 2007	May 11, 2007
20	May 7, 2007	May 18, 2007
21	May 14, 2007	May 25, 2007
22	May 21, 2007	June 1, 2007
23	May 29, 2007	June 8, 2007
24	June 4, 2007	June 15, 2007

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25	June 11, 2007	June 22, 2007
26	June 18, 2007	June 29, 2007
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34	August 13, 2007	August 24, 2007
35	August 20, 2007	August 31, 2007
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37	September 4, 2007	September 14, 2007
38	September 10, 2007	September 21, 2007
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48	November 19, 2007	December 1, 2006
49	November 26, 2007	December 7, 2007
50	December 3, 2007	December 14, 2007
51	December 10, 2007	December 21, 2007
52	December 17, 2007	December 28, 2007

DEPARTMENT OF COMMERCE AND ECONOMIC OPPORTUNITY

NOTICE OF PROPOSED AMENDMENTS

- 1) Heading of the Part: Economic Development for a Growing Economy Program (EDGE)
- 2) Code Citation: 14 Ill. Adm. Code 527
- 3)

<u>Section Numbers:</u>	<u>Proposed Action:</u>
527.20	Amend
527.30	Amend
527.70	Amend
527.100	Amend
- 4) Statutory Authority: Implementing Section 5-15 and authorized by Section 5-80 of the Economic Development for a Growing Economy Tax Credit Act [35 ILCS 10/5-15 and 5-80]
- 5) A Complete Description of the Subjects and Issues Involved: Business Location Efficiency Incentive Act authorizes companies applying to the Department of Commerce and Economic Opportunity for Economic Development for a Growing Economy (EDGE) tax credits to seek increased or extended tax credits if (i) the company's proposed project site is located in an area that capitalizes upon affordable workforce housing or accessible mass transit, (ii) the company submits to the Department an approved remediation plan to improve housing or access to mass transit, or (iii) the company's project is located in labor surplus areas. This proposed rulemaking implements that new Act.
- 6) Any published studies or reports, along with the sources of underlying data, that were used when composing this rulemaking: None
- 7) Will this rulemaking replace any emergency rulemaking currently in effect? No
- 8) Does this rulemaking contain an automatic repeal date? No
- 9) Does this rulemaking contain incorporations by reference? No
- 10) Are there any other proposed rulemakings pending on this Part? No
- 11) Statement of Statewide Policy Objectives: The rulemaking does not create or expand a State Mandate as defined in Section 3(b) of the State Mandate Act [30 ILCS 805/3(b)].
- 12) Time, Place and Manner in which interested persons may comment on this rulemaking:

Jolene Clarke

DEPARTMENT OF COMMERCE AND ECONOMIC OPPORTUNITY

NOTICE OF PROPOSED AMENDMENTS

Department of Commerce and Economic Opportunity
620 E. Adams Street
Springfield, Illinois 62701

Phone: 217/557-1820
Fax: 217-782-0038
e-mail: jolene.clarke@illinois.gov

- 13) Initial Regulatory Flexibility Analysis:
- A) Types of small businesses and small municipalities affected: Any type of business that meets the program requirements may receive the additional EDGE credits.
 - B) Reporting, bookkeeping or other procedures required for compliance: In order to receive the additional credits, the business will be required to document: (i) the business' proposed project site is located in an area that capitalizes upon affordable workforce housing or accessible mass transit, (ii) the business submits to the Department an approved remediation plan to improve housing or access to mass transit, or (iii) the business' project is located in labor surplus areas.
 - C) Types of professional skills necessary for compliance: None
- 14) Regulatory Agenda on which this rulemaking was summarized: This rule was not included on either of the two most recent regulatory agendas because: the Department did not anticipate the changes.

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

DEPARTMENT OF COMMERCE AND ECONOMIC OPPORTUNITY

NOTICE OF PROPOSED AMENDMENTS

TITLE 14: COMMERCE

SUBTITLE C: ECONOMIC DEVELOPMENT

CHAPTER I: DEPARTMENT OF COMMERCE AND ECONOMIC OPPORTUNITY

PART 527

ECONOMIC DEVELOPMENT FOR A GROWING ECONOMY PROGRAM (EDGE)

Section

527.10	Purpose
527.20	Definitions
527.30	Eligibility Determination
527.40	Form of Application
527.50	Application Review
527.60	Application Denial/Approval
527.70	Determination of Amount and Term of the Credit
527.80	Tax Credit Agreement
527.90	Certificate of Verification
527.100	Noncompliance with the Agreement

AUTHORITY: Implementing Section 5-15 and authorized by Section 5-80 of the Economic Development for a Growing Economy Tax Credit Act [35 ILCS 10/5-15 and 5-80].

SOURCE: Emergency rules adopted at 23 Ill. Reg. 10862, effective August 16, 1999, for a maximum of 150 days; emergency expired on January 22, 2000; adopted at 24 Ill. Reg. 6884, effective April 19, 2000; amended at 29 Ill. Reg. 1186, effective January 5, 2005; amended at 31 Ill. Reg. _____, effective _____.

Section 527.20 Definitions

The following definitions are applicable to this Part.

"Accessible and affordable mass transit" means access to transit stops with regular and frequent service within one mile from the project site and pedestrian access to transit stops.

"Act" means the Economic Development for a Growing Economy Tax Credit Act [35 ILCS 10].

"Affordable workforce housing" means owner-occupied or rental housing that costs, based on current census data for the municipality where the project is

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NOTICE OF PROPOSED AMENDMENTS

located or any municipality within 3 miles of the municipality where the project is located, no more than 35% of the median salary at the project site, exclusive of the highest 10% of the site's salaries. If the project is located in an unincorporated area, "affordable workforce housing" means no more than 35% of the median salary at the project site, excluding the highest 10% of the site's salaries, based on the median cost of rental or of owner-occupied housing in the county where the unincorporated area is located.

"Agreement" means the Tax Credit Agreement created pursuant to 35 ILCS 10/5-50.

"Business Location Efficiency Incentive" means the incentive created by the Business Location Efficiency Incentive Act [35 ILCS 11].

"Capital ~~improvements~~ Improvements" shall include the purchase, renovation, rehabilitation, or construction of permanent tangible land, buildings, structures, equipment and furnishings in an approved project sited in Illinois and in expenditures for goods or services that are normally capitalized, including organizational costs and research and development costs incurred in Illinois. For land, buildings, structures and equipment that are leased, the lease must equal or exceed the term of the Tax Credit Agreement and the cost of the property shall be determined from the present value, using the corporate interest rate prevailing at the time of the application, of the lease payments.

"Credit" means the amount agreed to between the Department and applicant under the Act, but not to exceed the incremental payroll attributable to the applicant's project. [35 ILCS 10/5-15]

"Department" means the Illinois Department of Commerce and Economic Opportunity, formerly known as the Illinois Department of Commerce and Community Affairs.

"Director" means the Director of the Illinois Department of Commerce and Economic Opportunity, formerly known as the Illinois Department of Commerce and Community Affairs.

"Employee housing or transportation remediation plan" means a plan to increase affordable housing or transportation options, or both, for employees earning up to the median annual salary of the workforce at the project. The plan may include, but is not limited to, an employer-financed assisted housing program that can be

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supplemented by State or federal grants or shuttle services between the place of employment and existing transit stops or other reasonably accessible places.

"Existence of infrastructure" means the existence, within 1,500 feet of the proposed site, of roads, sewers, sidewalks, and other utilities and a description of the investments or improvements, if any, that an applicant expects State or local government to make to that infrastructure.

"Full-time employee" means an individual who is employed for consideration for at least 35 hours each week or who renders any other standard of service generally accepted by industry custom or practice as full-time employment. [35 ILCS 10/5-5] Annually scheduled periods for inventory or repairs, vacations, holidays and paid time for sick leave, vacation or other leave shall be included in this computation of full time employment.

"Incremental Income Tax" means the incremental payroll attributable to a project that is the subject of an Agreement.

"Incremental payroll" means the total amount withheld by the taxpayer during the taxable year from the compensation of new employees and retained employees under Article 7 of the Illinois Income Tax Act [35 ILCS 5/Art. 7] arising from such employees' employment at a project that is the subject of an Agreement.

"Location efficient" means a project that maximizes the use of existing investments in infrastructure, avoids or minimizes additional government expenditures for new infrastructure, and has nearby housing affordable to the permanent workforce of the project or has accessible and affordable mass transit or its equivalent or some combination of both.

"Location efficiency report" means a report that is prepared by an applicant for increased State economic development assistance, under Section 10 of the Business Location Efficiency Incentive Act [35 ILCS 11/10] and follows that Act and any related Department guidelines, and that describes the existence of affordable workforce housing or accessible and affordable mass transit or its equivalent. [35 ILCS 11/5]

"New employee" means a full-time employee first employed by a taxpayer in the project that is the subject of an Agreement and who is hired after the taxpayer enters into the Tax Credit Agreement.

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The term "new employee" does not include:

an employee of the taxpayer who performs a job that was previously performed by another employee, if that job existed for at least 6 months before hiring the employee;

an employee of the taxpayer who was previously employed in Illinois by a related member of the taxpayer and whose employment was shifted to the taxpayer after the taxpayer entered into the Tax Credit Agreement;

an employee of the taxpayer who was previously employed in Illinois by the taxpayer and whose employment was shifted to the taxpayer project after the taxpayer entered into the Tax Credit Agreement; or

a child, grandchild, parent, or spouse, other than a spouse who is legally separated from the individual, of any individual who has a direct or an indirect ownership interest of at least 5% in the profits, capital, or value of the taxpayer.

An employee may be considered a new employee under the Agreement if the employee performs a job that was previously performed by an employee who was treated under the Agreement as a new employee and promoted by the taxpayer to another job. [35 ILCS 10/5-5]

An employee shall be considered a new employee under the Agreement if the employee fills a job vacancy that had been continuously vacant for the 184 day period immediately preceding the date of the Agreement. A job vacancy whose incumbent is on approved leave, is locked out or is on strike is not a vacancy.

"Placed in service" means the state or condition of readiness and availability for a specifically assigned function.

"Professional services" means a taxpayer engaged in the practice of law or medicine.

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"Project" means a for-profit economic development activity or activities at a single site, or of one or more taxpayers at multiple sites if the economic activities are vertically integrated.

"Project costs" includes cost of the project incurred or to be incurred by the taxpayer including: *capital investment, including, but not limited to, equipment, buildings, or land; infrastructure development; debt service, except refinancing of current debt; research and development; job training and education; lease costs or relocation costs*, but excludes the value of State incentives, including discretionary tax credits, discretionary job training grants, or the interest savings of below market rate loans. [35 ILCS 10/5-30]

"Retained employee" means a full-time employee employed by a taxpayer during the term of the agreement whose job duties are directly and substantially-related to the project. For purposes of this definition, "directly and substantially-related to the project" means at least two-thirds of the employee's job duties must be directly related to the project and the employee must devote at least two-thirds of his or her time to the project. The term "retained employee" does not include a child, grandchild, parent, or spouse, other than a spouse who is legally separated from the individual, of any individual who has direct or indirect ownership interest of at least 5% in the profits, capital, or value of the taxpayer.

"Taxpayer" means an individual, corporation, partnership, or other entity that has any Illinois Income Tax liability. [35 ILCS 10/5-5]

(Source: Amended at 31 Ill. Reg. _____, effective _____)

Section 527.30 Eligibility Determination

- a) *Any taxpayer that is engaged in interstate or intrastate commerce for the purpose of manufacturing, processing, assembling, warehousing, or distributing products, conducting research and development, providing tourism services, or providing services in interstate commerce, office industries, or agricultural processing, but excluding retail, retail food, health, or professional services is an eligible business.*
- b) A taxpayer who is operating an eligible business that is located, or plans to be located, in the State of Illinois may be an "applicant". *Applicant does not include a taxpayer who closes or substantially reduces an operation at one location in the*

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State and relocates substantially the same operation to another location in the State.

- 1) *This does not prohibit a taxpayer from expanding its operations at another location in the State, provided that existing operations of a similar nature located within the State are not closed or substantially reduced within the last two years. For the purpose of this Section, "substantially reduced" means a reduction in employment of 33.33% or more.*
- 2) *This also does not prohibit a taxpayer from moving its operations from one location in the State to another location in the State for the purpose of expanding the operation, provided that the Department determines that the expansion cannot reasonably be accommodated within the municipality in which the business is located, or in the case of a business located in an incorporated area of the county, within the county in which the business is located. A determination under this subsection (b)(2) shall be made by the Department after conferring with the chief elected official of the municipality or county and taking into consideration any evidence offered by the municipality or county regarding the ability to accommodate expansion within the municipality or county. [35 ILCS 10/5-15]*
- c) *In order to qualify for Credits under the Act, an applicant's project must:*
 - 1) *involve an investment of at least \$5,000,000 in capital improvements to be placed in service and employ at least 25 new employees within the State as a direct result of the project if the applicant has more than 100 employees at the time of the EDGE application; or*
 - 2) *involve an investment of at least \$1,000,000 in capital improvements to be placed in service and to employ at least 5 new employees within the State as a direct result of the project if the applicant has 100 or fewer employees at the time of the EDGE application.*
 - 3) *involve an investment at a level specified by the Department in capital improvements to be placed in service; employ new employees within the State at a level specified by the Department; and provide a substantial economic benefit to the State [35 ILCS 10/5-20], as determined by the Department.*

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- A) The Director may approve projects that do not meet the minimum job creation and investment thresholds specified in Section 527.30(c)(1) for an applicant meeting all other requirements in the Act and this Part provided that one or more of the following conditions are met:
- i) the applicant business is located in a distressed community with an unemployment rate that is higher than the State's average;
 - ii) the applicant business is located in an area with limited economic development prospects as evidenced by prior and current development activities;
 - iii) approval would support a business with potential to generate additional growth in the area and create jobs as a result of spin-off businesses; or
 - iv) approval would avert loss of one of the area's major sources of employment.
- B) The greater the impact on the economy of the area in which the applicant is located, the lower the amount of job creations and investment by the applicant that will be necessary for the Director to approve the application; or
- d) The applicant must demonstrate *that if not for the credit the project would not occur in Illinois* by providing documentation evidencing that:
- 1) *the applicant has multi-state location options and could reasonably and efficiently locate outside of the State; or*
 - 2) *at least one other state is being considered for the project; or*
 - 3) *receipt of the credit is a major factor in the applicant's decision and that, without the credit, the applicant likely would not create new jobs in Illinois; or*
 - 4) *the credit is essential to the applicant's decision to create or retain new jobs in the State.*

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- e) Identify a *cost differential*, using best available data, in the projected costs for the applicant's project compared to the costs in the competing state, including the impact of the competing state's incentive programs [35 ILCS 10/5-25], for example, by demonstrating:
- 1) specific costs of labor, utilities, taxes and other costs of an out-of-state site or the industry's cost structure in the competing region; or
 - 2) specific cost differential due to the impact of a competing state's incentive programs.
- f) In order to qualify for increased EDGE benefits under the Business Location Efficiency Incentive Act, the applicant must submit a location efficiency report that:
- 1) satisfies Business Location Efficiency Incentive Act's standards for affordable workforce housing or affordable and accessible mass transit; or
 - 2) if the Department determines from the location efficiency report that the applicant is seeking assistance in an area that is not location efficient, the Department may award an increase in State economic development assistance if an applicant submits, and the Department accepts, an employee housing and transportation remediation plan or creates jobs in a labor surplus area as defined by the Department of Employment Security at the end of each calendar year.

(Source: Amended at 31 Ill. Reg. _____, effective _____)

Section 527.70 Determination of Amount and Term of the Credit

- a) *The Department shall determine the amount and duration of the Credit awarded under the Act. The duration of the Credit may not exceed 10 taxable years. [35 ILCS 10/5-45] ~~In determining the amount of the Credit that may be awarded for a qualified Project, the Committee shall provide guidance to the Department through its formal adoption of policies.~~ In determining the appropriate amount and duration of a Credit to be awarded to a Taxpayer, the Department shall act in accordance with the policies adopted by the Committee and shall take into consideration the following additional factors:*

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- 1) *The number and location of jobs created and retained in relation to the economy of the county where the projected investment is to occur.*
 - 2) *The potential impact of the Project on the economy of Illinois.*
 - 3) *The magnitude of the cost differential between Illinois and the competing states.*
 - 4) *The incremental payroll attributable to the Project.*
 - 5) *The capital investment attributable to the Project.*
 - 6) *The amount of the average wage and benefits paid by the Applicant in relation to the wage and benefits of the area of the Project.*
 - 7) *The costs to Illinois and the affected political subdivisions with respect to the Project.*
 - 8) *The financial assistance that is otherwise provided by Illinois and the affected political subdivisions. [35 ILCS 10/5-40]*
- b) *The Credit may be stated as a percentage of the Incremental Income Tax attributable to the Applicant's Project and may include a fixed limitation. [35 ILCS 10/5-45]*
- c) *The Credit shall not exceed the Incremental Payroll attributable to the Project that is the subject of an Agreement. [35 ILCS 10/5-15(d)]*
- d) *The total amount of the Credit allowed during all tax years may not exceed the aggregate amount of costs incurred by the Taxpayer during all prior tax years to the extent provided in the Agreement of Project Costs. [35 ILCS 10/5-30]*
- e) Applicants that qualify for increased EDGE benefits under the Business Location Efficiency Incentive Act may receive:
- 1) up to 10 percent more than the maximum allowable tax credits for which they are eligible under the Act, but not to exceed 100 percent of the applicant's tax liability; or
 - 2) such other adjustment~~s~~s of those tax credits, including but not limited to

DEPARTMENT OF COMMERCE AND ECONOMIC OPPORTUNITY

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authorizing the term of the credit to exceed 10 taxable years, as the Department deems appropriate to foster job creation and retention in Illinois.

(Source: Amended at 31 Ill. Reg. _____, effective _____)

Section 527.100 Noncompliance with the Agreement

- a) *If the Department determines that a Taxpayer who has received a Credit under the Act is not complying with the requirements of the Agreement or all of the provisions of the Act, the Director shall provide notice to the Taxpayer of the alleged noncompliance, and allow the Taxpayer a hearing under the provisions of the Illinois Administrative Procedure Act [5 ILCS 100]. If, after notice and any hearing, the Director determines that a noncompliance exists, the Director shall issue to the Department of Revenue notice to that effect, stating the Noncompliance Date. [35 ILCS 10/5-65] Alleged noncompliance shall include:*
- 1) demonstration that the Taxpayer would have placed in service the capital investment and created or retained the requisite number of New Employee jobs without the benefits of certification. Proof of this shall include, but is not limited to, correspondence, financial plans and prospectuses, internal memoranda and other written documentation demonstrating the Taxpayer would have taken the actions without the designation.
 - 2) demonstration that the Taxpayer failed materially to comply with the terms and conditions of the Agreement.
 - 3) a determination upon investigation that the business falsified application information in violation of 14 Ill. Adm. Code 520.730(f).
 - 4) a failure to submit an annual progress report by an applicant pursuant to an employee housing and transportation plan or a determination by the Department that adequate progress is not being made by the applicant to implement the plan, which will result in the revocation of the increased tax credits, extension of the term of the credit and/or other adjustments awarded pursuant to the Business Location Efficiency Incentive Act.
- b) The Department shall notify a Taxpayer in writing that it is subject to revocation. Such notice shall include the reason for revocation and the date and location of a hearing to be held pursuant to 47 Ill. Adm. Code 10 (Review and Appeal

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Procedures).

- c) Following revocation the Department will contact the Director of the Illinois Department of Revenue who shall begin proceedings to recover wrongfully exempted State taxes.

(Source: Amended at 31 Ill. Reg. _____, effective _____)

HEALTH FACILITIES PLANNING BOARD

NOTICE OF PROPOSED AMENDMENTS

- 1) Heading of the Part : Narrative and Planning Policies
- 2) Code Citation: 77 Ill. Adm. Code 1100
- 3)

<u>Section Numbers</u> :	<u>Proposed Action</u> :
1100.75	New
1100.220	Amendment
1100.440	New
- 4) Statutory Authority: Illinois Health Facilities Planning Act [20 ILCS 3960]
- 5) A Complete Description of the Subjects and Issues Involved: New definitions and Sections have been added that replace current language concerning hospital bed categories and the counting of hospital beds. The new categories include "authorized hospital bed capacity", describing the total number of beds recognized by HFPB for planning purposes; "physically available beds", describing beds that are physically set up, meet licensure requirements and are available for use; "reserve beds", describing beds that are not set up for inpatients, but could be made physically available for inpatient use within 48 hours; and "transitional beds" describing beds that have an approved CON permit, but are not yet physically available, as well as beds that are temporarily unavailable due to modernization projects that do not require a CON permit.

The amendments also contain the requirements for designating beds by each category, as well as reporting requirements, for IDPH to maintain an accurate count of total beds by type for each hospital in the State.
- 6) Published studies or reports, and sources of underlying data, used to compose this rulemaking: None
- 7) Will this rulemaking replace any emergency rulemaking currently in effect? No
- 8) Does this rulemaking contain an automatic repeal date? No
- 9) Does this rulemaking contain incorporations by reference? No
- 10) Are there any other proposed rulemakings pending on this Part? No
- 11) Statement of Statewide Policy Objectives: This rulemaking does not create or expand a State Mandate.

HEALTH FACILITIES PLANNING BOARD

NOTICE OF PROPOSED AMENDMENTS

- 12) Time, Place and Manner in which interested persons may comment on this proposed rulemaking:

Public Hearing
Wednesday, February 21, 2007
10:00 a.m.
The Inn at 835
Conservatory Room
835 S. Second Street
Springfield, Illinois

Interested persons may present their comments concerning this rulemaking within 45 days after the publication of this issue of the Illinois Register to:

Claire Burman
Coordinator, Rules Development
Illinois Health Facilities Planning Board
100 W. Randolph Street, 6th Floor
Chicago, Illinois 60601

312/814-2565
e-mail: CLAIRE.BURMAN@illinois.gov

- 13) Initial Regulatory Flexibility Analysis:
- A) Types of small businesses, small municipalities and not for profit corporations affected: Hospitals
 - B) Reporting, bookkeeping or other procedures required for compliance: Annual Reports as described in proposed amendments. Reporting and Notification of bed count changes, as described in 77 Ill. Adm. Code 1130.240.
 - C) Types of professional skills necessary for compliance: None
- 14) Regulatory Agenda on which this rulemaking was summarized: January 2006

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

HEALTH FACILITIES PLANNING BOARD

NOTICE OF PROPOSED AMENDMENTS

TITLE 77: PUBLIC HEALTH

CHAPTER II: HEALTH FACILITIES PLANNING BOARD

SUBCHAPTER a: ILLINOIS HEALTH CARE FACILITIES PLAN

PART 1100

NARRATIVE AND PLANNING POLICIES

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AUTHORITY: Implementing and authorized by the Illinois Health Facilities Planning Act [20 ILCS 3960].

SOURCE: Fourth Edition adopted at 3 Ill. Reg. 30, p. 194, effective July 28, 1979; amended at 4 Ill. Reg. 4, p. 129, effective January 11, 1980; amended at 5 Ill. Reg. 4895, effective April 22, 1981; amended at 5 Ill. Reg. 10297, effective September 30, 1981; amended at 6 Ill. Reg. 3079, effective March 8, 1982; emergency amendments at 6 Ill. Reg. 6895, effective May 20, 1982, for a maximum of 150 days; amended at 6 Ill. Reg. 11574, effective September 9, 1982; Fifth Edition adopted at 7 Ill. Reg. 5441, effective April 15, 1983; amended at 8 Ill. Reg. 1633, effective January 31, 1984; codified at 8 Ill. Reg. 15476; amended at 9 Ill. Reg. 3344, effective March 6, 1985; amended at 11 Ill. Reg. 7311, effective April 1, 1987; amended at 12 Ill. Reg. 16079, effective September 21, 1988; amended at 13 Ill. Reg. 16055, effective September 29, 1989; amended at 16 Ill. Reg. 16074, effective October 2, 1992; amended at 18 Ill. Reg. 2986, effective February 10, 1994; amended at 18 Ill. Reg. 8448, effective July 1, 1994; emergency amendment at 19 Ill. Reg. 1941, effective January 31, 1995, for a maximum of 150 days; amended at 19 Ill. Reg. 2985, effective March 1, 1995; amended at 19 Ill. Reg. 10143, effective June 30, 1995; recodified from the Department of Public Health to the Health Facilities Planning Board at 20 Ill. Reg. 2594; amended at 20 Ill. Reg. 14778, effective November 15, 1996; amended at 21 Ill. Reg. 6220, effective May 30, 1997; expedited correction at 21 Ill. Reg. 17201, effective May 30, 1997; amended at 23 Ill. Reg. 2960, effective March 15, 1999; amended at 24 Ill. Reg. 6070, effective April 7, 2000; amended at 25 Ill. Reg. 10796, effective August 24, 2001; amended at 27 Ill. Reg. 2904, effective February 21, 2003; amended at 31 Ill. Reg. _____, effective _____.

SUBPART A: GENERAL NARRATIVE

Section 1100.75 Annual Bed Report

- a) For purposes of this Section, "initial" annual bed reports shall be those that are prepared for the first time after August 31, 2007. Each hospital shall be required to submit its initial report to IDPH within six months after August 31, 2007.
- b) Each hospital shall report on its number of beds on an annual basis, in a format that includes:
 - 1) Summary of bed count by operational status (i.e., physically available, reserve, and transitional) and category of service;

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- 2) Identification of the physical location of patient care units (PCUs) and beds;
 - 3) Compliance with design standards in the Hospital Licensing Requirements (77 Ill. Adm. Code 250) certified by an architect or engineer who is knowledgeable of the Hospital Licensing Act [210 ILCS 85], the Hospital Licensing Requirements, and the standards that are incorporated by reference in 77 Ill. Adm. Code 250.160(a)(1) and, if an approved action plan of correction is in place, a copy of that plan;
 - 4) Compliance with other applicable Sections of the Hospital Licensing Act; and
 - 5) If the report contains transitional beds, a description of the project and timetable for completion.
- c) The annual bed report is to be certified as accurate by an officer of the hospital and other hospital representatives who are knowledgeable of the applicable provisions of the Hospital Licensing Requirements and the Life Safety Codes that are incorporated by reference in those regulations. Once every three years, compliance of the PCUs and bedrooms with the Hospital Licensing Requirements shall be verified by IDPH.
 - d) IDPH will review hospital bed reports and summarize reported changes from the existing Inventory of Hospital Beds. Changes to the Inventory of Hospital Beds will be submitted to HFPB for its approval to be recorded.
 - e) Any changes in a health care facility's bed capacity, with or without permit, shall be in accordance with 77 Ill. Adm. Code 1130.
 - f) IDPH and HFPB have the authority to conduct inspections and request additional documentation to verify the details of the submitted annual bed reports.

(Source: Added at 31 Ill. Reg. _____, effective _____)

SUBPART B: GENERAL DEFINITIONS

Section 1100.220 Definitions

"Act" means the Illinois Health Facilities Planning Act [20 ILCS 3960].

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Admissions" means the number of patients accepted for inpatient service during a 12-month period; the newborn are not included.

"Applicable Codes and/or Current Recognized Standards" means the current official codes of governmental bodies applicable under law or regulation to Illinois health facilities and/or standards of health facility design, construction and equipment promulgated on a regular or permanent basis by an authority, public or private. A listing of the applicable codes utilized in the application review process may be found in Appendix A of this Part.

"Authorized Hospital Bed Capacity" means the number of beds recognized for planning purposes at a hospital facility, as determined by HFPB. The operational status of authorized hospital beds is identified as physically available, reserve, or transitional, as follows:

"Physically Available Beds" means beds that are physically set up, meet hospital licensure requirements, and are available for use. These are beds maintained in the hospital for the use of inpatients and that furnish accommodations with supporting services (such as food, laundry, and housekeeping). These beds may or may not be staffed, but are physically available.

"Reserve Beds" means beds that are not set up for inpatients, but could be made physically available for inpatient use within 48 hours.

"Transitional Beds" means beds for which a Certificate of Need (CON) has been issued, but that are not yet physically available, and beds that are temporarily unavailable due to modernization projects that do not require a CON.

"Authorized Long-Term Care Bed Capacity" means the number of beds by category of service, recognized and licensed by IDPH for long-term care.

"Average Daily Census" or ~~"(ADC)"~~ means over a 12-month period the average number of inpatients receiving service on any given day.

"Average Length of Stay" or ~~"(ALOS)"~~ means over a 12-month period the average duration of inpatient stay expressed in days as determined by dividing total inpatient days by total admissions.

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~~"Bed Capacity or Existing Bed Capacity" means the number of beds recognized for planning purposes at a facility as determined by the Illinois Department of Public Health.~~

~~The bed capacity which is utilized for each category of service identified in the Bed Need Determination Section reflects one of the following:~~

~~Measured or Surveyed Bed Capacity—the number of beds by category of service which could be operated based on the amount of clear and usable floor area allowing:~~

~~100 square feet per bed in single occupancy rooms.~~

~~80 square feet per bed in multi-occupancy rooms.~~

~~40 square feet per bassinet in pediatric nurseries.~~

~~Functional Bed Capacity—the number of beds by category of service the facility considers appropriate to place in patient rooms taking into account patient care requirements and the ability to perform the regular functions of patient care required for patients for the particular category of service involved.~~

~~Licensed Bed Capacity—the number of beds by category of service recognized and licensed by the Illinois Department of Public Health. (Currently applies only to Long Term Care Facilities.)~~

"Category of Service" means a grouping by generic class of various types or levels of support functions, equipment, care or treatment provided to patient/residents. Examples include but are not limited to medical-surgical, pediatrics, cardiac catheterization, therapeutic radiology, etc. A category of service may include subcategories or levels of care that identify a particular degree or type of care within the category of service.

"Executive Secretary or Secretary" means the chief executive officer of the State Board, responsible to the Chairman and, through the Chairman, responsible to the State Board for the execution of its policies and procedures.

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"Health Service Area" or "~~(HSA)~~" means the following geographic areas:

HSA I – Illinois Counties of Boone, Carroll, DeKalb, Jo Daviess, Lee, Ogle, Stephenson, Whiteside, and Winnebago

HSA II – Illinois Counties of Bureau, Fulton, Henderson, Knox, LaSalle, Marshall, McDonough, Peoria, Putnam, Stark, Tazewell, Warren, and Woodford

HSA III – Illinois Counties of Adams, Brown, Calhoun, Cass, Christian, Greene, Hancock, Jersey, Logan, Macoupin, Mason, Menard, Montgomery, Morgan, Pike, Sangamon, Schuyler, and Scott

HSA IV – Illinois Counties of Champaign, Clark, Coles, Cumberland, DeWitt, Douglas, Edgar, Ford, Iroquois, Livingston, Macon, McLean, Moultrie, Piatt, Shelby, and Vermilion

HSA V – Illinois Counties of Alexander, Bond, Clay, Crawford, Edwards, Effingham, Fayette, Franklin, Gallatin, Hamilton, Hardin, Jackson, Jasper, Jefferson, Johnson, Lawrence, Marion, Massac, Perry, Pope, Pulaski, Randolph, Richland, Saline, Union, Wabash, Washington, Wayne, White, and Williamson

HSA VI – City of Chicago

HSA VII – DuPage County and Suburban Cook County

HSA VIII – Illinois Counties of Kane, Lake, and McHenry

HSA IX – Illinois Counties of Grundy, Kankakee, Kendall, and Will

HSA X – Illinois Counties of Henry, Mercer, and Rock Island

HSA XI – Illinois Counties of Clinton, Madison, Monroe, and St. Clair

"Hospital" means a facility, institution, place or building licensed pursuant to or operated in accordance with the Hospital Licensing Act [210 ILCS 45] or a State-operated facility that is utilized for the prevention, diagnosis and treatment of physical and mental ills. For purposes of this Subchapter, two basic types of hospitals are recognized:

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General Hospital – a facility [thatwhich](#) offers an integrated variety of categories of service and [thatwhich](#) offers and performs scheduled surgical procedures on an inpatient basis.

Special or Specialized Hospital – a facility [thatwhich](#) offers, primarily, a special or particular category of service.

"Illinois Department of Public Health" or "Agency" or "IDPH" means the Department of Public Health of the State of Illinois. [20 ILCS 3960/3]

"Modernization" means modification of an existing health care facility by means of building, alteration, reconstruction, remodeling, replacement, the erection of new buildings, or the acquisition, alteration or replacement of equipment. Modification does not include a substantial change in either the bed count or scope of the facility.

"Observation Days" means the number of days of service provided to outpatients for the purpose of determining whether a patient requires admission as an inpatient or other treatment. The observation period shall not exceed 48 hours.

"Occupancy Rate" means a measure of inpatient health facility use, determined by dividing average daily census by the calculated capacity. It measures the average percentage of a facility's beds occupied and may be institution-wide or specific for one department or service.

"Occupancy Target" means a minimum utilization level established by IDPH for a facility or service, reflecting adequate access as well as operational efficiency.

"Patient Days" means the total number of days of service provided to inpatients of a facility over a 12-month period. This figure includes observation days if the observation patient occupies a bed that is included in the State Agency's Inventory of Health Care Facilities and Services as described in Section 1100.70.

"Population" or "Population Projections" means the latest estimates available as determined by IDPH.

"Planning Area" means a defined geographic area within the State established by the State Board as a basis for the collection, organization, and analysis of information to determine health care resources and needs and to serve as a basis

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for planning.

"Site" means the location of an existing or proposed facility. An existing facility site is determined by street address. In a proposed facility the legal property description or the street address can be used to identify the site.

"State Board" means the Health Facilities Planning Board established by the Act. [20 ILCS 3960/3]

"Unit" means the grouping of beds to provide a category of service. Units are physically identifiable areas ~~that~~ which are staffed to provide all care required for particular service.

"Use Rate" means the ratio of inpatient days per 1,000 population over a 12-month period (Inpatient Days/Population in Thousands = Use Rate).

"Use Rate or Utilization Maximum" means a ceiling placed on an area's use or utilization rate in order to reduce the projected need for beds or services. Use rate maximums are designed to prevent the overestimation of needed beds in formulas which utilize historical demand. Maximums are used in planning areas where historical demand is inflated due to an immigration of patients from other planning areas.

"Use Rate or Utilization Minimum" means a lower limit placed on an area's use or utilization rate in order to inflate the projected need for beds or services. Use rate minimums are designed to promote the development of beds in areas where historical utilization is too low to create a formula bed need. Low utilization is caused by a lack of services in the area or by an out migration of area residents to other areas for care.

"Utilization" means patterns or rates of use of a single service or type of service, within a given facility or also in combinations of facilities. Use is expressed in rates per unit of population at risk for a given period.

"Variance" means an exception to computed need based upon criteria or conditions for particular categories of service.

(Source: Amended at 31 Ill. Reg. _____, effective _____)

SUBPART C: PLANNING POLICIES

HEALTH FACILITIES PLANNING BOARD

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Section 1100.440 Requirements for Authorized Hospital Beds

- a) Authorized hospital beds are to be classified as one of the following:
- 1) Physically Available Beds
 - A) Patient rooms and patient care units (PCUs) shall be compliant with applicable licensure codes and standards for hospital facilities, pursuant to the Hospital Licensing Requirements (77 Ill. Adm. Code 250) as determined by IDPH. If a patient room or a PCU is not compliant with the Hospital Licensure Requirements, an action plan of correction shall be in place, including a schedule for completion, approved by IDPH. The action plan shall be in the process of being implemented on schedule for the PCU and beds to be considered authorized and recorded as part of the inventory.
 - B) The approved number of beds is to be recorded in the Inventory of Health Care Facilities.
 - 2) Reserve Beds
 - A) Patient rooms and PCUs must be compliant with applicable licensure codes and standards for hospital facilities, as determined by IDPH. If a patient room or a PCU is not compliant with licensure codes and standards for hospital facilities, there must be an action plan of correction in place, including a schedule for completion, approved by IDPH. The action plan shall be in the process of being implemented on schedule for the PCU and beds to be considered authorized and recorded as part of the inventory. (See 77 Ill. Adm. Code 250.)
 - B) Patient rooms and PCUs shall be able to be set up and physically available for inpatient care within 48 hours, including equipment, furnishings and non-time-sensitive supplies.
 - C) Patient room and PCU equipment, furnishings and supplies designated for reserve beds shall be maintained on the hospital's campus.

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- D) The number of reserve beds shall not exceed 10% of the sum of physically available beds and transitional beds within each category of service.
 - E) The approved number of beds is to be recorded in the Inventory of Health Care Facilities.
- 3) Transitional Beds
- A) For transitional beds that are part of an approved CON project, the CON project is to be compliant with CON requirements.
 - B) For transitional beds that are not part of a CON project, the individually identified beds can be designated transitional for no more than one reporting period.
 - C) The approved number of beds is to be recorded in the Inventory of Health Care Facilities.
- b) The sum of physically available, reserve, and transitional beds for each category of service shall not exceed the authorized bed capacity for that service.

(Source: Added at 31 Ill. Reg. _____, effective _____)

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- 1) Heading of the Part: General Provisions
- 2) Code Citation: 23 Ill. Adm. Code 2700
- 3)

<u>Section Numbers:</u>	<u>Proposed Action:</u>
2700.15	Amendment
2700.20	Amendment
2700.40	Amendment
2700.55	Amendment
- 4) Statutory Authority: Implementing the Higher Education Student Assistance Act [110 ILCS 947]; Title IV of the Higher Education Act of 1965, as amended (20 USCA 1070 et seq., as amended by P.L. 105-244); and authorized by Section 20(f) of the Higher Education Student Assistance Act [110 ILCS 947/20(f)].
- 5) A Complete Description of the Subjects and Issues Involved: ISAC annually reviews its rules in order to respond to market changes and client suggestions, to implement State and federal statutory amendments, to codify improvements due to technological advances, and to clarify issues that have arisen during the previous year. We also are continuing efforts to increase the level of standardization in procedures, format and terminology throughout our programmatic rules, in order to make them easier for our clients to use. In addition to making minor technical and grammatical changes throughout this Part, ISAC proposes the following substantive amendments:

Several citations referencing Federal Regulations and the Higher Education Reconciliation Act of 2005 (HERA) have been updated throughout this Part. In Section 2700.15, the incorporations by reference date has been updated to July 1, 2006 to reflect a change necessitated by HERA. In Section 2700.20, the federal citation has been updated in the definition of "Academic Year," and the HERA Public Law number is reflected in the "Independent Student" definition. The federal citation has been updated in Section 2700.40(i). Section 2700.55 has been amended to include the Gramm-Leach Bliley (GLB) federal citation and to include security for data stored at an external entity.
- 6) Published studies or reports, and sources of underlying data, used to compose this rulemaking: None
- 7) Will this rulemaking replace any emergency rulemaking currently in effect? No
- 8) Does this rulemaking contain an automatic repeal date? No

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- 9) Does this rulemaking contain incorporations by reference? No
- 10) Are there any other proposed rulemakings on this Part? No
- 11) Statement of Statewide Policy Objectives: This rulemaking does not create or expand a State mandate as defined in Section 3(b) of the State Mandates Act [30 ILCS 805/3(b)] and does not necessitate a local government to establish, expand or modify its activities in such a way as to necessitate additional expenditures from local revenues.
- 12) Time, Place, and Manner in which interested persons may comment on this proposed rulemaking: Persons who wish to comment on this proposed rulemaking may submit written comments no later than 45 days after the publication of this Notice to:

Lynn Hynes
Agency Rules Coordinator
Illinois Student Assistance Commission
1755 Lake Cook Road
Deerfield IL 60015

(847) 948-8500, ext. 3304
email: lhynes@isac.org

- 13) 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
- 14) Regulatory Agenda on which this rulemaking was summarized: January 2007

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

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NOTICE OF PROPOSED AMENDMENTS

TITLE 23: EDUCATION AND CULTURAL RESOURCES
SUBTITLE A: EDUCATION
CHAPTER XIX: ILLINOIS STUDENT ASSISTANCE COMMISSIONPART 2700
GENERAL PROVISIONS

Section	
2700.10	Summary and Purpose
2700.15	Incorporations by Reference
2700.20	Definitions
2700.30	General Institutional Eligibility Requirements
2700.40	General Applicant Eligibility Requirements
2700.50	Determining Applicant Eligibility
2700.55	Use, Security and Confidentiality of Data
2700.60	Audits and Investigations
2700.70	Appeal Procedures
2700.80	Contractual Agreement Requirements

AUTHORITY: Implementing the Higher Education Student Assistance Act [110 ILCS 947]; Title IV of the Higher Education Act of 1965, as amended (20 USCA 1070 et seq., as amended by P.L. 105-244); and authorized by Section 20(f) of the Higher Education Student Assistance Act [110 ILCS 947/20(f)].

SOURCE: Adopted at 9 Ill. Reg. 20783, effective January 1, 1986; amended at 11 Ill. Reg. 3167, effective January 29, 1987; amended at 11 Ill. Reg. 14099, effective August 10, 1987; amended at 12 Ill. Reg. 11510, effective July 1, 1988; amended at 13 Ill. Reg. 8626, effective July 1, 1989; transferred from Chapter IX, 23 Ill. Adm. Code 1700 (State Scholarship Commission) to Chapter XIX, 23 Ill. Adm. Code 2700 (Illinois Student Assistance Commission) pursuant to P.A. 86-168, effective July 1, 1989, at 13 Ill. Reg. 17854; amended at 14 Ill. Reg. 10538, effective July 1, 1990; amended at 16 Ill. Reg. 11206, effective July 1, 1992; amended at 17 Ill. Reg. 10541, effective July 1, 1993; amended at 18 Ill. Reg. 10282, effective July 1, 1994; amended at 19 Ill. Reg. 8343, effective July 1, 1995; amended at 20 Ill. Reg. 9170, effective July 1, 1996; amended at 21 Ill. Reg. 11066, effective July 18, 1997; amended at 22 Ill. Reg. 11072, effective July 1, 1998; amended at 23 Ill. Reg. 7550, effective July 1, 1999; amended at 24 Ill. Reg. 9121, effective July 1, 2000; amended at 25 Ill. Reg. 8383, effective July 1, 2001; amended at 26 Ill. Reg. 9980, effective July 1, 2002; amended at 27 Ill. Reg. 10320, effective July 1, 2003; amended at 29 Ill. Reg. 9884, effective July 1, 2005; amended at 30 Ill. Reg. 11600, effective July 1, 2006; amended at 31 Ill. Reg. _____, effective _____.

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Section 2700.15 Incorporations by Reference

- a) The Commission incorporates by reference 34 CFR 85, 237, 600, 653, 668, 674, 675, 676, 682 and 690 (July 1, ~~2006~~2005). No incorporation by reference in this Section includes any later amendment or edition beyond the date stated. The Code of Federal Regulations is available online at: www.gpoaccess.gov.
- b) Copies of the appropriate material are available for inspection at the Illinois Student Assistance Commission offices at:

1755 Lake Cook Road, Deerfield IL 60015-5209

500 West Monroe, Springfield IL 62704-1876

100 West Randolph, Suite 3-200, Chicago IL 60601-3219

(Source: Amended at 31 Ill. Reg. _____, effective _____)

Section 2700.20 Definitions

"Academic Level" – The classification of a student as a freshman, sophomore, junior, senior, or graduate student.

"Academic Year" – In relation to scholarship and grant programs, a twelve month period of time, normally from August or September of any year through August or September of the ensuing year. In relation to the Federal Family Education Loan Program, academic year is defined at Section 481(d)(2) of the Higher Education Act of 1965, as amended (HEA), and at 34 CFR 668.32.

"Alternative Loan" – Any educational loan made or purchased by ISAC other than a loan made pursuant to Title IV of the Higher Education Act of 1965, as amended (20 USC 1071 et seq.), or any other federal statute providing for federal insurance of education loans to borrowers.

"Applicant" – Any individual who requests ISAC consideration for a scholarship, grant, tuition waiver, or guaranteed or alternative loan.

"Approved High School" – *Any public high school located in this State; and any high school, located in this State or elsewhere (whether designated as a high school, secondary school, academy, preparatory school, or otherwise) which in*

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the judgment of the State Superintendent of Education provides a course of instruction at the secondary level and maintains standards of instruction substantially the equivalent of those public high schools located in this State.
(Section 10 of the Higher Education Student Assistance Act [110 ILCS 947/10])

"Armed Forces" – The United States Army, Air Force, Navy, Marines and Coast Guard.

"Blanket Certificate of Loan Guaranty" – A process that permits an eligible lender to make loans without receiving prior approval from ISAC for individual loans to eligible borrowers enrolled in eligible programs at eligible institutions, as authorized by Section 428(n) of the HEA.

"Chargeback" – Payment of tuition by the community college district of a student's residence to the community college district of a student's attendance.
(See 110 ILCS 805/6-2.)

"Citizen" – One who, under the Constitution and laws of the United States, is a native-born or naturalized citizen of the United States of America.

"College Savings Bond" – A State of Illinois general obligation, zero coupon bond, issued pursuant to the Baccalaureate Savings Act as a long-term education savings instrument.

"Co-maker" – One of the two individuals who are joint borrowers either on a Federal PLUS Loan that was certified prior to January 1, 1995 or on any Federal Consolidation loan and who are equally liable for repayment of the loan. (See 34 CFR 682.200.)

"Commission" – The ten member Illinois Student Assistance Commission created by Section 15 of the Higher Education Student Assistance Act [110 ILCS 947/15].

"Compound Accreted Value" – An amount equal to the original amount plus an investment return accrued to the date of determination at a semiannual compounding rate which is necessary to produce the yield at maturity indicated on the Official Statement that was issued when the college savings bonds were sold. The "Compound Accreted Value at Maturity" will be equal to \$5000 or an integral multiple thereof.

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"Concurrent Registration" – The simultaneous enrollment at two or more institutions.

"Consolidation" – A federal program under which a borrower may receive a single new loan that refinances one or more outstanding qualified education loans under new terms and conditions, as authorized by Section 428C of the HEA.

"Contractual Agreement" – The written agreement between an eligible institution and a school or organization that is not eligible for participation in ISAC-administered programs whereby the non-eligible institution provides part of the education program of students enrolled at the eligible institution, as codified in Section 2700.80. A contractual agreement differs from a consortium agreement, which is an agreement among two or more eligible institutions only.

"Correctional Officer" – An employee of the Illinois Department of Corrections (DOC) who is assigned to a security position with the Department, and who has responsibility for inmates of any correctional institution under the jurisdiction of the Department.

"Correspondence Course" – A home study course provided by an institution under which the institution provides instructional materials, including examinations on the materials, to students who are not physically attending classes at the institution, as defined at 34 CFR 600.2.

"Co-signer" – A person who is secondarily liable for the repayment of an Alternative Loan.

"Cost of Attendance" – For the purposes of ISAC's rules, this term is defined at Section 472 of the Higher Education Act of 1965, as amended (20 USC 108711).

"Cumulative Grade Point Average" – The average grade earned throughout a student's applicable secondary or postsecondary educational program. The calculation shall be consistent with the institution's established policy or practice and shall be the same as that completed for admission, placement or other similar purposes.

"Default Status" – The failure of a borrower to make an installment payment when due or to meet other terms of the promissory note as defined at 34 CFR 682.200.

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"Delinquency" – For the purposes of ISAC's rules, this term is defined at 34 CFR 682.411(b).

"Dependent Student" – A scholarship, loan, tuition waiver or grant applicant or recipient who is not classified as an independent student.

"Disbursement" – In relation to scholarship and grant programs, a disbursement occurs on the payment voucher date. In relation to the Federal Family Education Loan Program, disbursement is the process of transferring loan proceeds as defined at 34 CFR 682.200.

"Distance Education" – A learning and teaching mode characterized by the separation of place and/or time between instructor and student, which includes programs and courses offered by correspondence and telecommunications.

"ED" – The acronym for the United States Department of Education.

"Educational Institution" – Unless otherwise qualified, any secondary or postsecondary educational organization with enrolls students who participate in ISAC programs.

"Educational Lender" – An institution that meets the lender eligibility criteria outlined in 23 Ill. Adm. Code 2720.25 for FFELP Loans and 2721.40 for alternative loans.

"EFT" – The acronym for electronic funds transfer.

"Eligible Noncitizen" – A noncitizen who is eligible for federal student assistance pursuant to Section 484 of the Higher Education Act of 1965, as amended. (See 20 USC 1091.)

"Endorser" – A person who is secondarily liable for the repayment of a Federal PLUS Loan obligation.

"Enrolled" – The status of a student who has completed the institution's registration requirements and is attending classes.

"Executive Director" – The chief executive officer of ISAC.

"Expected Family Contribution" – The amount the student and the student's

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family may be reasonably expected to contribute toward the student's postsecondary education. Expected Family Contribution is defined at Section 474 of the Higher Education Act (HEA) of 1965, as amended. (See 20 USC 1087nm.)

"FAFSA" – The acronym for the Free Application for Federal Student Aid.

"FAFSA Receipt Date" – The date reported by ED's processor as the date upon which it receives an applicant's initial FAFSA for an academic year. For paper FAFSA's sent through the U.S. Postal Service, this is the date of physical receipt at the processor, not the postmark date.

"Federal Regulations" – Refers to regulations promulgated by ED and codified at 34 CFR 600 et seq.

"FFELP" – The acronym for the Federal Family Education Loan Program, as authorized by Section 421 of the Higher Education Act, as amended, including subsidized and unsubsidized Federal Stafford Loans, Federal PLUS Loans, Federal SLS Loans and Federal Consolidation Loans.

"Fire Officer" – For the purposes of ISAC's rules, this term means a firefighter who is employed by, or in the voluntary service of, this State or any public entity in this State.

"Foreign Missionary" – An individual who is assigned duty outside of the United States by an organization that engages in educational, philanthropic, humanitarian or altruistic works. The missionary organization must be exempt from the payment of federal taxes and must have been engaged in placing foreign missionaries for at least five years. Examples of such missionary organizations include, but are not limited to, the following: Peace Corps, Evangelical Alliance Mission, etc.

"Full-time Student" – In relation to scholarship and grant programs, an individual enrolled for twelve or more credit hours, for either a semester or quarter term. In relation to the Federal Family Educational Loan Program, full-time student is defined at 34 CFR 682.200.

"Gift Assistance" – Student assistance funds in the form of a scholarship, grant or tuition waiver, including, but not limited to, federal, State, institutional and private aid.

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"Good Moral Character" – An applicant is of good moral character if the applicant will benefit from postsecondary instruction and is allowed to enroll at an approved postsecondary institution.

"Graduating Class" – The students who will complete the high school's program of instruction and graduate within an academic year.

"Guaranteed Loan" – Loan assistance through the Federal Family Education Loan Program (FFELP) which includes the subsidized and unsubsidized Federal Stafford Loan, the Federal PLUS Loan, the Federal Supplemental Loans for Students (SLS), and the Federal Consolidation Loan programs.

"HEA" – The acronym for the Higher Education Act of 1965, as amended, and codified at 20 USC 1070 et seq.

"Half-time Student" – In relation to scholarship and grant programs, an individual enrolled for six or more credit hours (but fewer than twelve credit hours) for either a semester or quarter term. In relation to the Federal Family Education Loan Program, half-time student is defined at 34 CFR 682.200.

"Holder" – An organization authorized by ED and ISAC to purchase or retain possession of guaranteed loans. These organizations operate as commercial and educational lenders or secondary markets and may purchase ISAC-guaranteed loans from approved lenders.

"IBHE" – The acronym for the Illinois Board of Higher Education, the administrative agency created by the Board of Higher Education Act [110 ILCS 947/205].

"IDAPP" – The acronym for ISAC's Illinois Designated Account Purchase Program as authorized by the Education Loan Purchase Program Law [110 ILCS 947/125 through 170].

"Independent Student" – For the purposes of ISAC's rules, an independent student is defined by Section 480 of the Higher Education Act of 1965, as amended by [P.L. 109-171](#)~~P.L. 102-325~~. (See 20 USC 1087vv.)

"Institution" – Unless otherwise qualified, any secondary or postsecondary educational organization which enrolls students who participate in ISAC programs.

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"Institution of Higher Learning" – An educational organization whose main campus is physically located in Illinois that:

provides at least a two-year program of collegiate study in liberal arts or sciences, or associate degree or both, directly applicable toward the attainment of a baccalaureate degree, or, a program in health education directly applicable toward the attainment of a certificate, diploma, or an associate degree; and

is operated:

by the State, or

publicly or privately, not for profit, or

for profit, provided it:

Offers degree programs which have been approved by the IBHE for a minimum of three years under the Academic Degree Act, and

enrolls a majority of its students in these degree programs, and

maintains accredited status with the North Central Association of Colleges and Schools Higher Learning Commission.

For otherwise eligible educational organizations which provide academic programs for incarcerated students, the term "institution of higher learning" shall specifically exclude academic programs for incarcerated students (Section 10 of the Higher Education Student Assistance Act). For eligible institutions with campuses in multiple states, the term "institution of higher learning" shall include only those campuses located in Illinois.

"Institution of Record" – The postsecondary institution at which a student is enrolled and seeking a degree or certificate. This institution assumes primary responsibility for certification of eligibility for ISAC-administered programs and for requesting payment from ISAC.

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"ISAC" – The acronym for the Illinois Student Assistance Commission, the administrative agency created by Section 15 of the Higher Education Student Assistance Act [110 ILCS 947/15] to administer student assistance programs.

"ISBE" – The acronym for the Illinois State Board of Education, the administrative agency created by the School Code [105 ILCS 5].

"Lender" – An organization authorized by ISAC to make educational loans to students.

"Mandatory Fees" – The charges assessed by an institution to each and every full-time student for each term. Application, graduation, laboratory, breakage, add/drop fees, and program administrative fees for out-of-state or foreign study are specifically excluded. For the purposes of ISAC's rules, tuition is not a mandatory fee.

"MAP" – The acronym for the Monetary Award Program administered by ISAC, as authorized by 110 ILCS 947/35 and codified at 23 Ill. Adm. Code 2735.

"Master Check" – A single check representing the loan proceeds for more than one borrower.

"Minority Student" – *A student who is either Black (a person having origins in any of the black racial groups in Africa); Hispanic (a person of Spanish or Portuguese culture with origins in Mexico, South or Central America, or the Caribbean Islands, regardless of race); Asian American (a person with origins in any of the original peoples of the Far East, Southeast Asia, the Indian subcontinent, including Pakistan, and the Pacific Islands, including, among others, Hawaii, Melanesia, Micronesia and Polynesia); or Native American (a person who is a member of a federally or state recognized Indian tribe, or whose parents or grandparents have such membership) and to include the native people of Alaska (Section 50(a) of the Higher Education Student Assistance Act).*

"Parent" – For the purposes of ISAC's rules, this term is defined at 34 CFR 668.2.

"Pell Grant" – A federal gift assistance program administered by ED in accordance with Section 411 of the Higher Education Act of 1965, as amended. (See 20 USC 1070a et seq.)

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"PLUS" – The federal program which provides loans to parents of certain students, as authorized by Section 428B of the Higher Education Act of 1965, as amended (20 USC 1078-2) and Sections 80 through 175 of the Higher Education Student Assistance Act [110 ILCS 947/80 through 175].

"Police Officer" – For the purposes of ISAC's rules, this term means a law enforcement officer who is employed by, or in the voluntary service of, this State or any public entity in this State.

"Qualified Applicant" – An individual who meets the eligibility requirements of the gift assistance program for which she/he is applying.

"Regular School Year" – An eight to nine month period of time which includes two semester terms or three quarter terms. The regular school year excludes summer terms. Terms that begin after April 15 and end before September 16 are considered summer terms.

"Remedial Courses" – The course work that prepares a student for study at the postsecondary level and is necessary for the student to pursue the eligible postsecondary program.

"Resident of Illinois" –

A dependent student is a resident of Illinois if the parent of the dependent-applicant, who is required by the instructions to complete the Free Application for Federal Student Aid (FAFSA), physically resides within the State of Illinois and Illinois is his or her true, fixed and permanent home.

An independent student is a resident of Illinois if the applicant physically resides within the State of Illinois (at the time of application), and has so resided for a period of 12 continuous, full months immediately prior to the start of the academic year for which assistance is requested and Illinois is his or her true, fixed and permanent home.

When an applicant does not qualify as a resident of Illinois under the preceding two paragraphs and the applicant is a member of the U.S. Armed Forces or a foreign missionary, or is the dependent or the spouse of an individual who is a member of the U.S. Armed Forces or a foreign missionary, then the applicant's residency shall be determined in

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accordance with the following four paragraphs.

An applicant who is a member of the U.S. Armed Forces will be a resident of Illinois if the applicant physically resided in Illinois immediately prior to entering the U.S. Armed Forces, returned (or plans to return) to Illinois within six months after and including the date of separation and can demonstrate (pursuant to Section 2700.50(f) and (g)) that his/her domicile was the State of Illinois throughout such enlistment.

An applicant who is a foreign missionary will be a resident of Illinois if the applicant physically resided in Illinois for six continuous months immediately prior to entering missionary service, returned (or plans to return) to Illinois within six months after the conclusion of missionary service, and can demonstrate (pursuant to Section 2700.50(f) and (g)) that his/her domicile was the State of Illinois throughout such missionary service.

The dependent-applicant shall be a resident of Illinois notwithstanding the parents' temporary physical absence from Illinois provided the parents would be a resident of Illinois under the preceding two paragraphs.

The spouse-applicant shall be a resident of Illinois immediately upon physically occupying a dwelling within the State of Illinois provided the applicant can demonstrate that his/her absence from the State was the result of residing with the spouse during enlistment or missionary service outside of Illinois and that the spouse-applicant's domicile continues to be the State of Illinois.

"Rules" – The rules of ISAC codified at 23 Ill. Adm. Code: Subtitle A, Chapter XIX.

"Satisfactory Academic Progress" – An institutional policy which establishes minimum standards of academic performance. For purposes of ISAC-administered programs, the standards must be at least as stringent as those required by ED pursuant to Section 484 of the Higher Education Act of 1965, as amended. (See 20 USC 1091.)

"Service Academy" – *The U.S. Air Force Academy, the U.S. Coast Guard Academy, the U.S. Military Academy or the U.S. Naval Academy* (Section 30(a) of the Higher Education Student Assistance Act).

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"SLS" – The acronym for the federal Supplemental Loans for Students Program, as authorized by Section 428A of the Higher Education Act, as amended (20 USC 1078-1). No SLS loans have been made for periods of enrollment beginning on or after July 1, 1994.

"Special Education" – A postsecondary educational program designed to teach persons how to meet the needs of all children designated as physically disabled, with specific learning disabilities, or requiring extraordinary special education services and facilities. (See 105 ILCS 5/14-1.02 and 7.20a.) These programs prepare persons for meeting the needs of children who exhibit disabilities or exceptional characteristics ranging from very mild to very severe. (See 23 Ill. Adm. Code 226, Special Education.) Such a program prepares a student to teach physically disabled children or children with learning disabilities. (See 105 ILCS 5/14-1.02 and 1.03a.)

"Stafford" – The federal subsidized and unsubsidized loan programs as authorized by Sections 427, 428 and 428H of the Higher Education Act, as amended (20 USC 1078).

"Student Beneficiary" – An individual designated as the recipient of a College Savings Bond Bonus Incentive Grant.

"Teacher Education Program" – An undergraduate postsecondary course of study which, upon completion, qualifies a student to be certified as a pre-school, elementary or secondary teacher by a state board of education or its equivalent (including the Illinois State Board of Education). For a student who has completed less than four semesters/six quarters of postsecondary study, this includes a postsecondary course of study which leads to a teacher education program.

"Teacher Shortage Discipline" – An academic discipline in which a shortage of teachers exists in Illinois, as designated by the Illinois State Board of Education.

"Telecommunications Course" – A course offered principally through the use of television, audio, or computer transmission, including open broadcast, closed circuit, cable microwave, satellite, audio conferencing, computer conferencing, and video cassettes or disks, as defined at 34 CFR 600.2.

"Term" – A unit of time for student attendance, including, but not limited to, a

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quarter or semester.

"Tuition" – The charge for instruction assessed by an institution.

"Verification" – Procedures implemented by postsecondary institutions to verify the eligibility of applicants. The procedures are established by 34 CFR 668 et seq. and by ISAC's rules.

(Source: Amended at 31 Ill. Reg. _____, effective _____)

Section 2700.40 General Applicant Eligibility Requirements

- a) Except as otherwise provided by this subsection, an applicant with a defaulted loan made pursuant to Title IV of the Higher Education Act is not eligible for benefits under ISAC-administered programs.
 - 1) Eligibility for guaranteed loans may be reinstated in accordance with federal regulations and the following provisions:
 - A) Eligibility for ISAC-guaranteed loans will be reinstated when:
 - i) the debt has been paid in full;
 - ii) the borrower has made a "satisfactory repayment arrangement," in accordance with 34 CFR 682.200;
 - iii) the borrower's prior defaulted loan has been rehabilitated, in accordance with 34 CFR 682.405; or
 - iv) the borrower has made payments on a defaulted loan to consolidate that loan in accordance with 34 CFR 682.201.
 - B) Borrowers are eligible to use subsection (a)(1)(A)(ii) only one time.
 - C) Eligibility for ISAC-administered gift assistance will be reinstated for current and future terms when the applicant has maintained a satisfactory repayment record for at least six consecutive months or has met the requirements of subsection (a)(1)(A). Factors to be considered by ISAC in evaluating the repayment record include:

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the amount of the debt, the amount of the payments received by ISAC, the employment status of the applicant, and the frequency of the applicant's contact with ISAC.

- 2) A qualified applicant for Illinois Veteran Grant (IVG) assistance (23 Ill. Adm. Code 2733) shall be permitted one term of assistance during which a satisfactory repayment record, as defined by subsection (a)(1)(C), must be established. If such a repayment record is not established, additional assistance shall be denied until a satisfactory repayment record is established.
- b) No applicant shall receive ISAC-administered assistance if the applicant owes a refund for any ISAC-administered gift assistance, a Federal Pell Grant, or a Federal Supplemental Educational Opportunity Grant (FSEOG) (20 USC 1070(b)).
- c) An applicant shall, upon request, provide documentation to establish and verify eligibility. (See Section 2700.50.) Failure to supply adequate documentation will result in the denial of student assistance benefits.
- d) An applicant who has received financial assistance based on fraudulent data shall be denied ISAC-administered assistance until full restitution has been made to ISAC for any fraudulently-obtained funds, and may also be subject to prosecution by the Illinois Attorney General, United States Department of Justice and/or an Illinois State's Attorney.
- e) Each applicant must submit his/her Social Security Number (SSN).
- f) Recipients who cease to be residents of Illinois after notification of eligibility may complete the academic year with the assistance awarded.
- g) Unless otherwise provided, benefits under gift assistance programs are subject to the limits of dollars appropriated to ISAC by the Illinois General Assembly and approved by the Governor.
- h) When gift assistance eligibility is limited to a specified number of term payments, the eligibility cap is calculated in accordance with this subsection.
 - 1) For each semester term of full-time payment benefits, the recipient is assessed six eligibility units. For each quarter term of full-time payment

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benefits, the recipient is assessed four eligibility units.

- 2) For each semester term of half-time payment benefits, the recipient is assessed three eligibility units. For each quarter term of half-time payment benefits, the recipient is assessed two eligibility units.
 - 3) For each semester or quarter term of less than half-time payment benefits, the recipient is assessed one eligibility unit.
 - 4) Sixty eligibility units are the equivalent of payments for ten semesters/fifteen quarters of full-time benefits.
 - 5) Forty-eight eligibility units are the equivalent of payments for eight semesters/twelve quarters of full-time benefits.
- i) An applicant shall comply with Selective Service registration requirements, pursuant to 34 CFR 668.3734 et seq.
 - j) Except for grants pursuant to 23 Ill. Adm. Code 2730 (Illinois National Guard Grant Program) and 23 Ill. Adm. Code 2733 (Illinois Veteran Grant Program), an applicant must be maintaining satisfactory academic progress in accordance with the institution's policy.
 - k) Except for grants pursuant to 23 Ill. Adm. Code 2730 (Illinois National Guard Grant Program) and 23 Ill. Adm. Code 2733 (Illinois Veteran Grant Program), ISAC gift assistance benefits for courses utilizing distance education are limited to students enrolled in eligible degree or certificate programs who are eligible to receive Title IV, HEA program funds. (See 34 CFR 668.38.)
 - l) Except for grants pursuant to 23 Ill. Adm. Code 2730 (Illinois National Guard Grant Program) and 23 Ill. Adm. Code 2733 (Illinois Veteran Grant Program), students enrolled in academic programs while incarcerated are ineligible for ISAC gift assistance benefits.
 - m) For the purpose of determining the timeliness of an individual's application, the postmark date of an application submitted electronically shall be the date on which ISAC receives that individual's submission of complete application data.

(Source: Amended at 31 Ill. Reg. _____, effective _____)

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Section 2700.55 Use, Security and Confidentiality of Data

All educational institutions, lenders, holders, servicers and other entities participating in ISAC-administered programs shall comply with all applicable federal and State laws which regulate the privacy and use of, and access to, shared data. (See, e.g., the Family Educational Rights and Privacy Act (20 [USCUSA](#) 1232g); the Data Processing Confidentiality Act [30 ILCS 585/0.01 et seq.]; the Freedom of Information Act [5 ILCS 140]; Section 487 of the Higher Education Act of 1965, as amended (20 [USCUSA](#) 1094); ([12 CFR 313](#); and 34 CFR 682.610.) The data shall be confidential and shall not be used, sold or shared for any purpose other than that which is directly related to the internal operations of the participating entity or ISAC. Participating entities shall be responsible for implementing appropriate security procedures to protect the integrity of the data accessed, [stored](#), transmitted or received.

(Source: Amended at 31 Ill. Reg. _____, effective _____)

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- 1) Heading of the Part: Federal Family Education Loan Program (FFELP)
- 2) Code Citation: 23 Ill. Adm. Code 2720
- 3)

<u>Section Numbers:</u>	<u>Proposed Action:</u>
2720.50	Amendment
2720.80	Amendment
- 4) Statutory Authority: Implementing Sections 80 through 175 of the Higher Education Student Assistance Act [110 ILCS 947/80 through 175]; Title IV, Part B, of the Higher Education Act of 1965, as amended (20 USCA 1071 et seq.); and authorized by Section 20(f) of the Higher Education Student Assistance Act [110 ILCS 947/20(f)].
- 5) A Complete Description of the Subjects and Issues Involved: ISAC annually reviews its rules in order to respond to market changes and client suggestions, to implement State and federal statutory amendments, to codify improvements due to technological advances, and to clarify issues that have arisen during the previous year. We also are continuing efforts to increase the level of standardization in procedures, format and terminology throughout our programmatic rules, in order to make them easier for our clients to use. In addition to making minor technical and grammatical changes throughout this Part, and correcting prior errors and omissions, ISAC proposes the following substantive amendments:

Section 2720.50 has been amended to reflect changes due to the Higher Education Reconciliation Act of 2005 (HERA). Language has been added as PLUS loans now include graduate students in addition to parents. The title of Section 2720.80 has been changed to Federal Default Fee and the entire Section was rewritten to reflect the change from a student guarantee fee to a federal default fee and the associated new requirements.
- 6) Published studies or reports, and sources of underlying data, used to compose this rulemaking: None
- 7) Will this rulemaking replace any emergency rulemaking currently in effect? No
- 8) Does this rulemaking contain an automatic repeal date? No
- 9) Does this rulemaking contain incorporations by reference? No
- 10) Are there any other proposed rulemakings pending on this Part? No

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- 11) Statement of Statewide Policy Objective: This rulemaking does not create or expand a State mandate as defined in Section 3(b) of the State Mandates Act [30 ILCS 805/3(b)] and does not necessitate a local government to establish, expand or modify its activities in such a way as to necessitate additional expenditures from local revenues.
- 12) Time, Place, and Manner in which interested persons may comment on this proposed rulemaking: Persons who wish to comment on this proposed rulemaking may submit written comments no later than 45 days after the publication of this Notice to:

Lynn Hynes
Agency Rules Coordinator
Illinois Student Assistance Commission
1755 Lake Cook Road
Deerfield IL 60015

(847) 948-8500, ext. 3304
email: lhynes@isac.org
- 13) 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
- 14) Regulatory Agenda on which this rulemaking was summarized: January 2007

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

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TITLE 23: EDUCATION AND CULTURAL RESOURCES

SUBTITLE A: EDUCATION

CHAPTER XIX: ILLINOIS STUDENT ASSISTANCE COMMISSION

PART 2720

FEDERAL FAMILY EDUCATION LOAN PROGRAM (FFELP)

SUBPART A: FEDERAL LOAN PROGRAMS: THE FEDERAL STAFFORD LOAN PROGRAM, FEDERAL PLUS PROGRAM, FEDERAL SUPPLEMENTAL LOANS FOR STUDENTS (SLS) PROGRAM, AND FEDERAL CONSOLIDATION LOAN PROGRAM

Section

2720.5	Summary and Purpose
2720.6	Definitions (Repealed)
2720.10	Eligibility for ISAC Loan Guarantees
2720.20	Lender Eligibility
2720.25	Educational Lender Eligibility
2720.30	Institutional Eligibility
2720.35	Holder Eligibility
2720.40	Procedures for Obtaining a Guaranteed Loan
2720.41	One-Lender Requirement
2720.42	One-Holder Requirement
2720.50	Procedures for Disbursement, Delivery and Repayment
2720.55	Federal Consolidation Loan Program
2720.60	Default Aversion Assistance
2720.70	Reimbursement Procedures
2720.80	Federal Default Student Guarantee Fee
2720.90	Guarantee Transfers

SUBPART B: ILLINOIS DESIGNATED ACCOUNT PURCHASE PROGRAM (IDAPP)

Section

2720.105	Summary and Purpose
2720.120	IDAPP Eligible Loans
2720.130	IDAPP Eligible Lenders

SUBPART C: ISAC ORIGINATED LOANS

Section

2720.200	ISAC Originated Consolidation Loans
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- 2720.210 Illinois Opportunity Loan Program (IOP)
2720.220 Federal Family Education Loan Program (FFELP) Loans

2720.APPENDIX A Required Activities of Educational Lenders (Repealed)

AUTHORITY: Implementing Sections 80 through 175 of the Higher Education Student Assistance Act [110 ILCS 947/80 through 175]; Title IV, Part B, of the Higher Education Act of 1965, as amended (20 USC 1071 et seq.); and authorized by Section 20(f) of the Higher Education Student Assistance Act [110 ILCS 947/20(f)].

SOURCE: Adopted at 3 Ill. Reg. 4, p. 38, effective January 26, 1979; amended at 5 Ill. Reg. 8698, effective August 17, 1981; emergency rule and emergency repealer at 6 Ill. Reg. 7558, 7573, effective June 9, 1982, for a maximum of 150 days; new rules adopted at 6 Ill. Reg. 13799, effective October 25, 1982; old rules repealed at 6 Ill. Reg. 15254, effective December 3, 1982; emergency amendment at 7 Ill. Reg. 9942, effective August 8, 1983, for a maximum of 150 days; codified at 7 Ill. Reg. 13309; amended at 8 Ill. Reg. 876, effective January 9, 1984; amended at 8 Ill. Reg. 7286, effective May 18, 1984; amended at 8 Ill. Reg. 17006, effective September 5, 1984; amended at 9 Ill. Reg. 20796, effective January 1, 1986; amended at 11 Ill. Reg. 3181, effective January 29, 1987; emergency amendment at 11 Ill. Reg. 13669, effective August 5, 1987, for a maximum of 150 days; amended at 11 Ill. Reg. 14103, effective August 10, 1987; emergency amendment at 11 Ill. Reg. 18370, effective October 23, 1987, for a maximum of 150 days; amended at 11 Ill. Reg. 20989, effective January 1, 1988; amended at 12 Ill. Reg. 6971, effective April 1, 1988; amended at 12 Ill. Reg. 11520, effective July 1, 1988; emergency amendment at 12 Ill. Reg. 15221, effective September 15, 1988, for a maximum of 150 days; emergency expired February 12, 1989; amended at 13 Ill. Reg. 2872, effective February 16, 1989; amended at 13 Ill. Reg. 8630, effective July 1, 1989; transferred from Chapter IX, 23 Ill. Adm. Code 1720 (State Scholarship Commission) to Chapter XIX, 23 Ill. Adm. Code 2720 (Illinois Student Assistance Commission) pursuant to P.A. 86-168, effective July 1, 1989, at 13 Ill. Reg. 17855; emergency amendment at 14 Ill. Reg. 4266, effective March 1, 1990, for a maximum of 150 days; amended at 14 Ill. Reg. 10553, effective July 1, 1990; amended at 14 Ill. Reg. 10941, effective July 1, 1990; emergency amendments at 15 Ill. Reg. 18769, effective January 1, 1992, for a maximum of 150 days; amended at 16 Ill. Reg. 4060, effective February 28, 1992; amended at 16 Ill. Reg. 11224, effective July 1, 1992; emergency amendment at 17 Ill. Reg. 2055, effective February 1, 1993, for a maximum of 150 days; amended at 17 Ill. Reg. 10506, effective July 1, 1993; amended at 18 Ill. Reg. 10254, effective July 1, 1994; emergency amendment at 18 Ill. Reg. 15636, effective October 15, 1994, for a maximum of 150 days; emergency expired March 13, 1995; amended at 19 Ill. Reg. 6215, effective April 15, 1995; amended at 19 Ill. Reg. 8320, effective July 1, 1995; amended at 20 Ill. Reg. 9147, effective July 1, 1996; amended at 21 Ill. Reg. 11038, effective July 18, 1997; amended at 22 Ill. Reg. 11051, effective July 1, 1998; amended at 23 Ill. Reg. 7537, effective July 1, 1999; amended at 24 Ill.

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Reg. 9101, effective July 1, 2000; amended at 25 Ill. Reg. 8369, effective July 1, 2001; amended at 26 Ill. Reg. 9998, effective July 1, 2002; amended at 27 Ill. Reg. 10326, effective July 1, 2003; amended at 28 Ill. Reg. 9135, effective July 1, 2004; amended at 29 Ill. Reg. 9897, effective July 1, 2005; amended at 31 Ill. Reg. _____, effective _____.

SUBPART A: FEDERAL LOAN PROGRAMS:
THE FEDERAL STAFFORD LOAN PROGRAM, FEDERAL PLUS PROGRAM,
FEDERAL SUPPLEMENTAL LOANS FOR STUDENTS (SLS) PROGRAM,
AND FEDERAL CONSOLIDATION LOAN PROGRAM

Section 2720.50 Procedures for Disbursement, Delivery and Repayment

- a) Disbursement, delivery and repayment procedures are specified in federal regulations. (See 34 CFR 682.206, 34 CFR 682.207, 34 CFR 682.209, and 34 CFR 682.604.)
- b) Prior to disbursement, the borrower shall execute a common ED-approved promissory note for the principal and interest on the loan. The lender shall retain an original or true and exact copy of the promissory note. (See 34 CFR 682.414.)
- c) The lender shall transmit to ED any and all statements and reports necessary to obtain federal interest payments on the borrower's behalf. The lender shall not collect or attempt to collect from the borrower or ISAC any portion of the interest on the loan which is payable by ED.
- d) Except for loans pursuant to Section 2720.55, or loans made under a Blanket Certificate of Loan Guaranty agreement, the lender shall not disburse the proceeds of any loan on the borrower's behalf unless and until the lender shall have received from ISAC evidence of a guarantee. The lender shall inform ISAC of all disbursement dates.
- e) Federal Stafford and Federal PLUS Loan proceeds shall be transmitted directly to the institution.
 - 1) Federal Stafford Loan checks shall be payable to the student borrower unless the institution requires all Stafford loan checks to be co-payable to the borrower and the institution. Federal PLUS Loan checks shall be co-payable to the institution and the ~~parent~~ borrower. Federal Stafford or Federal PLUS Loan funds disbursed either via EFT or by Master Check to the institution shall include information identifying the names, Social

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Security Numbers and the loan amounts of the borrowers who are receiving a portion of the disbursement, and, in the case of a parent PLUS Loan, the names and the Social Security Numbers of the students on whose behalf the parents are borrowing.

- 2) Loan proceeds must be disbursed to the institution and delivered to the borrower no later than 120 days after the end of the loan period or 120 days after the date on which the student ceased to be enrolled at least half-time, whichever is earlier. In cases where the student is not at fault, a late disbursement may be made beyond the 120 day period if the institution makes such a request and it is approved by ED. If the loan proceeds are not delivered pursuant to this subsection, the school must request that the loan be canceled and must return any loan proceeds. (See 34 CFR 668.164(g).)
- 3) If the student has withdrawn from enrollment and federal regulations require the institution to submit a refund to the lender, either electronically or in the form of a check payable to the lender on behalf of the borrower, the institution shall provide simultaneous written notice to the borrower of the refund.
 - A) If the institution fails to issue a timely refund, as defined by federal regulations (see 34 CFR 682.607(c) and 668.22(j)), the institution shall pay penalty interest.
 - B) The penalty interest shall equal the total amount of interest and special allowance generated by the principal value of the refund amount. The penalty interest shall be computed from the date the refund was due until the date the refund was issued.
 - C) The penalty interest shall be paid to the lender or subsequent holder.
- f) The borrower shall have the right to prepay without penalty the whole or any part of a loan guaranteed hereunder.
- g) The lender or holder shall notify the borrower of the repayment options available, as specified in 34 CFR 682.209. The lender or holder shall send a repayment schedule to a FFELP borrower no less than 30 days nor more than 240 days before the first payment on the loan is due from the borrower.

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- h) The lender or holder shall notify ISAC of payment in full or prepayment in full by the borrower.
- i) In accordance with federal regulations, the lender or holder may extend the maturity date of any note.
- j) Lenders or holders may exercise administrative forbearances, which do not require the agreement of the borrower, as authorized by Section 428(c)(3)(C) of the Higher Education Act of 1965, as amended, and by federal regulations.
- k) Borrowers are entitled to deferments, which extend the maturity date of any note, under conditions established by federal regulations.
- l) ISAC provides lenders or holders with the ED-approved common forms necessary for servicing their guaranteed loan portfolio (e.g., deferment forms, mandatory forbearance forms).
- m) No note shall be sold or transferred by the lender except to an ISAC-approved lender, an ISAC-approved holder, or ISAC.

(Source: Amended at 31 Ill. Reg. _____, effective _____)

Section 2720.80 Federal Default~~Student Guarantee~~ Fee

- a) ISAC must charge a federal default fee on each loan guaranteed on or after July 1, 2006. The fee must be collected from the borrower or from any non-federal source. If assessed to the borrower, the fee must be deducted proportionally from each disbursement of the loan. The fee must be remitted to ISAC by the lender no less frequently than monthly.~~ISAC may charge borrowers a guarantee fee on each guaranteed loan. The fee(s) collected by the lender must be remitted to ISAC no less frequently than monthly.~~
- b) The amount of the federal default~~guarantee~~ fee collected on each loan shall be equal to one percent of the principal amount of the loan~~no greater than the maximum permitted by the Higher Education Act, as amended. The exact amount of the fee shall be computed by ISAC and disclosed to the borrower on the notice of guarantee/disclosure statement. The rate of the fee to be charged a category of borrowers shall be determined by resolution of the Commission. When establishing the rate of the fee, the factors to be considered by the Commission~~

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~~include: the solvency of the Federal Student Loan Reserve Fund, projected application volume and the timeliness of payments from ED pursuant to the Higher Education Act of 1965, as amended (see 20 USCUSCA 1071 et seq.).~~

- c) Refunds of any federal default fees assessed the borrower shall be made ~~guarantee fees shall be made to the borrower~~ in accordance with federal regulations. (See 34 CFR 682.401(b)(10)(vi.)
- d) The federal default ~~guarantee~~ fees shall be deposited in the Federal Student Loan Reserve Fund. In accordance with federal regulations, a guaranty agency may not use such proceeds for incentive payments to lenders and may only use these proceeds for costs incurred as outlined in 34 CFR 682.419. ~~may only be used to reimburse lenders for defaulted guaranteed loans or to pay the reinsurance fee assessed by ED.~~

(Source: Amended at 31 Ill. Reg. _____, effective _____)

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NOTICE OF PROPOSED RULES

- 1) Heading of the Part: Grant Program For A Child Raised By Grandparent
- 2) Code Citation: 23 Ill. Adm. Code 2738
- 3)

<u>Section Numbers:</u>	<u>Proposed Action:</u>
2738.10	New Section
2738.20	New Section
2738.30	New Section
2738.40	New Section
- 4) Statutory Authority: Implementing Section 65.75 and authorized by Section 20(f) of the Higher Education Student Assistance Act [110 ILCS 947/65.75 and 20(f)].
- 5) A Complete Description of the Subjects and Issues Involved: This Part is being proposed to reflect the statutory changes contained in Public Act 94-968, which created this new program. These proposed rules govern the administration of the new Grant Program For A Child Raised By Grandparent. The rulemaking sets forth the applicant eligibility requirements, program procedures and institutional procedures.
- 6) Published studies or reports, and sources of underlying data, used to compose this rulemaking: Public Act 94-968, effective June 30, 2006
- 7) Will this rulemaking replace any emergency rulemaking currently in effect? No
- 8) Does this rulemaking contain an automatic repeal date? No
- 9) Does this rulemaking contain incorporations by reference? No
- 10) Are there any other proposed rulemakings pending on this Part? No
- 11) Statement of Statewide Policy Objective: This rulemaking does not create or expand a State mandate as defined in Section 3(b) of the State Mandates Act [30 ILCS 805/3(b)] and does not necessitate a local government to establish, expand or modify its activities in such a way as to necessitate additional expenditures from local revenues.
- 12) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: Interested parties may submit comments in writing within 45 days after publication to:

Lynn Hynes
Agency Rules Coordinator

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF PROPOSED RULES

Illinois Student Assistance Commission
1755 Lake Cook Road
Deerfield IL 60015

(847) 948-8500, ext. 3304
email: lhynes@sac.org

- 13) 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
- 14) Regulatory Agenda on which this rulemaking was summarized: January 2007

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

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF PROPOSED RULES

TITLE 23: EDUCATION AND CULTURAL RESOURCES
SUBTITLE A: EDUCATION
CHAPTER XIX: ILLINOIS STUDENT ASSISTANCE COMMISSIONPART 2738
GRANT PROGRAM FOR A CHILD RAISED BY GRANDPARENT

Section

2738.10	Summary and Purpose
2738.20	Applicant Eligibility
2738.30	Program Procedures
2738.40	Institutional Procedures

AUTHORITY: Implementing Section 65.75 and authorized by Section 20(f) of the Higher Education Student Assistance Act [110 ILCS 947/65.75 and 20(f)].

SOURCE: Adopted at 31 Ill. Reg. _____, effective _____.

Section 2738.10 Summary and Purpose

- a) The Grant Program for a Child Raised by Grandparent provides financial assistance to individuals who have been in the legal custody of their grandparents and received public assistance under the Illinois Public Aid Code.
- b) This Part governs the Grant Program for a Child Raised by Grandparent. Additional rules and definitions are contained in General Provisions (23 Ill. Adm. Code 2700).

Section 2738.20 Applicant Eligibility

- a) A qualified applicant shall be:
 - 1) a resident of Illinois;
 - 2) a United States citizen or eligible noncitizen;
 - 3) in the legal custody of his or her grandparents and received public assistance under the Illinois Public Aid Code for at least 12 consecutive months preceding the initial application for assistance under this Part;

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- 4) a high school graduate with a cumulative grade point average of at least a 2.7 on a 4.0 scale or its equivalent and recommended for this grant by the principal or other appropriate administrative officer of his or her high school; and
 - 5) enrolled or plans to enroll on a full-time basis at an institution that is approved for participation in the Monetary Award Program (23 Ill. Adm. Code 2735).
- b) Renewal applicants shall meet all requirements in subsection (a), including:
- 1) to provide ISAC with certification from an authorized official at the student's institution of higher learning; and
 - 2) to have a cumulative grade point average of at least a 2.7 on a 4.0 scale or its equivalent.

Section 2738.30 Program Procedures

- a) All first-time applicants shall complete an application that includes biographical information regarding themselves and their grandparents.
 - 1) The applicant must have been in the legal custody of his or her grandparents and received public assistance under the Illinois Public Aid Code for the 12 consecutive months prior to the signature date on the application.
 - 2) Applicants must provide documentation of his or her eligibility according to Section 2730.20(a)(3).
- b) Renewal applicants shall complete an application each year assistance is requested.
- c) The application must be submitted between August 1 and May 30 of the academic year for which assistance is being requested.
- d) All applications are considered submitted as of the date on which they are received at ISAC's Deerfield office and are determined complete. If an application is incomplete, a correction notice will be sent to the applicant. The applicant will then have an opportunity to furnish the missing information.

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- e) Grants are applicable toward tuition and mandatory fees.
- f) In the event that funds are insufficient to make awards to all eligible applicants, ISAC will make award determinations based on the date that the completed application is received at the Deerfield office.
- g) Each applicant will be notified of the grant to be awarded. Applicants not receiving awards will be notified as well.
- h) Benefits are limited to full-time enrollment and will be awarded for 4 years of undergraduate study, unless the applicant fails to meet all qualifications of the program.
- i) ISAC pays grant funds directly to the institution of record in the name of the recipient.
- j) A recipient shall agree to notify ISAC, in writing, within 15 days after any change affecting his or her enrollment status, name or address.
- k) If a recipient withdraws from enrollment after the expiration of the tuition refund/withdrawal adjustment period, the recipient shall receive a grant for payment of tuition and mandatory fees incurred up to the term award, provided the institution's tuition refund policy indicates the recipient has incurred those charges.
- l) The \$1,000 award applies to any terms during the academic year.

Section 2738.40 Institutional Procedures

- a) The institution shall certify the applicant's award amount within the time frame requested by ISAC, which shall be no sooner than 30 days unless a more rapid response is necessary to expend appropriated funds prior to the end of the academic year.
- b) The institution shall determine the amount of each grant, which shall be the lesser of:
 - 1) \$1,000; or

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- 2) tuition and mandatory fees.
- c) Institutional packaging of assistance:
 - 1) If the recipient receives other assistance targeted specifically for tuition and mandatory fees, the combined assistance shall not exceed the total tuition and mandatory fee expenses incurred by the student. If it does, the institution shall reduce awards accordingly.
 - 2) Notwithstanding the provisions of other ISAC administered programs, the total amount of a student's gift assistance may not exceed the student's cost of attendance at that institution. Any excess gift assistance is considered an overaward and the institution is required to notify ISAC to reduce this grant or other gift assistance to prevent an overaward.
 - 3) If the recipient is eligible for assistance under MAP, the recipient may not be eligible for a full MAP grant because the Grant Program for a Child Raised by Grandparent must be factored into the financial aid package prior to receiving MAP gift assistance. The institution, however, may request a MAP grant to finance tuition and mandatory fee expenses not paid by this program.
- d) When submitting payment requests, the institution shall certify that the recipient meets the eligibility requirements.
- e) Within 30 days after and including the date of receiving payment, the institution shall credit the award toward the recipient's tuition and mandatory fee charges for the appropriate term.
- f) Award payments made in the name of one recipient cannot be applied to another recipient at the same institution. A refund of the payment must be submitted to ISAC and a supplemental request must be made and processed for the proper recipient.
- g) To provide sufficient time for processing and vouchering through the State Comptroller's Office in Springfield, all payment requests except for summer term must be received by ISAC no later than July 1. Summer term payment requests must be received no later than July 31.

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- 1) Heading of the Part: Nurse Educator Loan Repayment Program
- 2) Code Citation: 23 Ill. Adm. Code 2758
- 3)

<u>Section Numbers:</u>	<u>Proposed Action:</u>
2758.10	New Section
2758.20	New Section
2758.30	New Section
- 4) Statutory Authority: Implementing Section 10 and authorized by Sections 20(f) and 10 of the Higher Education Student Assistance Act [110 ILCS 947/10 and 20(f)].
- 5) A Complete Description of the Subjects and Issues Involved: This Part is being proposed to reflect the statutory changes contained in Public Act 94-1020, which created this new program. These proposed rules govern the administration of the new Nurse Educator Loan Repayment Program. The rulemaking sets forth the applicant eligibility requirements and program.
- 6) Published studies or reports, and sources of underlying data, used to compose this rulemaking: Public Act 94-1020, effective July 11, 2006
- 7) Will this rulemaking replace any emergency rulemaking currently in effect? No
- 8) Does this rulemaking contain an automatic repeal date? No
- 9) Does this rulemaking contain incorporations by reference? No
- 10) Are there any other proposed rulemakings pending on this Part? No
- 11) Statement of Statewide Policy Objectives: This rulemaking does not create or expand a State mandate as defined in Section 3(b) of the State Mandates Act [30 ILCS 805/3(b)] and does not necessitate a local government to establish, expand or modify its activities in such a way as to necessitate additional expenditures from local revenues.
- 12) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: Interested parties may submit comments in writing within 45 days after publication to:

Lynn Hynes
Agency Rules Coordinator

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF PROPOSED RULES

Illinois Student Assistance Commission
1755 Lake Cook Road
Deerfield IL 60015

847/948-8500, ext. 3304
email: lhynes@isac.org

- 13) 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
- 14) Regulatory Agenda on which this rulemaking was summarized: January 2007

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

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF PROPOSED RULES

TITLE 23: EDUCATION AND CULTURAL RESOURCES

SUBTITLE A: EDUCATION

CHAPTER XIX: ILLINOIS STUDENT ASSISTANCE COMMISSION

PART 2758

NURSE EDUCATOR LOAN REPAYMENT PROGRAM

Section

2758.10	Summary and Purpose
2758.20	Applicant Eligibility
2758.30	Program Procedures

AUTHORITY: Implementing Section 10 and authorized by Sections 20(f) and 10 of the Higher Education Student Assistance Act [110 ILCS 947/10 and 20(f)].

SOURCE: Adopted at 31 Ill. Reg. _____, effective _____.

Section 2758.10 Summary and Purpose

- a) Due to the shortage of nurses and the lack of instructors to staff courses teaching nursing in Illinois, an incentive program has been designed to encourage longevity and career change opportunities. The Nurse Educator Loan Repayment Program is intended to pay eligible loans to add an incentive to nurse educators in maintaining their teaching careers within the State of Illinois.
- b) This Part governs the Nurse Educator Loan Repayment Program. Additional rules and definitions are contained in General Provisions (23 Ill. Adm. Code 2700).

Section 2758.20 Applicant Eligibility

- a) A qualified applicant shall be:
 - 1) a resident of Illinois;
 - 2) a United States citizen or eligible noncitizen;
 - 3) a recipient who has worked as a nurse educator instructing practical or professional nurses in an approved Illinois institution for at least the past 12 consecutive months prior to the date of the application for the program;

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- 4) a borrower with an outstanding balance due on an eligible educational loan;
- 5) an applicant who is not in default on a federal guaranteed educational loan or owes a refund on a grant or scholarship program administered by ISAC; and
- 6) a nurse educator who meets licensing requirements of the Department of Financial and Professional Regulation.

Section 2758.30 Program Procedures

- a) Eligible educational loans include:
 - 1) Stafford Loans;
 - 2) Graduate PLUS Loans;
 - 3) consolidation loans;
 - 4) nursing student loans;
 - 5) Supplemental Loans for Students;
 - 6) alternative loans; and
 - 7) other types of government and institutional loans used for nursing education expenses.
- b) Non-eligible loans include:
 - 1) credit card payments;
 - 2) Parent PLUS Loans;
 - 3) loans that have been paid in full;
 - 4) loans obtained from family members or private institutions not administered by State and federal regulations for the purpose of lending;

ILLINOIS STUDENT ASSISTANCE COMMISSION

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- 5) any portion of a consolidated loan that is not the applicant's; and
 - 6) any loans that can be fully forgiven by a state or federal government or a lending institution through a comparable repayment or forgiveness program.
- c) All applicants must complete an ISAC application for the Nurse Educator Loan Repayment Program.
- 1) Applications are available at all Illinois approved institutions that have practical or professional nursing programs, ISAC's web site, and ISAC's Springfield, Deerfield and Chicago offices.
 - 2) If the application is incomplete, ISAC will notify the applicant, who will have an opportunity to furnish the missing information. The application will only be considered for processing as of the date the application is complete and received at ISAC's Deerfield office.
 - 3) Renewal applicants may be required to submit a history of prior awards in order to show program proceeds were used for eligible educational loans.
- d) Grant assistance under this program may be received for up to a maximum of 4 years.
- e) ISAC shall select the recipients from among qualified new applicants as well as those who filed timely renewal applications and have complied with the information in subsection (c).
- f) If funding is insufficient to pay all eligible applicants, awarding will be based on the date the complete application, with all required documentation, is received in ISAC's Deerfield office.
- g) The amount repaid is based on the borrower's remaining balance on eligible educational loans, not to exceed \$5,000 per year.
- h) Proceeds will be remitted directly to the holder of the loans to be repaid when the beneficiary designates ISAC as his or her disbursing agent for this purpose. Otherwise, the recipient is responsible for paying the holder.

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- i) The recipient and institution shall submit eligibility information for qualified and certified loans in sufficient time for ISAC to make payments each academic year the funds are awarded.
- j) If the loan holder receives an overpayment, the loan holder shall return the amount of the overage to ISAC. A supplemental request must be made and processed for the proper funds to be paid to another holder.
- k) When multiple loans are held, the institution shall distribute the payment to one loan until paid in full.
- l) When possible, each loan shall be paid in full before monies are distributed to another loan holder.
- m) The total number of grants awarded in a given fiscal year is contingent upon available funding.

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NOTICE OF PROPOSED AMENDMENT

- 1) Heading of the Part: State Scholar Program
- 2) Code Citation: 23 Ill. Adm. Code 2760
- 3)

<u>Section Number:</u> 2760.30	<u>Proposed Action:</u> Amendment
-----------------------------------	--------------------------------------
- 4) Statutory Authority: Implementing Section 25 and authorized by Section 20 (f) of the Higher Education Student Assistance Act [110 ILCS 947/25 and 20(f)].
- 5) A Complete Description of the Subjects and Issues Involved: ISAC annually reviews its rules in order to respond to market changes and client suggestions, to implement State and federal statutory amendments, to codify improvements due to technological advances, and to clarify issues that have arisen during the previous year. We also are continuing an initiative to increase the level of standardization in procedures, format and terminology throughout our programmatic rules, in order to make them easier for our clients to use. In addition to making minor technical and grammatical changes throughout this Part, ISAC proposes the following substantive amendments:

Section 2760.30(a) has been amended, as some high schools are no longer providing class rank with transcripts for students' college admission. To accommodate those situations for the purposes of this program, language has been added that allows ISAC to assign a rank based on the Grade Point Averages reported by the high school.
- 6) Published studies or reports, and sources of underlying data, used to compose this rulemaking: None
- 7) Will this rulemaking replace any emergency rulemaking currently in effect? No
- 8) Does this rulemaking contain an automatic repeal date? No
- 9) Does this rulemaking contain incorporations by reference? No
- 10) Are there any other proposed rulemakings pending on this Part? No
- 11) Statement of Statewide Policy Objective: This rulemaking does not create or expand a state mandate as defined in Section 3(b) of the State Mandates Act [30 ILCS 805/3(b)] and does not necessitate a local government to establish, expand or modify its activities in such a way as to necessitate additional expenditures from local revenues.

ILLINOIS STUDENT ASSISTANCE COMMISSION

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- 12) Time, Place, and Manner in which interested persons may comment on this proposed rulemaking: Persons who wish to comment on this proposed rulemaking may submit written comments no later than 45 days after the publication of this Notice to:

Lynn Hynes
Agency Rules Coordinator
Illinois Student Assistance Commission
1755 Lake Cook Road
Deerfield IL 60015

(847) 948-8500, ext. 3304
email: lhynes@isac.org

- 13) 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
- 14) Regulatory Agenda on which this rulemaking was summarized: January 2007

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

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF PROPOSED AMENDMENT

TITLE 23: EDUCATION AND CULTURAL RESOURCES
SUBTITLE A: EDUCATION
CHAPTER XIX: ILLINOIS STUDENT ASSISTANCE COMMISSIONPART 2760
STATE SCHOLAR PROGRAM

Section	
2760.10	Summary and Purpose
2760.20	State Scholar Eligibility
2760.30	Program Procedures

AUTHORITY: Implementing Section 25 and authorized by Section 20(f) of the Higher Education Student Assistance Act [110 ILCS 947/25 and 20(f)].

SOURCE: Adopted at 3 Ill. Reg. 4, p. 38, effective January 26, 1979; amended at 4 Ill. Reg. 16, p. 118, effective April 7, 1980; rules repealed, new rules adopted at 5 Ill. Reg. 7251, effective June 26, 1981; amended at 6 Ill. Reg. 8413, effective June 30, 1982; codified at 7 Ill. Reg. 10878; amended at 9 Ill. Reg. 20877, effective January 1, 1986; amended at 11 Ill. Reg. 3242, effective January 29, 1987; amended at 11 Ill. Reg. 14137, effective August 10, 1987; amended at 13 Ill. Reg. 8654, effective July 1, 1989; transferred from Chapter IX, 23 Ill. Adm. Code 1760 (State Scholarship Commission) to Chapter XIX, 23 Ill. Adm. Code 2760 (Illinois Student Assistance Commission) pursuant to P.A. 86-168, effective July 1, 1989, at 13 Ill. Reg. 17868; amended at 14 Ill. Reg. 10589, effective July 1, 1990; amended at 16 Ill. Reg. 11321, effective July 1, 1992; amended at 17 Ill. Reg. 10624, effective July 1, 1993; amended at 18 Ill. Reg. 10346, effective July 1, 1994; amended at 19 Ill. Reg. 8395, effective July 1, 1995; amended at 20 Ill. Reg. 9251, effective July 1, 1996; Old Part repealed and New Part adopted at 21 Ill. Reg. 11222, effective July 18, 1997; amended at 22 Ill. Reg. 11170, effective July 1, 1998; amended at 24 Ill. Reg. 9201, effective July 1, 2000; amended at 29 Ill. Reg. 9928, effective July 1, 2005; amended at 31 Ill. Reg. _____, effective _____.

Section 2760.30 Program Procedures

- a) In order for its students to be considered for the State Scholar Program, a high school ~~is to must calculate and~~ provide to ISAC class ranks as of the third semester prior to graduation ~~for~~ students who desire to be considered for the Program. For high schools that cannot provide class ranks, non-weighted grade point averages as of the third semester prior to graduation must be provided.
- 1) Class ranks are ~~to be~~ calculated so that the class rank for the lowest grade point average (GPA) equals the total number of students being ranked.

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Example: Class Rank	GPA
1	99.3
2	98.9
2	98.9
4	98.1
5	97.9
5	97.9
7	97.4

- 2) The equivalent term rank shall be provided for students planning to graduate in other than the traditional four years (see Section 2760.20(b)).
- b) Test scores submitted in accordance with this Part shall be converted to an Illinois Standard Test Score as follows:
- 1) The ACT Assessment Composite Score shall be the Illinois Standard Test Score.
- 2) SAT I critical reading and math scores shall be added, and then converted to the Illinois Standard Test Score using the table below.

Illinois Standard Test Score Table

Illinois Standard Test Score	SAT I Critical Reading + Math	ACT Composite
36	1590 to 1600	36
35	1570 to 1580	35
34	1540 to 1560	34
33	1510 to 1530	33
32	1480 to 1500	32
31	1450 to 1470	31
30	1420 to 1440	30
29	1380 to 1410	29
28	1340 to 1370	28
27	1310 to 1330	27
26	1270 to 1300	26
25	1240 to 1260	25

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24	1200 to 1230	24
23	1160 to 1190	23
22	1120 to 1150	22
21	1090 to 1110	21
20	1060 to 1080	20
19	1020 to 1050	19
18	980 to 1010	18
17	940 to 970	17
16	900 to 930	16
15	850 to 890	15
14	800 to 840	14
13	750 to 790	13
12	660 to 740	12
11	580 to 650	11
10	520 to 570	10
9	460 to 510	9
8	400 to 450	8

c) High school class ranks submitted in accordance with this Part shall be converted to an Illinois Standard Rank Score as follows:

- 1) First, determine the percentile of the class rank for each student in accordance with the following formula:

Percentile = [Size of Class MINUS (Rank in Class minus .5)] divided by
Size of Class

- 2) Then, use the table below to convert a percentile class rank to the Illinois Standard Rank Score.

Percentile	Illinois Standard Rank Score
99.75 - 99.99	30
99.54 - 99.74	29
99.19 - 99.53	28
98.62 - 99.18	27
97.73 - 98.61	26
96.42 - 97.72	25
94.53 - 96.41	24
91.93 - 94.52	23
88.50 - 91.92	22

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84.14 - 88.49	21
78.82 - 84.13	20
72.58 - 78.81	19
65.55 - 72.57	18
57.94 - 65.54	17
50.00 - 57.93	16

- d) An Illinois Weighted Selection Score for each student shall be computed by adding the Illinois Standard Test Score to the Illinois Standard Rank Score.
- e) In any academic year, the number of State Scholars is approximately equal to ten percent of the estimated total number of Illinois high school graduates. ISAC annually establishes a minimum Weighted Selection Score to yield this result.
- f) Notwithstanding the previous provisions in this Section, any student nominated by his or her school shall be designated a State Scholar if that student achieves a score at or above the 95th percentile on the ACT Assessment examination, or the equivalent thereof on a comparable examination, regardless of that student's class rank.
- g) A Certificate of Achievement and congratulatory letter are issued for each State Scholar.
- h) A listing of State Scholars shall be available upon request to colleges, members of the General Assembly and to the media.
- i) Mailing labels of State Scholars' names shall be available, at cost, to Illinois colleges, universities and associations of Illinois colleges. Payment must be received by ISAC at the time the mailing labels are ordered. Requestors of labels shall provide written assurance to ISAC that the labels will not be resold or released to others in any manner.
- j) High school officials or student candidates shall have a period of 60 days following the announcement of the State Scholars to appeal a student's status. (See: 23 Ill. Adm. Code 2700.70, Appeal Procedures.)
- k) If an appeal concerning an applicant's eligibility is received, ISAC shall request the high school verify the reported data. If the conflict remains, ISAC shall conduct an audit of the high school's records in accordance with 23 Ill. Adm. Code 2700.60.

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(Source: Amended at 31 Ill. Reg. _____, effective _____)

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF PROPOSED REPEALER

- 1) Heading of the Part: Christa McAuliffe Fellowship Program
- 2) Code Citation: 23 Ill. Adm. Code 2766
- 3)

<u>Section Numbers:</u>	<u>Proposed Action:</u>
2766.10	Repeal
2766.20	Repeal
2766.30	Repeal
2766.40	Repeal
- 4) Statutory Authority: Implementing Section 65.60 of the Higher Education Student Assistance Act [110 ILCS 947/65.60] and Title V, Part C, Subpart 2 of the Higher Education Act of 1965, as amended (20 U.S.C. 1107) and authorized by Section 20(f) of the Higher Education Student Assistance Act [110 ILCS 947/20(f)].
- 5) A Complete Description of the Subjects and Issues Involved: Statute 105 ILCS 5/30-14.8 states the General Assembly finds that the Christa McAuliffe Federal Fellowship is an award expressly and exclusively for the benefit of one or more elementary or secondary teachers, provides funding for a sabbatical for the recipient of the fellowship, and has no express relationship to post-secondary educational benefits under State and federal grant and loan programs administered by the Illinois Student Assistance Commission (ISAC). ISAC has not administered the program since the early 1990's, therefore, the administrative rules for this program are being repealed.
- 6) Published studies or reports, and sources of underlying data, used to compose this rulemaking: 105 ILCS 5/30-14.8
- 7) Will this repealer replace any emergency rulemaking currently in effect? No
- 8) Does this repealer contain an automatic repeal date? No
- 9) Does this repealer contain incorporations by reference? No
- 10) Are there any other proposed rulemakings pending on this Part? No
- 11) Statement of Statewide Policy Objectives: This proposed repealer does not create or expand a State mandate as defined in Section 3(b) of the State Mandates Act [30 ILCS 805/3(b)] and does not necessitate a local government to establish, expand or modify its activities in such a way as to necessitate additional expenditures from local revenues.

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF PROPOSED REPEALER

- 12) Time, Place, and Manner in which interested persons may comment on this proposed repealer: Persons who wish to comment on this proposed repealer may submit written comments no later than 45 days after the publication of this Notice to:

Lynn Hynes
Agency Rules Coordinator
Illinois Student Assistance Commission
1755 Lake Cook Road
Deerfield, IL 60015

847/948-8500, ext. 3304
email: lhynes@isac.org

- 13) 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
- 14) Regulatory Agenda on which this rulemaking was summarized: January 2007

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

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF PROPOSED REPEALER

TITLE 23: EDUCATION AND CULTURAL RESOURCES
SUBTITLE A: EDUCATION
CHAPTER XIX: ILLINOIS STUDENT ASSISTANCE COMMISSION

PART 2766

CHRISTA MCAULIFFE FELLOWSHIP PROGRAM ([REPEALED](#))

Section

2766.10	Summary and Purpose
2766.20	Definitions
2766.30	Fellow Eligibility
2766.40	Program Procedures

AUTHORITY: Implementing Section 65.60 of the Higher Education Student Assistance Act [110 ILCS 947/65.60] and Title V, Part C, Subpart 2 of the Higher Education Act of 1965, as amended (20 U.S.C. 1107) and authorized by Section 20(f) of the Higher Education Student Assistance Act [110 ILCS 947/20(f)].

SOURCE: Adopted at 19 Ill. Reg. 8306, effective July 1, 1995; repealed at 31 Ill. Reg. _____, effective _____.

Section 2766.10 Summary and Purpose

- a) The Christa McAuliffe Fellowship Program is designed to reward excellence in teaching by encouraging outstanding teachers to continue their education, to develop innovative programs, to consult with or assist local school districts, private schools, or private school systems, and to engage in other educational activities that will improve the knowledge and skills of teachers and the education of students.
- b) Federal Regulations govern the responsibilities of the Illinois Student Assistance Commission (ISAC), Institutions, and Fellows. This Part implements ISAC's discretionary authority as the program administrator for the State of Illinois.
- c) Additional Rules and definitions are contained in the General Provisions Part at 23 Ill. Adm. Code 2700. Defined terms are indicated by the first letter being capitalized.

Section 2766.20 Definitions

ILLINOIS STUDENT ASSISTANCE COMMISSION

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"Federal Regulations" – Regulations promulgated by the U.S. Department of Education (ED) and codified at 34 CFR 237.

"Fellow" – An individual who receives fellowship assistance under this Part.

"Qualified Applicant" – An Applicant who meets the requirements of Section 2766.30, Fellow Eligibility.

Section 2766.30 Fellow Eligibility

- a) A completed application for a Christa McAuliffe Fellowship must be received in ISAC's Deerfield Office on or before January 15 preceding the Academic Year for which the fellowship is being requested.
- b) In addition to submitting an application on a timely basis, a Qualified Applicant must:
 - 1) be a United States Citizen, or Eligible Noncitizen;
 - 2) be a Resident of Illinois;
 - 3) have completed eight or more years as a full-time public or private elementary or secondary school teacher; and
 - 4) currently be a full-time teacher in a public or private elementary or secondary school.
- c) Applicants will be notified if they are not Qualified Applicants. A non-Qualified Applicant may appeal a finding of ineligibility in accordance with 23 Ill. Adm. Code 2700.70, Appeal Procedures.
- d) Applications shall include:
 - 1) A written narrative describing the proposed project to improve education for which the fellowship may be used, including:
 - A) sabbaticals for study or research directly associated with the purpose of this Fellowship Program, or academic improvement, including:

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- i) improving the teacher's knowledge base in an area of expertise, or learning a new area of expertise; and
 - ii) increasing skills and professional ability; and
 - iii) enhancing the ability of teachers to work with specialized populations, including gifted and talented children, limited-English proficient children, children with disabilities and economically and educationally disadvantaged children;
- B) consultation with or assistance to local school districts, private schools, or private school systems other than those with which the fellow is employed or associated;
 - C) development of special innovative programs;
 - D) projects or partnerships that involve the business community and the schools;
 - E) programs that incorporate the use and sharing of technologies to help students learn; or
 - F) expanding or replicating model programs of staff development.
- 2) A description of the Applicant's background, including:
 - A) educational background and experience;
 - B) educational leadership activities at local, state or national level;
 - C) educational presentations at the local, state or national level;
 - D) any professional publications; and
 - E) special honors, awards and recognitions (school, community, state or national level).
 - 3) Statements of recommendation from:
 - A) two of the Applicant's teaching peers;

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- B) the Applicant's principal; and
 - C) the Applicant's superintendent, regarding the quality of the proposal and its educational benefit.
- e) A Fellow may not receive an award for any two consecutive years.
 - f) A Fellow must return to a teaching position, in his or her place of employment prior to the fellowship award, for at least two years following completion of the fellowship. In the case of extenuating circumstances (e.g., temporary disability), a Fellow has a five-year period within which to complete this teaching requirement. (See 34 CFR 237.33(b).)
 - g) Each Fellow shall keep any records and submit any reports required by ED.
 - h) If the Fellow fails to carry out either the activities described in the application (see Section 2766.30(d)(1) of this Part), or the teaching requirement (see Section 2766.30(f)), the Fellow shall repay the funds received in an amount prorated to the amount of time for which either the fellowship or teaching activities were not completed. (See 34 CFR 237.34(b).)

Section 2766.40 Program Procedures

- a) Applications for the Christa McAuliffe Fellowship Program are available for distribution to teachers from: approved high schools in Illinois; offices of District and Regional Superintendents of Education in Illinois; and the offices of ISAC in Springfield, Chicago and Deerfield.
- b) ISAC shall accept applications for Christa McAuliffe Fellowships in accordance with Section 2766.30 of this Part, Fellow Eligibility.
- c) Applications will be considered for processing as of the dates they are received in ISAC's Deerfield office.
- d) From among timely applications, Qualified Applicants shall be identified.
- e) Fellow(s) shall be selected from among the highest scoring Qualified Applicants based upon the proposal submitted with the application and in accordance with the following criteria:

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- 1) Applicant's background. Information regarding the Applicant's background indicating a teacher with the skills and knowledge to complete the proposal submitted;
 - 2) Proposal Usage Areas and Educational Benefits. How well the proposal applies to one of the five statutory usage areas identified in Section 533(b) of the Higher Education Act of 1965, as amended (20 U.S.C. 1105b), and how well the overall proposal improves the knowledge and skills of teachers and the education of students;
 - 3) Recommendations. The Applicant's potential for successfully completing the fellowship, based upon the recommendations from the superintendent, principal and teacher peers;
 - 4) Budget. An analysis of whether the budget line item requests relate to the written proposal and whether the amounts appear realistic to accomplish the purposes of the proposal; and
 - 5) Overall Assessment. An assessment of the overall proposal as to its worth and funding for a fellowship.
- f) Each application will be read and scored and the winning Fellow(s) selected, based on his or her score and the available funding for the program for that year.
 - g) The total number of fellowships awarded in a given fiscal year is contingent upon available funding. A full fellowship shall be in an amount equal to the Fellow's annual salary at his or her current place of employment for the award period. If appropriated funds are insufficient to award a full fellowship, then ISAC may choose to offer a partial fellowship in the amount of available funds. In the event that a Fellow declines the offer of a fellowship award, then ISAC may offer the award to the next highest scoring Qualified Applicant.
 - h) The selected Fellow(s) will be informed of their selection by the April 15 preceding the Academic Year for which the fellowship was requested.
 - i) All other Qualified Applicants will be notified that they were not selected.
 - j) Federal funds are drawn down by the Illinois State Board of Education (ISBE) for disbursement by ISAC, which will issue payments to the Fellow's school district,

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in accordance with Federal Regulations.

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF PROPOSED AMENDMENT

- 1) Heading of the Part: Illinois Teachers and Child Care Providers Loan Repayment Program
- 2) Code Citation: 23 Ill. Adm. Code 2767
- 3) Section Number: 2767.30 Proposed Action: Amendment
- 4) Statutory Authority: Implementing Section 65.56 of the Higher Education Student Assistance Act [110 ILCS 947/65.56] and authorized by Sections 20(f) and 65.56 of the Higher Education Student Assistance Act [110 ILCS 947/20(f) and 65.56].
- 5) A Complete Description of the Subjects and Issues Involved: ISAC annually reviews its rules in order to respond to market changes and client suggestions, to implement State and federal statutory amendments, to codify improvements due to technological advances, and to clarify issues that have arisen during the previous year. We also are continuing an initiative to increase the level of standardization in procedures, format and terminology throughout our programmatic rules, in order to make them easier for our clients to use. In addition to making minor technical and grammatical changes throughout this Part, ISAC proposes the following substantive amendments:

Section 2767.30(c) has been amended to clarify that the borrower cannot receive an amount that is more than the remaining balance of his or her loan. Language has been added in Section 2767.30(d) to clarify that the borrower authorizes and designates ISAC to send funds directly to the holder of the loan.
- 6) Published studies or reports, and sources of underlying data, used to compose this rulemaking: None
- 7) Will this rulemaking replace any emergency rulemaking currently in effect? No
- 8) Does this rulemaking contain an automatic repeal date? No
- 9) Does this rulemaking contain incorporations by reference? No
- 10) Are there any other proposed rulemakings pending on this Part? No
- 11) Statement of Statewide Policy Objectives: This rulemaking does not create or expand a State mandate as defined in Section 3(b) of the State Mandates Act [30 ILCS 805/3(b)]

ILLINOIS STUDENT ASSISTANCE COMMISSION

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and does not necessitate a local government to establish, expand or modify its activities in such a way as to necessitate additional expenditures from local revenues.

- 12) Time, Place, and Manner in which interested persons may comment on this proposed rulemaking: Persons who wish to comment on this proposed rulemaking may submit written comments no later than 45 days after the publication of this Notice to:

Lynn Hynes
Agency Rules Coordinator
Illinois Student Assistance Commission
1755 Lake Cook Road
Deerfield, IL 60015

847/948-8500, ext. 3304
email: lhynes@isac.org

- 13) 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
- 14) Regulatory Agenda on which this rulemaking was summarized: January 2007

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

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF PROPOSED AMENDMENT

TITLE 23: EDUCATION AND CULTURAL RESOURCES
SUBTITLE A: EDUCATION
CHAPTER XIX: ILLINOIS STUDENT ASSISTANCE COMMISSION

PART 2767

ILLINOIS TEACHERS AND CHILD CARE PROVIDERS LOAN REPAYMENT PROGRAM

Section

- 2767.10 Summary and Purpose
- 2767.20 Applicant Eligibility
- 2767.30 Program Procedures

AUTHORITY: Implementing Section 65.56 of the Higher Education Student Assistance Act [110 ILCS 947/65.56] and authorized by Sections 20(f) and 65.56 of the Higher Education Student Assistance Act [110 ILCS 947/20(f) and 65.56].

SOURCE: Adopted at 27 Ill. Reg. 10413, effective July 1, 2003; amended at 31 Ill. Reg. _____, effective _____.

Section 2767.30 Program Procedures

- a) An applicant must complete and file an ISAC application for a Teacher Loan Repayment grant or Child Care Provider Loan Repayment grant and include documentation that he or she has had an educational loan forgiven under Section 428J or 428K of the HEA, and qualified for that loan forgiveness by virtue of service performed in Illinois.
- b) An applicant must apply for a grant under this Part within six months after receiving notification of loan forgiveness pursuant to Section 428J or 428K of the HEA.
- c) The amount repaid will be based on the borrower's outstanding balance not to exceed \$5,000. Payment will be made to the borrower based upon the lesser of:
 - 1) ~~The amount forgiven under Section 428J or 428K of the HEA; or~~
 - 2) \$5,000.

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- d) Proceeds will be remitted directly to the holder of the loans to be repaid when the beneficiary designates ISAC as his or her disbursing agent for this purpose. Otherwise, the recipient is responsible for paying the holder.
- e) The borrower may reapply each year that he or she receives a portion of his or her loans forgiven under Section 428K of the HEA, but no more than a total of \$5,000 may be awarded to an individual borrower.
- f) The total number of grants awarded in a given fiscal year is contingent upon available funding.
- g) If funding is insufficient to pay all eligible applicants, awarding will be based on the date the complete application, with all required documentation, is received in ISAC's Deerfield office.

(Source: Amended at 31 Ill. Reg. _____, effective _____)

TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS

NOTICE OF PROPOSED AMENDMENTS

- 1) Heading of the Part: The Administration and Operation of the Teachers' Retirement System
- 2) Code Citation: 80 Ill. Adm. Code 1650
- 3)

<u>Section Numbers</u> :	<u>Proposed Action</u> :
1650.320	Amend
1650.485	New
1650.1205	Amend
- 4) Statutory Authority: Implementing and authorized by Article 16 [40 ILCS 5/16] and Article 1, Section 119 [40 ILCS 5/1-119] of the Illinois Pension Code.
- 5) A Complete Description of the Subjects and Issues Involved: Section 1650.320 creates a new category of creditable service to allow TRS employers to temporarily absent an employee from his or her position to investigate allegations of wrong-doing and for the member to receive regular service credit if the allegations later are determined to be unfounded. Section 1650.485 establishes the first of the month as the billing date for the 30 day dispute and 90 interest grace period for purposes of 40 ILCS 5/16-158(f).
- 6) Published studies or reports, and sources of underlying data, used to compose this rulemaking: None
- 7) Will this rulemaking replace any emergency rulemaking currently in effect? No
- 8) Does this rulemaking contain an automatic repeal date? No
- 9) Does this rulemaking contain incorporations by reference? No
- 10) Are there any other proposed rulemakings pending on this Part? No
- 11) Statement of Statewide Policy Objectives: This rulemaking does not create or expand a State mandate as defined in Section 3(b) of the State Mandates Act [30 ILCS 805/3(b)].
- 12) Time, Place, and Manner in which interested persons may comment on this proposed rulemaking: Comments on the proposed amendments may be submitted in writing for a period of 45 days following publication of this Notice to:

Office of the General Counsel
Teachers' Retirement System

TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS

NOTICE OF PROPOSED AMENDMENTS

2815 West Washington,
P. O. Box 19253
Springfield, Illinois 62794-9253

(217) 753-0375

- 13) Initial Regulatory Flexibility Analysis: These rules will not affect small businesses.
- 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
- 14) Regulatory Agenda on which this rulemaking was summarized: January 2006

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

TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS

NOTICE OF PROPOSED AMENDMENTS

TITLE 80: PUBLIC OFFICIALS AND EMPLOYEES
SUBTITLE D: RETIREMENT SYSTEMS
CHAPTER III: TEACHERS' RETIREMENT SYSTEM OF
THE STATE OF ILLINOISPART 1650
THE ADMINISTRATION AND OPERATION OF THE
TEACHERS' RETIREMENT SYSTEM

SUBPART A: REPORTS BY BOARD OF TRUSTEES

Section
1650.10 Annual Financial Report (Repealed)

SUBPART B: BASIC RECORDS AND ACCOUNTS

Section
1650.110 Membership Records
1650.120 Claims Records (Repealed)
1650.130 Individual Accounts (Repealed)
1650.140 Ledger and Accounts Books (Repealed)
1650.150 Statistics (Repealed)
1650.160 Confidentiality of Records
1650.180 Filing and Payment Requirements
1650.181 Early Retirement Incentive Payment Requirements
1650.182 Waiver of Additional Amounts Due
1650.183 Definition of Employer's Normal Cost

SUBPART C: FILING OF CLAIMS

Section
1650.201 Disability Benefits – Application Procedure
1650.202 Disability and Occupational Disability Benefits – Definitions
1650.203 Disability Retirement Annuity – Definitions
1650.204 Gainful Employment – Consequences
1650.205 Medical Examinations and Investigation of Disability Claims
1650.206 Physician Certificates
1650.207 Disability Due to Pregnancy
1650.208 Disability Payments
1650.209 Computation of Annual Salary When Member Has Different Semester Salary

TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS

NOTICE OF PROPOSED AMENDMENTS

	Rates
1650.210	Claim Applications
1650.211	Disability Recipient Eligible to Receive an Age or Disability Retirement Annuity
1650.220	Reclassification of Disability Claim (Repealed)
1650.221	When Member Becomes Annuitant
1650.222	Death Out of Service
1650.230	Medical Examinations and Investigations of Claims (Repealed)
1650.240	Refunds; Impermissible Refunds; Canceled Service; Repayment
1650.250	Death Benefits
1650.260	Evidence of Age
1650.270	Reversionary Annuity – Evidence of Dependency
1650.271	Evidence of Parentage
1650.272	Eligible Child Dependent By Reason of a Physical or Mental Disability
1650.280	Evidence of Marriage
1650.290	Offsets

SUBPART D: MEMBERSHIP AND SERVICE CREDITS

Section	
1650.301	Early Retirement Without Discount – Return to Teaching from a Break in Service
1650.310	Effective Date of Membership
1650.320	Method of Calculating Service Credits
1650.325	Method of Calculating Service Credit for Recipients of a Disability Benefit or Occupational Disability Benefit
1650.330	Duplicate Service Credit
1650.335	Unreported Regular Service Credit and Earnings
1650.340	Service Credit for Leaves of Absence
1650.341	Service Credit for Involuntary Layoffs
1650.345	Service Credit for Periods Away From Teaching Due to Pregnancy
1650.346	Service Credit for Periods Away From Teaching Due to Adoption
1650.350	Service Credit for Unused Accumulated Sick Leave Upon Retirement
1650.351	Employer Contribution for Excess Sick Leave
1650.355	Purchase of Optional Service – Required Minimum Payment
1650.356	Payroll Deduction Program (Repealed)
1650.357	Employer Payment of Member's Optional Service and/or Upgrade Contribution Balance (Repealed)
1650.360	Settlement Agreements and Judgments
1650.370	Calculation of Average Salary (Renumbered)
1650.380	Definition of Actuarial Equivalent
1650.390	Independent Contractors

TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS

NOTICE OF PROPOSED AMENDMENTS

- 1650.391 Optional 2.2 Upgrade of Earned and Credited Service
1650.392 2.2 Upgrade of Optional Service Not Credited at Initial Upgrade

SUBPART E: CONTRIBUTION CREDITS AND PAYMENTS

Section

- 1650.410 Return of Contributions for Duplicate or Excess Service
1650.415 Return of Optional Increase in Retirement Annuity Contributions
1650.416 Optional Increase in Retirement Annuity – 1% Contribution Reduction
1650.420 Interest on Deficiencies (Repealed)
1650.430 Installment Payments (Repealed)
1650.440 Small Deficiencies, Credits or Death Benefit Payments
1650.450 Definition of Salary
1650.451 Reporting of Conditional Payments
1650.460 Calculation of Average Salary
1650.470 Rollover Distributions
1650.480 Rollovers to the System
1650.481 Employer Contribution Required for Salary Increases in Excess of 6%
1650.482 Contracts and Collective Bargaining Agreements – Loss of Exemption from Employer Contributions
1650.483 Employer Contributions for Salary Increases in Excess of 6% and Excess Sick Leave Exemption from Contributions
1650.484 Members Not Covered by Collective Bargaining Agreements or Employment Contracts
1650.485 Employer Contributions for Salary Increases in Excess of 6% - Receipt of Bill

SUBPART F: RULES GOVERNING ANNUITANTS AND BENEFICIARIES

Section

- 1650.505 Beneficiary (Repealed)
1650.510 Re-entry Into Service
1650.520 Suspension of Benefits
1650.530 Power of Attorney
1650.540 Conservators/Guardians
1650.550 Presumption of Death
1650.560 Benefits Payable on Death
1650.570 Survivors' Benefits
1650.571 Payment of Monthly Survivor Benefits to a Trust
1650.575 Full-time Student – Receipt of Survivors Benefits Until Age 22
1650.580 Evidence of Eligibility

TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS

NOTICE OF PROPOSED AMENDMENTS

- 1650.590 Comptroller Offset
1650.595 Overpayments

SUBPART G: ATTORNEY GENERALS' OPINION

- Section
1650.605 Policy of the Board Concerning Attorney Generals' Opinion (Repealed)

SUBPART H: ADMINISTRATIVE REVIEW

- Section
1650.610 Staff Responsibility
1650.620 Right of Appeal
1650.630 Form of Written Request
1650.635 Presiding Hearing Officer – Duties and Responsibilities
1650.640 Prehearing Procedure
1650.641 Claims Hearing Committee Hearing Packet
1650.650 Hearing Procedure
1650.660 Rules of Evidence (Repealed)

SUBPART I: AMENDMENTS TO BYLAWS AND RULES

- Section
1650.710 Amendments

SUBPART J: RULES OF ORDER

- Section
1650.810 Parliamentary Procedure

SUBPART K: FREEDOM OF INFORMATION ACT REQUESTS

- Section
1650.910 Summary and Purpose
1650.920 Definitions
1650.930 Submission of Requests
1650.940 Form and Content of FOIA Requests
1650.950 Appeal of a Denial
1650.960 Executive Director's Response to Appeal
1650.970 Response to FOIA Requests

TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS

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- 1650.980 Inspection of Records at System Office
- 1650.990 Copies of Public Records
- 1650.995 Materials Available Under Section 4 of FOIA

SUBPART L: BOARD ELECTION PROCEDURES

Section

- 1650.1000 Nomination of Candidates
- 1650.1001 Elections Date/Election Day – Defined
- 1650.1010 Petitions
- 1650.1020 Eligible Voters
- 1650.1030 Election Materials
- 1650.1040 Marking of Ballots
- 1650.1050 Return of Ballots
- 1650.1060 Observation of Ballot Counting
- 1650.1070 Certification of Ballot Counting
- 1650.1080 Challenges to Ballot Counting
- 1650.1090 Special Election to Fill Un-Expired Term of Elected Trustee

SUBPART M: QUALIFIED ILLINOIS DOMESTIC RELATIONS ORDERS

Section

- 1650.1110 Definitions
- 1650.1111 Requirements for a Valid Qualified Illinois Domestic Relations Order
- 1650.1112 Requirements for a Valid QILDRO Calculation Order
- 1650.1113 Required Forms
- 1650.1114 Filing a QILDRO or a Calculation Order with the System
- 1650.1115 Benefits Affected by a QILDRO
- 1650.1116 Effect of a Valid QILDRO
- 1650.1117 QILDROs Against Persons Who Became Members Prior to July 1, 1999
- 1650.1118 Alternate Payee's Address
- 1650.1119 Electing Form of Payment
- 1650.1120 Automatic Annual Increases
- 1650.1121 Reciprocal Systems QILDRO Policy Statement (Repealed)
- 1650.1122 Providing Benefit Information for Divorce Purposes
- 1650.1123 Suspension and Expiration of a QILDRO
- 1650.1124 Income Tax Reporting

SUBPART N: PAYROLL DEDUCTION PROGRAM

TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS

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Section

- 1650.1200 Payroll Deduction Program Guidelines
1650.1201 Employer Responsibility Under the Payroll Deduction Program Upon Execution of a Payroll Deduction Agreement
1650.1202 Payroll Deduction Agreements – Suspensions and Terminations
1650.1203 Payroll Deduction Program – Full Time Employment Defined
1650.1204 Payroll Deduction Program – Disability Defined
1650.1205 Employer Payment of Member's Optional Service, Refund and/or Upgrade Contribution Balance

SUBPART O: RETIRMENT BENEFITS

Section

- 1650.2900 Excess Benefit Arrangement

AUTHORITY: Implementing and authorized by Articles 1 and 16 of the Illinois Pension Code [40 ILCS 5/Arts. 1 and 16]; Freedom of Information Act [5 ILCS 140]; Internal Revenue Code (26 USC 1 et seq.); Section 5-15 of the Illinois Administrative Procedure Act [5 ILCS 100/5-15].

SOURCE: Filed June 20, 1958; emergency rules adopted at 2 Ill. Reg. 49, p. 249, effective November 29, 1978, for a maximum of 150 days; adopted at 3 Ill. Reg. 9, p. 1, effective March 3, 1979; codified at 8 Ill. Reg. 16350; amended at 9 Ill. Reg. 20885, effective December 17, 1985; amended at 12 Ill. Reg. 16896, effective October 3, 1988; amended at 14 Ill. Reg. 18305, effective October 29, 1990; amended at 15 Ill. Reg. 16731, effective November 5, 1991; amended at 17 Ill. Reg. 1631, effective January 22, 1993; amended at 18 Ill. Reg. 6349, effective April 15, 1994; emergency amendment at 18 Ill. Reg. 8949, effective May 24, 1994, for a maximum of 150 days; emergency modified at 18 Ill. Reg. 12880; amended at 18 Ill. Reg. 15154, effective September 27, 1994; amended at 20 Ill. Reg. 3118, effective February 5, 1996; emergency amendment at 21 Ill. Reg. 483, effective January 1, 1997, for a maximum of 150 days; amended at 21 Ill. Reg. 2422, effective January 31, 1997; amended at 21 Ill. Reg. 4844, effective March 27, 1997; emergency amendment at 21 Ill. Reg. 17159, effective December 9, 1997, for a maximum of 150 days; amended at 22 Ill. Reg. 7243, effective April 9, 1998; emergency amendment at 22 Ill. Reg. 7314, effective April 9, 1998, for a maximum of 150 days; emergency amendment at 22 Ill. Reg. 9374, effective May 14, 1998, for a maximum of 150 days; emergency rule modified in response to JCAR Objection at 22 Ill. Reg. 11640; emergency amendment at 22 Ill. Reg. 13151, effective June 29, 1998, for a maximum of 150 days; amended at 22 Ill. Reg. 15620, effective August 17, 1998; amended at 22 Ill. Reg. 19079, effective October 1, 1998; amended at 22 Ill. Reg. 22090, effective December 1, 1998; amended at 23 Ill. Reg. 3079, effective February 23, 1999; amended at 24 Ill. Reg. 2440, effective January 27, 2000; amended at 24 Ill. Reg. 10300, effective June 26, 2000; amended at 25 Ill. Reg. 203,

TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS

NOTICE OF PROPOSED AMENDMENTS

effective December 22, 2000; amended at 26 Ill. Reg. 2758, effective February 11, 2002; amended at 26 Ill. Reg. 11476, effective July 11, 2002; amended at 27 Ill. Reg. 1668, effective January 17, 2003; amended at 27 Ill. Reg. 9209, effective May 28, 2003; amended at 28 Ill. Reg. 10055, effective June 29, 2004; amended at 29 Ill. Reg. 1546, effective January 14, 2005; amended at 29 Ill. Reg. 13244, effective August 9, 2005; amended at 30 Ill. Reg. 194, effective December 23, 2005; amended at 30 Ill. Reg. 472, effective December 21, 2005; amended at 30 Ill. Reg. 11728, effective June 23, 2006; amended at 30 Ill. Reg. 17525, effective October 18, 2006; amended at 31 Ill. Reg. _____, effective _____.

SUBPART D: MEMBERSHIP AND SERVICE CREDITS

Section 1650.320 Method of Calculating Service Credits

- a) No more than one year's service credit shall be granted for total service rendered between July 1 of one year through June 30 of the following year.
- b) If the service rendered on a full-time basis, substitute basis, or part-time basis after June 30, 1990 is less than 170 days between July 1 of one year through June 30 of the following year, then credit for service shall be at a ratio of the actual number of days of service to 170 days.
- c) Service credit for service rendered on a permanent and continuous part-time basis prior to July 1, 1990, between July 1 of one year through June 30 of the following year, shall be at the ratio of creditable earnings to the annual salary rate. Provided, however, that for service after June 30, 1959, if such ratio equals or exceeds the ratio of 170 days to the days in the legal school term, one year of service credit shall be granted.
- d) If service prior to July 1, 1990 is rendered partially on a full-time basis and partially on a permanent and continuous part-time basis between July 1 of one year through June 30 of the following year, then credit for service shall be at the ratio of creditable earnings to the annual salary rate. Provided, however, that for service after June 30, 1959, if such ratio equals or exceeds the ratio of 170 days to the days in the legal school term, one year of service credit shall be granted.
- e) Whenever the actual number of days of service is unavailable because of lack of employer records, the number of days the System uses to grant service credit shall be equal to the actual number of hours for which the member was paid, divided by four.

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- f) Days of service shall include any weekday, Monday through Friday, for which periodic payment is made to the member for:
- 1) Service rendered which requires teacher certification under the School Code;
 - 2) Attendance, during the work week, at teacher's institutes, workshops and parent/teacher conferences scheduled in the school calendar;
 - 3) Legal school holidays;
 - 4) Vacation, sick or personal leave days (except when such payment is for severance pay);
 - 5) Sabbatical leaves meeting the requirements of Section 24-6.1 of the School Code [105 ILCS 5/24-6.1]; or
 - 6) Suspension.
 - 7) **Administrative absence defined as an absence from duty administratively authorized for investigative purposes without the loss of pay and benefits and without charge to leave.**
- g) A day of service may be credited for Saturday service if such day would otherwise qualify as a day of service and the service was required due to a lawful day of attendance.
- h) Days of service do not include days for which the member was paid while on a board-approved leave of absence. However, the member may be eligible to purchase optional service credit under the provisions of Section 1650.340.

(Source: Amended at 31 Ill. Reg. _____, effective _____)

SUBPART E: CONTRIBUTION CREDITS AND PAYMENTS

Section 1650.485 Employer Contributions for Salary Increases in Excess of 6% - Receipt of Bill

For purposes of determining the 30 day period to dispute the amount of a bill for an employer contribution for salary increases in excess of 6% and the 90 day interest grace period provided in

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40 ILCS 5/16-158(f), an employer shall be deemed to have received a bill for employer contributions on the first day of the month following the bill date indicated on the bill.

(Source: Added at 31 Ill. Reg. _____, effective _____)

SUBPART N: PAYROLL DEDUCTION PROGRAM

Section 1650.1205 Employer Payment of Member's Optional Service, Refund and/or Upgrade Contribution Balance

- a) Once per school year, an employer may make a payment toward a member's 2.2 upgrade, optional service and/or refund balance, provided the member has not commenced participation in a payroll deduction agreement to purchase the same service credit or upgrade, unless the authorization for the pick up is made by the ~~employer~~~~employee~~ prior to the date on which the payroll deduction agreement becomes irrevocable.
- b) The employer contribution under this option may be picked up pursuant to ~~section~~~~Section~~ 414(h)(2) of the Internal Revenue Code of 1986, as amended (26 USC 414(h)(2)), or paid on an after-tax basis as certified by the employer.
- c) The employer shall certify to the System whether the payment being made is done so on a tax-deferred or after-tax basis by completing and returning the appropriate form with the payment.

(Source: Amended at 31 Ill. Reg. _____, effective _____)

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- 1) Heading of the Part: Medical Assistance Programs
- 2) Code Citation: 89 Ill. Adm. Code 120
- 3) Section Number: 120.500 Adopted Action:
Amendment
- 4) Statutory Authority: Section 12-13 of the Illinois Public Aid Code [305 ILCS 5/12-13]
- 5) Effective Date of Amendment: January 28, 2007
- 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 amendment, including any materials 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: September 15, 2006; 30 Ill. Reg. 14746
- 10) Has JCAR issued a Statement of Objection to this amendment? No
- 11) Differences Between Proposal and Final Version: Subsection (i)(2)(B) has been revised to read, "for persons meeting the screening requirement described in subsection (c)(2) of this Section, the month in which the applicant received the test or procedure that resulted in a diagnosis of breast or cervical cancer or one of the precancerous cervical conditions described in subsection (e) of this Section".
- 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 amendment currently in effect? Yes
- 14) Are there any other amendments pending on this Part? No
- 15) Summary and Purpose of Amendment: This amendment expands eligibility for medical assistance for persons having breast or cervical cancer to include individuals referred by any medical provider to an entity under contract with the Illinois Breast and Cervical Cancer Program.

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

Tamara Tanzillo Hoffman
Chief of Staff
Illinois Department of Healthcare and Family Services
201 South Grand Avenue East, 3rd Floor
Springfield IL 62763-0002

217/557-7157

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

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TITLE 89: SOCIAL SERVICES

CHAPTER I: DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES
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
120.14 Presumptive Eligibility for Children
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
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
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: MEDICARE PREMIUMS

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)

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- 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
120.520 SeniorCare (Repealed)
120.530 Home and Community Based Services Waivers for Medically Fragile, Technology Dependent, Disabled Persons Under Age 21
120.540 Illinois Healthy Women Program
- 120.TABLE A Value of a Life Estate and Remainder Interest
120.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

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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; preemptory 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 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

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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; 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;

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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 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; amended at 26 Ill. Reg. 16288, effective October 25, 2002; amended at 27 Ill. Reg. 4708, effective February 25, 2003; emergency amendment at 27 Ill. Reg. 10793, effective July 1, 2003, for a maximum of 150 days; amended at 27 Ill. Reg. 18609, effective November 26, 2003; amended at 28 Ill. Reg. 4701, effective March 3, 2004; amended at 28 Ill. Reg. 6139, effective April 1, 2004; emergency amendment at 28 Ill. Reg. 6610, effective April 19, 2004, for a

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maximum of 150 days; emergency amendment at 28 Ill. Reg. 7152, effective May 3, 2004, for a maximum of 150 days; amended at 28 Ill. Reg. 11149, effective August 1, 2004; emergency amendment at 28 Ill. Reg. 12921, effective September 1, 2004, for a maximum of 150 days; amended at 28 Ill. Reg. 13621, effective September 28, 2004; amended at 28 Ill. Reg. 13760, effective October 1, 2004; amended at 28 Ill. Reg. 14541, effective November 1, 2004; amended at 29 Ill. Reg. 820, effective January 1, 2005; amended at 29 Ill. Reg. 10195, effective June 30, 2005; amended at 29 Ill. Reg. 14939, effective September 30, 2005; emergency amendment at 30 Ill. Reg. 521, effective January 1, 2006, for a maximum of 150 days; amended at 30 Ill. Reg. 10314, effective May 26, 2006; emergency amendment at 30 Ill. Reg. 15029, effective September 1, 2006, for a maximum of 150 days; amended at 31 Ill. Reg. 2629, effective January 28, 2007.

SUBPART I: SPECIAL PROGRAMS

Section 120.500 Health Benefits for Persons with Breast or Cervical Cancer

- a) A person shall be eligible for medical assistance if the person meets the following eligibility requirements under Health Benefits for Persons with Breast or Cervical Cancer (BCC):
- 1) ~~Cooperates~~Cooperate in establishing eligibility as described in Section 120.308.
 - 2) ~~Meets~~Meet citizenship/immigration status as described in Section 120.310.
 - 3) ~~Meets~~Meet residency requirements as described in Section 120.311.
 - 4) ~~Assigns~~Assign rights to medical support and collection of payment as described in Section 120.319.
 - 5) ~~Furnishes~~Furnish a Social Security number as described in Section 120.327.
 - 6) ~~Is~~Be under the age of 65 years.
 - 7) ~~Has~~Have been screened for breast or cervical cancer under the National Breast and Cervical Cancer Early Detection Program (NBCCEDP) administered by the Illinois Department of Public Health (IDPH) as described in subsection (c) of this Section, and ~~has~~have been found to

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need treatment, as defined in subsection (d) of this Section, for breast or cervical cancer or a precancerous condition as defined in subsection (e) of this Section.

- 8) ~~Continues~~Continue to need treatment as defined in subsection (d) of this Section.
 - 9) ~~Is~~Be uninsured, that is, must not have creditable coverage, as defined under the Health Insurance Portability and Accountability Act, for breast or cervical cancer treatment.
- b) A person shall not be determined eligible for Health Benefits for Persons with Breast or Cervical Cancer:
- 1) if, upon screening by the Department, the person is found to be otherwise eligible for medical assistance under Section 120.11, 120.20 or 120.30 without a spenddown; or
 - 2) if the person is in a correctional facility pursuant to 42 CFR 435.1008.
- c) A person shall meet the screening requirement if:
- 1) the person's breast or cervical cancer screening was conducted within the scope of a grant, sub-grant or contract under the NBCCEDP administered by IDPH; or-
 - 2) beginning September 1, 2006, the person's diagnosis of breast or cervical cancer or precancerous cervical condition was confirmed by an entity receiving a grant, sub-grant or contract under the NBCCEDP administered by IDPH.
- d) A person shall be considered to need treatment if, in the opinion of the person's treating physician, the person requires therapy directed toward cure or palliation of breast or cervical cancer, including recurrent metastatic cancer that is a known or presumed complication of breast or cervical cancer and complications resulting from the treatment modalities themselves. Treatment includes diagnostic services that may be necessary to determine the extent and proper course of treatment. Persons who require only routine monitoring services (for example, pap smears or mammograms) are not considered to need treatment.

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- e) For the purposes of this Section, a precancerous condition means:
- 1) Cervical intraepithelial neoplasia, grade III (CIN III);
 - 2) Severe dysplasia of the cervix;
 - 3) High-grade squamous intraepithelial lesion (HGSIL); or
 - 4) Atypical glandular cells of undetermined significance (AGUS) with a suspicion of adenocarcinoma in situ.
- f) All ~~income and~~ assets shall be exempt from consideration in determining eligibility under this Section. |
- g) A person's eligibility for medical assistance under this Section shall be terminated when the person no longer meets the requirements of this Section.
- h) Application Process
- 1) The process of applying for medical assistance shall be initiated by the submission to the Department, by an entity designated by IDPH, of a statement certifying that a person meets the condition of eligibility described in subsection (a)(7) of this Section.
 - 2) The Department shall contact the person by telephone, mail or other appropriate means to complete an application.
 - 3) The application date shall be the date a signed application is received in the Department's central breast and cervical cancer eligibility unit.
 - 4) Application may be made by additional methods that the Department establishes.
 - 5) Applications shall meet all requirements found at 89 Ill. Adm. Code 110.10(a), (c), (e) and (i).
 - 6) A BCC application is only an application for Health Benefits for Persons with Breast or Cervical Cancer.
- i) Authorization of Medical Assistance Eligibility

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- 1) Eligibility will be effective no earlier than the third month before the month of application if the applicant ~~received medical services during that period and~~ would have been eligible if he or she had applied. In no case shall eligibility be effective prior to July 1, 2001, for persons meeting the screening requirement described in subsection (c)(1) of this Section, or prior to September 1, 2006, for persons meeting the screening requirement described in subsection (c)(2) of this Section.
- 2) ~~The applicant may choose to receive medical assistance for any of the three months prior to the month of application.~~
- 2)3) Eligibility can begin no earlier than the following:
 - A) for persons meeting the screening requirement described in subsection (c)(1) of this Section, the month in which the applicant was screened as described in subsection (a)(7) of this Section; or-
 - B) for persons meeting the screening requirement described in subsection (c)(2) of this Section, the month in which the applicant ~~received the test or procedure that resulted in a diagnosis of breast or cervical cancer or one of the precancerous cervical conditions~~ described in subsection (e) of this Section.
- j) Persons enrolled in Health Benefits for Persons with Breast or Cervical Cancer shall be exempt from Sections 102.210 and 102.230.
- k) Persons enrolled in Health Benefits for Persons with Breast or Cervical Cancer who enter a nursing facility must provide income information sufficient for the Department to calculate a group care credit, as established in Sections 120.40 and 120.60, except that assets shall not be counted. The Department will not pay for nursing facility services for any person who refuses to provide the required information.
- l) Persons applying for or enrolled in Health Benefits for Persons with Breast or Cervical Cancer shall be entitled to appeal rights as described at 89 Ill. Adm. Code 102.80-83.

(Source: Amended at 31 Ill. Reg. 2629, effective January 28, 2007)

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- 1) Heading of the Part: Veterans' Health Insurance Program
- 2) Code Citation: 89 Ill. Adm. Code 128
- 3)

<u>Section Numbers:</u>	<u>Adopted Action:</u>
128.100	New Section
128.110	New Section
128.200	New Section
128.210	New Section
128.220	New Section
128.230	New Section
128.240	New Section
128.250	New Section
128.260	New Section
128.300	New Section
128.310	New Section
128.320	New Section
128.330	New Section
128.340	New Section
128.350	New Section
- 4) Statutory Authority: Section 12-13 of the Illinois Public Aid Code [305 ILCS 5/12-13]
- 5) Effective Date of Rules: January 28, 2007
- 6) Does this rulemaking contain an automatic repeal date? No
- 7) Does this rulemaking contain incorporations by reference? No
- 8) A copy of the adopted rules, including any materials 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: September 15, 2006; 30 Ill. Reg. 14748
- 10) Has JCAR issued a Statement of Objection to this rulemaking? No
- 11) Differences Between Proposal and Final Version:
The following changes have been made between proposal and final version:

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In Section 128.100, added new text "When cost-effective, the Department may offer veterans subsidies toward the cost of privately sponsored health insurance, including employer-sponsored health insurance."

In Section 128.110, deleted "following" from the beginning sentence of the Definitions, added "Veterans" in the definitions of "Act" and "DVA", and deleted "who live" and added "living" in the definition of "Family". In the definition of "Veteran", added a comma after the word "military" and added an "s" to "Reserve", and deleted "any" from the "Health Insurance" definition.

In Section 128.200(a), added a comma after "benefits" and "rebates". In subsection (d), deleted "The veteran is at least 19 and is no more than 64 years of age; and", added "The veteran meets one of the following:", and added the additional text for (e)(1) through (e)(7).

In Section 128.220(a), added "Department", deleted "through one of the", added an "s" to "DVA", deleted "through either the", added ", or through the", deleted "or", and added ", or through a U.S. Veterans Administration facility. The Department may designate additional entities that may assist veterans to submit applications.". In subsection (b), added a comma after "110.10". In subsection (d), deleted "direct the DVA to".

In Section 128.240(b), added a comma after "benefits" and "rebates". In subsection (c), deleted "At the" and added "If fewer than 1,500 veterans are enrolled in the program by February 1, 2007, the Department may determine, at its sole discretion, that resources are available to raise this standard to 50 percent of the Federal Poverty Level plus the Veterans Administration Geographic Means Test threshold effective March 1, 2007.". Added new subsections (1) and (2), also.

In Section 128.250(a)(2), added a comma after the first "eligibility". In subsection (a)(5), added "a Department decision to" after the colon. In subsection (a)(5)(A), deleted "A Department decision to" and added "pursuant to 128.220(d)". In subsection (a)(5)(B) through (a)(5)(D), deleted "A Department decision to".

In Section 128.300, added a comma after "Act".

In Section 128.320(a), added "s" to "Co-payment", changed "and" to "or", and added "may be charged for services provided to a veteran by a health care provider as described in subsection (b), except for practitioner visits scheduled for family planning services.", and deleted "requirements are as follows:". Added new subsection "b) Co-payment and cost sharing requirements are as follows:". In Subsection (b)(1), "s" was added to "visit"

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and a comma was added after "\$15". In subsection (b)(2), added a semi-colon after "\$15"; in subsection (b)(3), "s" was added to "hospitalization" and a semi-colon was added after "stay"; in subsection (b)(4), "s" was added to "encounter" and a semi-colon replaced the period. In subsection (b)(5), "s" was added to "Visit" and a semi-colon was added after "\$50".

In Section 128.330(a), added new text and subsections to read, "must pay monthly premium as follows:

- 1) Veterans Care Premium Level I: \$40 per month.
- 2) Veterans Care Premium Level II: \$70 per month."

- 12) Have all the changes agreed upon by the agency and JCAR been made as indicated in the agreements issued by JCAR? Yes
- 13) Will this rulemaking replace any emergency rulemaking currently in effect? Yes
- 14) Are there any other amendments pending on this Part? No
- 15) Summary and Purpose of Rules: These rules implement the Veterans' Health Insurance Program Act under which eligible veterans of the U.S. Military who lack health insurance may be, by paying affordable co-payments and premiums, covered by affordable health insurance and prescription drug coverage.
- 16) Information and questions regarding these adopted amendments shall be directed to:

Tamara Tanzillo Hoffman
Chief of Staff
Illinois Department of Healthcare and Family Services
201 South Grand Avenue East, 3rd Floor
Springfield IL 62763-0002

217/557-7157

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

DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES

NOTICE OF ADOPTED RULES

TITLE 89: SOCIAL SERVICES

CHAPTER I: DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES

SUBCHAPTER b: ASSISTANCE PROGRAMS

PART 128

VETERANS' HEALTH INSURANCE PROGRAM

SUBPART A: GENERAL PROVISIONS

Section

128.100 General Description

128.110 Definitions

SUBPART B: GENERAL ELIGIBILITY AND ENROLLMENT

Section

128.200 Eligibility

128.210 Eligibility Exclusions and Terminations

128.220 Application Process

128.230 Determination of Monthly Countable Income

128.240 Eligibility Determination and Enrollment Process

128.250 Appeals

128.260 Renewals of Eligibility

128.300 Covered Services

128.310 Service Exclusions

128.320 Co-payments and Cost Sharing

128.330 Premium Requirements

128.340 Non-payment of Premium

128.350 Provider Reimbursement

AUTHORITY: The Veterans' Health Insurance Program Act [330 ILCS 125]

SOURCE: Emergency rule adopted at 30 Ill. Reg. 15044, effective September 1, 2006, for a maximum of 150 days; adopted at 31 Ill. Reg. 2643, effective January 28, 2007.

SUBPART A: GENERAL PROVISIONS

Section 128.100 General Description

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This Part implements the Veterans' Health Insurance Program Act [330 ILCS 125] that authorizes the Department to administer a program to offer uninsured veterans in Illinois access to health benefits. The Department coordinates with the Illinois Department of Veterans' Affairs to assist veterans to apply for the program. Eligible veterans are not eligible for Veterans Administration Healthcare or other State-administered health benefits. The Department shall provide health benefits coverage to eligible veterans through purchasing or providing health care benefits. When cost-effective, the Department may offer veterans subsidies toward the cost of privately sponsored health insurance, including employer-sponsored health insurance.

Section 128.110 Definitions

For the purpose of this Part, the terms shall be defined as follows:

"Act" means the Veterans' Health Insurance Program Act [330 ILCS 125].

"Department" means the Department of Healthcare and Family Services and any successor agencies.

"DVA" means the Illinois Department of Veterans Affairs.

"Family" means the veteran applying for the program and the following individuals living with the veteran who are counted in determining eligibility:

The spouse of the veteran

Children under 19 years of age of the veteran or the veteran's spouse

If the veteran or the spouse is pregnant, the unborn children.

"Federal Poverty Level" means the federal poverty income guidelines as established by the federal Department of Health and Human Services and published in the Federal Register.

"Health Insurance" means health insurance coverage as defined in 215 ILCS 105/2.

"Practitioner" means a physician (including a hospital billing a physician office visit), osteopath, podiatrist, optometrist, chiropractor, advanced practice nurse, Federally Qualified Health Center, Rural Health Clinic or Encounter Rate Clinic.

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"Program" means the program created under the Veterans' Health Insurance Program Act and this Part, commonly called Veterans Care.

"Resident" means an individual who has an Illinois residence, as provided in Section 5-3 of the Illinois Public Aid Code.

"Uninsured" means the person is not covered by group or individual health insurance that provides coverage for hospitalization and physician visits.

"Veteran" means an individual who served for at least 180 consecutive days after initial training in any branch of the U.S. military including the Reserves and National Guard. The veteran must not be currently on active duty in the U.S. military.

"Veterans Administration Geographic Means Test" means the income guidelines established by the U.S. Veterans Administration annually by county and published in the Federal Register for determining eligibility for Veterans Administration healthcare.

"Veterans Administration Healthcare" means any of the health programs or services provided or administered by the U.S. Department of Veterans Affairs.

"Veterans Care" means the common name for this program under the Act.

SUBPART B: GENERAL ELIGIBILITY AND ENROLLMENT

Section 128.200 Eligibility

A veteran may be eligible for Veterans Care provided that all of the following eligibility criteria are met:

- a) The veteran is not eligible for Veterans Administration healthcare, medical assistance under the Public Aid Code or benefits, including rebates, under the Children's Health Insurance Program Act;
- b) The veteran was not dishonorably discharged;
- c) The veteran is a resident of the State of Illinois;
- d) The veteran is at least 19 and is no more than 64 years of age; and

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- e) The veteran meets one of the following:
- 1) The veteran has been uninsured for at least six months;
 - 2) The veteran lost health insurance when the veteran's or the veteran's spouse's job ended within six months prior to applying under this Part;
 - 3) The veteran has exhausted the life-time benefit limit of his or her health insurance within six months prior to applying under this Part;
 - 4) The veteran's health insurance is purchased under the provisions of the Consolidated Omnibus Budget Reconciliation Act (COBRA);
 - 5) The veteran was disenrolled for medical assistance under the Public Aid Code or benefits, including rebates under the Children's Health Insurance Program Act, within six months prior to applying under this Part;
 - 6) The veteran has health insurance provided by the veteran's spouse but the veteran is unable to access such health insurance benefits;
 - 7) The veteran has post-active duty related TRICARE healthcare coverage.

Section 128.210 Eligibility Exclusions and Terminations

- a) A veteran shall not be determined eligible for Veterans Care if:
- 1) The veteran is an inmate of a public institution.
 - 2) The veteran is a resident of a nursing facility.
- b) A veteran's coverage under the program shall be terminated if the veteran:
- 1) Loses his or her Illinois residency.
 - 2) Attains 65 years of age.
 - 3) Becomes enrolled in Veterans Administration healthcare, medical assistance under the Public Aid Code or health benefits including rebates under the Children's Health Insurance Program Act.

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- 4) Meets the provisions of subsection (a) of this Section.
 - 5) Fails to pay the premium as specified in Section 128.330.
 - 6) Fails to report to the Department changes that affect eligibility for the program.
 - 7) Asks the Department to terminate the coverage.
 - 8) Is no longer eligible based on any other applicable State or federal law or regulation.
 - 9) Failed to provide eligibility information that was truthful and accurate to the best of the veteran's knowledge and belief and that affected the veteran's eligibility.
 - 10) Was incorrectly determined eligible.
 - 11) Fails to complete the redetermination of eligibility within the required timeframes or provide proof of on-going eligibility.
 - 12) Becomes covered by other health insurance.
- c) Following termination of a veteran's coverage under the program, the following action is required before the veteran can be re-enrolled:
- 1) A new application must be completed and the veteran must be determined otherwise eligible.
 - 2) There must be full payment of premiums due under this Part for periods in which a premium was owed and not paid.
 - 3) If the termination was the result of non-payment of premiums, the veteran is ineligible for the program for three months, starting with the first month of cancellation or termination from coverage, before becoming eligible for re-enrollment.

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- 4) If there was an unpaid premium from a previous coverage period, the unpaid premium, in addition to the first month's premium, must be paid before new coverage may begin.

Section 128.220 Application Process

- a) Veterans apply for the program by submitting the Veterans Care application to the Department, or through one of the DVA's Veterans Service Offices, through the Veterans Assistance Commission serving the veteran's community, or through a U.S. Veterans Administration facility in Illinois. The Department may designate additional entities that may assist veterans to submit applications.
- b) The application must meet all requirements found at 89 Ill. Adm. Code 110.10, including provisions regarding who may apply on behalf of the veteran.
- c) Applicants are obligated to provide truthful and accurate information for determining eligibility and to promptly report any change in information provided on the application.
- d) The Department may stop taking applications if that is necessary to maintain the cost of the program within the available funding.

Section 128.230 Determination of Monthly Countable Income

- a) The earned and unearned income of the following persons shall be counted when determining eligibility, except as specified in subsections (b) and (c) of this Section.
 - 1) Income of the veteran;
 - 2) Income of the veteran's spouse;
 - 3) Unearned income of a dependent child under the age of 18 years who is included in the income standard as set forth at 89 Ill. Adm. Code 120.20 because it is to the advantage of the veteran.
- b) Monthly unearned income shall be counted as described at 89 Ill. Adm. Code 120.330 through 120.345 and Sections 120.350, 120.355, 120.371 and 120.376. However, 89 Ill. Adm. Code 120.335(a) shall not apply.

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- c) Monthly earned income shall be considered as described at 89 Ill. Adm. Code 120.360, 120.361, 120.371, 120.372, 120.373 and 120.375.

Section 128.240 Eligibility Determination and Enrollment Process

- a) The applicant's military discharge status, time spent in active duty, health insurance status and eligibility for Veterans Administration healthcare will be reviewed first.
- b) For the purpose of determining eligibility under this Part, applicants who are not found ineligible under subsection (a) of this Section will be screened for eligibility for medical assistance under the Public Aid Code or health benefits, including rebates, under the Children's Health Insurance Program Act. Veterans who are likely to be eligible for these other programs will be directed to apply for them. Veterans may be enrolled under this Part while an application for coverage under another program is pending.
- c) If the monthly countable income is below the Veterans Care income standard, the application will be approved if all other factors of eligibility are met. The Veterans Care income standard is 25% of the Federal Poverty Level plus the Veterans Administration Geographic Means Test threshold. If fewer than 1,500 veterans are enrolled in the program by February 1, 2007, the Department may determine, at its sole discretion, that resources are available to raise this standard to 50 percent of the Federal Poverty Level plus the Veterans Administration Geographic Means Test threshold effective March 1, 2007.
 - 1) If the veteran's income is equal to or less than 25 percent of the Federal Poverty Level plus the Veterans Administration Geographic Means Test threshold, the veteran shall be enrolled in Veterans Care Premium Level I.
 - 2) If the veteran's income is more than 25 percent of the Federal Poverty Level plus the Veterans Administration Geographic Means Test threshold and equal to or less than 50 percent of the Federal Poverty Level plus the Veterans Administration Geographic Means Test threshold, the veteran shall be enrolled in Veterans Care Premium Level II.
- d) Applicants will be notified, in writing, regarding the outcome of their eligibility determination.

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- e) Eligibility determinations for the program made by the 10th day of a month will be effective the first day of the following month. Eligibility determinations for the program made after the 10th day of a month will be effective no later than the first day of the second month following that determination.
- f) The duration of eligibility for the program will be 12 months unless one of the events described in Section 128.210(b) occurs or the Department shortens the enrollment period to maintain program spending within available funding.
- g) Veterans may obtain backdated medical coverage for the month of application plus up to three months prior to the month of application but no earlier than the beginning of the program on September 1, 2006. This coverage shall be subject to the veteran paying the premiums for the months of backdated coverage requested. The veteran may choose the month for which backdated coverage will begin. Backdated months of coverage shall be consecutive beginning with the initial month of backdated coverage requested.
- h) At the sole discretion of the Department, the Department may reduce the income threshold established in subsection (c) of this Section if necessary to keep the cost of the program within available funding.

Section 128.250 Appeals

- a) Any person who applies for or receives benefits 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 redetermination of eligibility, including denial based on failure to meet one or more of the eligibility requirements specified in this Part. No eligibility exists during the appeal process. If the appeal is upheld, the veteran will have the opportunity to receive coverage back to the original application date, including possible backdated months or the cancellation month. All premium and co-payment 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. If the termination is not upheld on appeal, coverage under the Program shall be reinstated

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retroactive to the termination date. All premium and co-payment requirements shall apply to any retroactive period. The veteran may choose coverage for all or some of the months during the appeal process as long as the retroactive months are consecutive to the new initial month of regular eligibility.

- 4) Determination of the amount of the premium or co-payments required. Any premium or co-payment requirements shall remain in force during the appeal process.
- 5) Individuals or their representatives do not have the right to appeal Department decisions necessary to keep the cost of the program within the annual appropriations, such as a Department decision to:
 - A) cease accepting applications pursuant to Section 128.220(d).
 - B) increase premium levels for all individuals within an income range.
 - C) require more frequent redeterminations of eligibility.
 - D) increase the income standard.
- b) In addition to the actions that are appealable under subsection (a) of this Section, individuals 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) Individuals may initiate the appeal process by:
 - 1) Filing a written, signed request for a hearing directed to the Department's Bureau of Administrative Hearings;
 - 2) Calling a toll free telephone number designated by the Department.

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- d) The request for a hearing may be filed by the individual affected by the action or by the individual's authorized representative.
- e) 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.
- f) The request for a hearing must be filed no later than 60 days after notice of the appealable action has been given.
- g) 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.
- h) An individual can, prior to a decision being rendered on the appeal, reapply for the Program.

Section 128.260 Renewals of Eligibility

- a) Eligibility shall be reviewed at least annually.
- b) Prior to the eligibility period ending, and in sufficient time for the veteran to respond to the Department's request for information, the Department or its designee will send an annual renewal notice to the veteran.
- c) Renewals shall be subject to all eligibility requirements and exclusions set forth in Sections 128.200 and 128.210(a).
- d) The Department may require renewal of eligibility more frequently than annually if necessary to keep spending within available funding.

Section 128.300 Covered Services

Covered health care services shall be the same as covered services for adults described in the State's approved plan under Title XIX of the Social Security Act, except as provided in Section 128.310.

Section 128.310 Service Exclusions

The following health care services shall not be covered under this Part.

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- a) Non-emergency medical transportation.
- b) Nursing facility services.

Section 128.320 Co-payments and Cost Sharing

- a) Co-payments or cost sharing may be charged for services provided to a veteran by a health care provider as described in subsection (b), except for practitioner visits scheduled for family planning services.
- b) Co-payment and cost sharing requirements are as follows:
 - 1) Practitioner office visits, \$15;
 - 2) Dental visits, \$15;
 - 3) Inpatient hospitalizations, \$150 per hospital stay;
 - 4) Hospital or Ambulatory Surgical Treatment Center outpatient encounters with a payable service on the Ambulatory Procedure List as set forth at 89 Ill. Adm. Code 148.140(b), 10 percent of the Department rate as set forth in Section 128.350(c);
 - 5) Hospital Emergency Visits, \$50;
 - 6) Prescription drugs, \$6 for a 1- to 30-day supply of generic drugs or \$14 for a 1- to 30-day supply of brand name drugs.
- c) Providers are responsible for collecting co-payments.
- d) Providers may elect not to charge co-payments. If co-payments are charged, the co-payment may not exceed the amounts established in this Section.

Section 128.330 Premium Requirements

- a) Veterans enrolled in Veterans Care must pay a monthly premium as follows:
 - 1) Veterans Care Premium Level I: \$40 per month.
 - 2) Veterans Care Premium Level II: \$70 per month.

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- b) No premium is charged for the first two months of prospective eligibility for first-time participants whose initial month of coverage, not counting backdated months, begins prior to January 1, 2008.
- c) Premiums are billed by and payable to the Department, or its authorized agent, on a monthly basis.
- d) The premium due date is the 20th day of the month preceding the month of coverage.
- e) The premium may increase during the eligibility period if the Department makes a decision to increase premiums to keep the Program costs within available funding.
- f) Premiums for backdated months must be received by the 90th day after the date of eligibility determination. Coverage for backdated months is not provided if the payment is not received by the due date.

Section 128.340 Non-payment of Premium

- a) For initial coverage, veterans will have a grace period through the end of the month preceding the third month of coverage to pay the premium. For subsequent months, veterans will have a grace period of one month following the month in which the premium was due to pay the premium.
- b) Failure to pay the full monthly premium by the last day of the grace period will result in termination of coverage.
- c) Partial premium payments will not be refunded.
- d) When termination of coverage is recorded by the 10th day of the month, it will be effective the first day of the following month. When termination of coverage is recorded after the 10th day of the month, it will be effective no later than the first day of the second month following.

Section 128.350 Provider Reimbursement

- a) Provider participation under this Part shall be subject to enrollment with and approval by the Department to provide health care under 89 Ill. Adm. Code 140.11 and 140.12.

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- b) Provider participation under this Part shall be voluntary.
- c) Providers under this Part shall be reimbursed in accordance with the established rates of the Department or other appropriate State agency as set forth in 89 Ill. Adm. Code 140, 143, 144, 148, 149, 152, and 153; 52 Ill. Adm. Code 132; and 77 Ill. Adm. Code 2090 less co-payments or cost sharing as specified in Section 128.320 regardless of whether the patient share is collected.
- d) Providers under this Part shall be prohibited from billing veterans covered under Veterans Care for any difference between the charge amount and the amount paid by the Department other than the co-payment amounts specified in Section 128.320.
- e) Providers shall be responsible for refunding to the veteran co-payments collected in excess of the amounts permitted by this Part.

HEALTH FACILITIES PLANNING BOARD

NOTICE OF ADOPTED RULES

- 1) Heading of the Part: Hospital Basic Services Preservation Code
- 2) Code Citation: 77 Ill. Adm. Code 1270
- 3)

<u>Section Numbers:</u>	<u>Adopted Action:</u>
1270.100	New
1270.200	New
1270.300	New
1270.400	New
1270.500	New
1270.600	New
- 4) Statutory Authority: Implementing and authorized by the Hospital Basic Services Preservation Act [20 ILCS 4050]
- 5) Effective Date of Rulemaking: January 23, 2007
- 6) Does this rulemaking contain an automatic repeal date? No
- 7) Does this rulemaking contain incorporations by reference? No
- 8) A copy of the adopted rules, including any material incorporated by reference, is on file in the agency's principal office and is available for public inspection.
- 9) Notice of Proposed Rules Published in Illinois Register: September 8, 2006; 30 Ill. Reg. 14441
- 10) Has JCAR issued a Statement of Objection to these rules? No
- 11) Differences between proposal and final version: The following changes were made in response to comments received during the First Notice or public comment period:

In response to public comment received from the Illinois Hospital Association during the public comment period, the following revision was made in Section 1270.400(f):

"All applications shall be reviewed by staff within 30-45 days after the date the application is declared complete, unless the review period is formally extended."

HEALTH FACILITIES PLANNING BOARD

NOTICE OF ADOPTED RULES

The following changes were made in response to comments and suggestions of JCAR in Section 1270.400(f)

"All applications shall be reviewed by staff within 30 days after the date the application is declared complete, unless the review period is formally extended by the applicant or HFPB."

In addition, various typographical, grammatical, and form changes were made in response to the comments from JCAR.

- 12) Have all the changes agreed upon by the agency and JCAR been made as indicated in the agreements issued by JCAR? Yes
- 13) Will this rulemaking replace any emergency rulemaking currently in effect? No
- 14) Are there any amendments pending on this Part? No
- 15) Summary and Purpose of Rulemaking: These rules implement the Hospital Basic Services Preservation Act [20 ILCS 4050] (the Act). The Act created in the State Treasury the Hospital Basic Services Preservation Fund, which is administered by the State Treasurer to collateralize loans from financial institutions for capital projects necessary to maintain certain basic services required for the efficient and effective operation of essential community hospital providers who otherwise may not be able to meet financial institution credit standards for issuance of a standard commercial loan.

The Fund consists of all public and private moneys donated or transferred to the Fund for the purpose of enabling essential community hospitals to continue to provide basic quality health care services that are subject to, and meet standards of need under, the Health Facilities Planning Act.

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

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

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

HEALTH FACILITIES PLANNING BOARD

NOTICE OF ADOPTED RULES

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

HEALTH FACILITIES PLANNING BOARD

NOTICE OF ADOPTED RULES

TITLE 77: PUBLIC HEALTH
CHAPTER II: HEALTH FACILITIES PLANNING BOARD
SUBCHAPTER b: OTHER BOARD RULESPART 1270
HOSPITAL BASIC SERVICES PRESERVATION CODE

Section

1270.100	Purpose
1270.200	Definitions
1270.300	Referenced Materials
1270.400	Application for Basic Services Loan
1270.500	Hospital Basic Services Preservation – Need Assessment Process
1270.600	Hospital Basic Services Preservation – Need Assessment Criteria

AUTHORITY: Implementing and authorized by the Hospital Basic Services Preservation Act [20 ILCS 4050].

SOURCE: Adopted at 31 Ill. Reg. 2659, effective January 23, 2007.

Section 1270.100 Purpose

- a) This Part implements the Hospital Basic Services Preservation Act (the Act) [20 ILCS 4050]. The Act *created, in the State treasury, the Hospital Basic Services Preservation Fund, which is administered by the State Treasurer to collateralize loans from financial institutions for capital projects necessary to maintain certain basic services required for the efficient and effective operation of essential community hospital providers who otherwise may not be able to meet financial institution credit standards for issuance of a standard commercial loan.* (Section 10 of the Act)
- b) *The Fund consists of all public and private moneys donated or transferred to the Fund for the purpose of enabling essential community hospitals to continue to provide basic quality health care services that are subject to and meet standards of need under the Health Facilities Planning Act.* (Section 10 of the Act)

Section 1270.200 Definitions

"Act" means the Hospital Basic Services Preservation Act [20 ILCS 4050].

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"Adverse Action" means a disciplinary action taken or formal complaint issued by HFPB, Illinois Department of Public Health (IDPH), Centers for Medicare and Medicaid Services, or any other State or federal agency against a person or entity that owns and/or operates a licensed or Medicare or Medicaid certified healthcare facility in the State of Illinois. Such actions include, but are not limited to, all type "A" violations.

"Basic services" means emergency room and obstetrical services provided within a hospital. "Basic services" is limited to the emergency and obstetric units and services provided by those units. (Section 5 of the Act)

"Eligible expenses" means expenses for expanding obstetrical or emergency units, updating equipment, repairing essential equipment, and purchasing new equipment that will increase the quality of basic services provided. "Eligible expenses" does not include expenses related to cosmetic upgrades, staff expansion or salary, or structural expansion of any unit or department of a hospital. (See 74 Ill. Adm. Code 755.200.) (Section 5 of the Act)

"Essential community hospital provider" means a facility meeting criteria established by rule by the State Treasurer. (See 74 Ill. Adm. Code 755.200.) (Section 5 of the Act)

"Fund" means the Hospital Basic Services Preservation Fund established in Section 10 of the Act.

"HFPB" means the Illinois Health Facilities Planning Board.

"Licensee" means the entity to which a hospital license is granted by the Illinois Department of Public Health.

"Review Board" means the Hospital Basic Services Review Board established in Section 7 of the Act.

Section 1270.300 Referenced Materials

The following materials are referenced in this Part:

- a) State Statutes
 - 1) Health Facilities Planning Act [20 ILCS 3960]

HEALTH FACILITIES PLANNING BOARD

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- 2) Hospital Basic Services Preservation Act [20 ILCS 4050]
- b) State Administrative Rules
 - 1) Health Facilities Planning Board: Narrative and Planning Policies (77 Ill. Adm. Code 1100)
 - 2) Illinois State Treasurer: Hospital Basic Services Preservation Act (74 Ill. Adm. Code 755)

Section 1270.400 Application for Basic Services Loan

- a) *Essential community hospitals seeking collateralization of loans under the Act must apply to the Illinois Health Facilities Planning Board on a form prescribed by the Illinois Health Facilities Planning Board. (Section 15 of the Act)*
- b) The application shall be completed in accordance with the requirements of this Part that are applicable to the individual project.
- c) An application shall be determined to be complete or incomplete within 10 working days after receipt. An application shall be deemed complete if all of the following have been met:
 - 1) All applicable information has been provided;
 - 2) Three copies of the application or one digital copy, plus one copy containing original signatures, have been submitted;
 - 3) All persons who are applicants have been identified and have submitted a Certificate of Good Standing or evidence from the Illinois Secretary of State that the persons are authorized to conduct business in Illinois; and
 - 4) All questionnaires for information or data, such as, but not limited to, 77 Ill. Adm. Code 1100.60 (Mandatory Reporting of Data) and 1100.70 (Data Appendices) of the HFPB's rules titled Narrative and Planning Policies have been submitted in accordance with the prescribed rules.

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- d) An application shall be incomplete if any of the elements described in subsection (c) are not present or if additional information or documentation is required to clarify a response.
- e) If the application is deemed complete, the date of completion shall initiate the review period. If the application is deemed incomplete, the applicant shall be allowed 60 days from the date of receipt of the notification to provide all necessary information to complete the application. Upon receipt of all additional information requested, the application shall again be reviewed, and determination be made for completeness, within 10 working days. If the application remains incomplete at the end of the allotted response period, the application shall be declared null and void.
- f) All applications shall be reviewed by staff within 30 days after the date the application is declared complete, unless the review period is formally extended by the applicant or HFPB. HFPB shall consider the application at its first meeting subsequent to staff review.
- g) HFPB approval of an application does not affect the determination of eligibility and financial approvals to be made by the Office of the State Treasurer. Further, HFPB approval of an application does not eliminate the filing of a separate application for a Certificate of Need permit, where required.

Section 1270.500 Hospital Basic Services Preservation - Need Assessment Process

- a) All applications will be reviewed and evaluated for conformance with the applicable review criteria of this Part.
- b) Each application will be reviewed and considered on an individual basis.
- c) Applications shall be subject to the need figures set forth in the most recent Inventory of Health Care Facilities and Services and Need Determinations (refer to 77 Ill. Adm. Code 1100.70) in effect prior to the date that HFPB takes action on the application.
- d) HFPB shall consider the application and any supplemental information or modification submitted by the applicant, staff reports, and other information coming before it in making its determination whether to approve the project.

HEALTH FACILITIES PLANNING BOARD

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- e) HFPB action consists of the approval, denial, or deferral of consideration of an application.
- f) Within 30 days following HFPB review and action, HFPB shall forward to the Review Board a copy of the application, a record of HFPB's decision, a copy of HFPB's meeting minutes relating to the application, and all other documentation submitted by the applicant.

Section 1270.600 Hospital Basic Services Preservation - Need Assessment Criteria

- a) Narrative Description
The applicant shall provide:
 - 1) An explanation describing how the proposed expenses are eligible expenses;
 - 2) A full description of the proposed project, including supporting information for equipment replacement and facility renovation;
 - 3) Documentation of the estimated total cost of the proposed project and itemization of all components of the project included in the estimated costs and sources of cost estimates; and
 - 4) The projected completion date for the project, including allocation of time for all regulatory inspections, if required to confirm applicable code compliance.
- b) Justification of Need for the Project
The applicant shall describe:
 - 1) The conditions being upgraded. For equipment being replaced, include age, condition, repair and maintenance records, and/or regulatory citations. For facility projects, include statements of age and condition and any regulatory citations;
 - 2) How the proposed project will contribute to the provision of health care for the community;
 - 3) How the proposed project will improve the provision of health care by the applicant facility;

HEALTH FACILITIES PLANNING BOARD

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- 4) How the proposed project will improve the quality and provision of the basic services provided; and
 - 5) Any additional relevant information.
- c) Background of the Applicant
HFPPB will consider the background of the applicant, including: the legal identity of the applicant, licensee, and building owner; community and patients served; and adverse actions.

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NOTICE OF ADOPTED AMENDMENTS

- 15) Summary and Purpose of Amendments: These adopted amendments will included "retail merchants" as eligible vendors and processors of registration plates and/or stickers. At the discretion of the Secretary of State, retail merchants may provide this service in addition to financial institutions, which are already authorized under this rulemaking.
- 16) Information and questions regarding these adopted amendments shall be directed to:
- Secretary of State
Nathan Maddox, Senior Legal Advisor
298 Howlett Building
Springfield, IL 62701
- 217/785-3094
- 17) Do these amendments require the preview of the Procurement Policy Board as specified in Section 5-25 of the Illinois Procurement Code? No

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

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NOTICE OF ADOPTED AMENDMENTS

TITLE 92: TRANSPORTATION
CHAPTER II: SECRETARY OF STATEPART 1010
CERTIFICATES OF TITLE, REGISTRATION OF VEHICLES

SUBPART A: DEFINITIONS

Section	
1010.10	Owner – Application of Term
1010.20	Secretary and Department

SUBPART B: TITLES

Section	
1010.110	Salvage Certificate – Additional Information Required to Accompany Application for a Certificate of Title for a Rebuilt or a Restored Vehicle Upon Surrendering Salvage Certificate
1010.120	Salvage Certificate – Assignments and Reassignments
1010.130	Exclusiveness of Lien on Certificate of Title
1010.140	Documents Required to Title and Register Imported Vehicles Not Manufactured in Conformity with Federal Emission or Safety Standards
1010.150	Transferring Certificates of Title Upon the Owner's Death
1010.160	Repossession of Vehicles by Lienholders and Creditors
1010.170	Junking Notification
1010.180	Specially Constructed Vehicles – Defined
1010.185	Specially Constructed Vehicles – Required Documentation for Title and Registration
1010.190	Issuance of Title and Registration Without Standard Ownership Documents - Bond

SUBPART C: REGISTRATION

Section	
1010.210	Application for Registration
1010.220	Vehicles Subject to Registration – Exceptions
1010.230	Refusing Registration or Certificate of Title
1010.240	Registration Plates To Be Furnished by the By The Secretary of State
1010.245	Electronic Registration and Titling (ERT) Program Provisions
1010.250	Applications For Reassignment

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SUBPART D: REVOCATION, SUSPENSION AND CANCELLATION OF REGISTRATION

Section

- 1010.300 Operation of Vehicle after Cancellation, Suspension, or Revocation of any Registration
- 1010.310 Improper Use of Evidences of Registration
- 1010.320 Suspension, Cancellation or Revocation of Illinois Registration Plates and Cards and Titles
- 1010.330 Operation of Vehicle Without Proper Illinois Registration
- 1010.350 Suspension or Revocation
- 1010.360 Surrender of Plates, Decals or Cards

SUBPART E: SPECIAL PERMITS AND PLATES

Section

- 1010.410 Temporary Registration – Individual Transactions
- 1010.420 Temporary Permit Pending Registration In Illinois
- 1010.421 Issuance of Temporary Registration Permits by Persons or Entities Other Than the Secretary of State
- 1010.425 Non-Resident Drive-Away Permits
- 1010.426 Five Day Permits
- 1010.430 Registration Plates for Motor Vehicles Used for Transportation of Persons for Compensation and Tow Trucks
- 1010.440 Title and Registration of Vehicles with Permanently Mounted Equipment
- 1010.450 Special Plates
- 1010.451 Purple Heart License Plates
- 1010.452 Special Event License Plates
- 1010.453 Retired Armed Forces License Plates
- 1010.454 Gold Star License Plates
- 1010.455 Collectible License Plates
- 1010.456 Sample License Plates For Motion Picture and Television Studios
- 1010.457 Korean War Veteran License Plates
- 1010.458 Collegiate License Plates
- 1010.460 Special Plates for Members of the United States Armed Forces Reserves
- 1010.470 Dealer Plate Records
- 1010.480 State of Illinois In-Transit Plates

SUBPART F: FEES

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NOTICE OF ADOPTED AMENDMENTS

Section

- 1010.510 Determination of Registration Fees
- 1010.520 When Fees Returnable
- 1010.530 Circuit Breaker Registration Discount
- 1010.540 Fees

SUBPART G: MISCELLANEOUS

Section

- 1010.610 Unlawful Acts, Fines and Penalties
- 1010.620 Change of Engine

SUBPART H: SECOND DIVISION VEHICLES

Section

- 1010.705 Reciprocity
- 1010.710 Vehicle Proration
- 1010.715 Proration Fees
- 1010.720 Vehicle Apportionment
- 1010.725 Trip Leasing
- 1010.730 Intrastate Movements, Foreign Vehicles
- 1010.735 Interline Movements
- 1010.740 Trip and Short-term Permits
- 1010.745 Signal 30 Permit for Foreign Registration Vehicles (Repealed)
- 1010.750 Signal 30-Year-round for Prorated Fleets of Leased Vehicles (Repealed)
- 1010.755 Mileage Tax Plates
- 1010.756 Suspension or Revocation of Illinois Mileage Weight Tax Plates
- 1010.760 Transfer for "For-Hire" Loads
- 1010.765 Suspension or Revocation of Exemptions as to Foreign Registered Vehicles
- 1010.770 Required Documents for Trucks and Buses to detect "intrastate" movements
- 1010.775 Certificate of Safety

- 1010.APPENDIX A Uniform Vehicle Registration Proration and Reciprocity Agreement
- 1010.APPENDIX B International Registration Plan

AUTHORITY: Implementing Chapter 3 and authorized by Section 2-104(b) of the Illinois Vehicle Title & Registration Law of the Illinois Vehicle Code [625 ILCS 5/Ch. 3 and 2-104(b)].

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NOTICE OF ADOPTED AMENDMENTS

SOURCE: Filed and effective December 15, 1970; emergency amendment at 2 Ill. Reg. 25, p. 119, effective June 14, 1978, for a maximum of 150 days; amended at 3 Ill. Reg. 12, p. 76, effective March 23, 1979; amended at 3 Ill. Reg. 29, p. 123, effective July 20, 1979; amended at 4 Ill. Reg. 17, p. 247, effective April 11, 1980; emergency amendment at 4 Ill. Reg. 21, p. 99, effective May 14, 1980, for a maximum of 150 days; amended at 6 Ill. Reg. 2241, effective February 1, 1982; amended at 6 Ill. Reg. 11076, effective August 26, 1982; codified at 6 Ill. Reg. 12674; amended at 7 Ill. Reg. 1432, effective January 21, 1983; amended at 7 Ill. Reg. 1436, effective January 21, 1983; amended at 8 Ill. Reg. 5329, effective April 6, 1984; amended at 9 Ill. Reg. 3358, effective March 1, 1985; amended at 9 Ill. Reg. 9176, effective May 30, 1985; amended at 9 Ill. Reg. 12863, effective August 2, 1985; amended at 9 Ill. Reg. 14711, effective September 13, 1985; amended at 10 Ill. Reg. 1243, effective January 6, 1986; amended at 10 Ill. Reg. 4245, effective February 26, 1986; amended at 10 Ill. Reg. 14308, effective August 19, 1986; recodified at 11 Ill. Reg. 15920; amended at 12 Ill. Reg. 14711, effective September 15, 1988; amended at 12 Ill. Reg. 15193, effective September 15, 1988; amended at 13 Ill. Reg. 1598, effective February 1, 1989; amended at 13 Ill. Reg. 5173, effective April 1, 1989; amended at 13 Ill. Reg. 7965, effective May 15, 1989; amended at 13 Ill. Reg. 15102, effective September 15, 1989; amended at 14 Ill. Reg. 4560, effective March 1, 1990; amended at 14 Ill. Reg. 6848, effective April 18, 1990; amended at 14 Ill. Reg. 9492, effective June 1, 1990; amended at 14 Ill. Reg. 19066, effective November 15, 1990; amended at 15 Ill. Reg. 12782, effective August 15, 1991; amended at 16 Ill. Reg. 12587, effective August 1, 1992; amended at 19 Ill. Reg. 11947, effective August 1, 1995; amended at 19 Ill. Reg. 16289, effective November 27, 1995; amended at 20 Ill. Reg. 11349, effective August 1, 1996; amended at 21 Ill. Reg. 8408, effective June 23, 1997; amended at 21 Ill. Reg. 13372, effective September 17, 1997; amended at 22 Ill. Reg. 8521, effective April 28, 1998; amended at 22 Ill. Reg. 22059, effective January 1, 1999; amended at 25 Ill. Reg. 7731, effective June 6, 2001; emergency amendment at 25 Ill. Reg. 14201, effective October 22, 2001, for a maximum of 150 days; emergency expired March 20, 2002; amended at 26 Ill. Reg. 14282, effective September 16, 2002; amended at 27 Ill. Reg. 4790, effective February 27, 2003; amended at 29 Ill. Reg. 8915, effective June 10, 2005; amended at 31 Ill. Reg. 2668, effective January 29, 2007.

SUBPART C: REGISTRATION

Section 1010.240 Registration Plates To Be Furnished ~~by the~~ **By The Secretary of State**

- a) General Provisions
 - 1) The Secretary of State may issue registration plates and/or stickers at facilities and offices maintained by the Secretary of State ~~him~~ in Springfield, Chicago, or at ~~such~~ other locations ~~as he may establish~~.

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- 2) In addition, the Secretary of State may, in his or her discretion, cause registration plates and/or stickers to be issued by financial institutions or retail merchants, and applications for renewal of registrations for such vehicles as the Secretary of State may designate to be received and processed for transmittal to the Secretary of State by the financial institutions or retail merchants. For that purpose, the Secretary of State may deposit Illinois registration plates and/or stickers with ~~these~~ financial institutions or retail merchants. In addition, the Secretary may cause registration plates and stickers to be issued pursuant to Section 1010.245 of this Part and may cause registration renewal stickers to be issued by retail merchants.
 - 3) The Secretary may further cause registration and title applications to be serviced and remitted by licensed remittance agents to the Secretary of State, as provided in the Vehicle Code.
 - 4) The term "financial institution", for the purposes of this Part, shall mean any federal or state chartered bank, savings and loan, credit union, armored carrier, and any currency exchange either directly or indirectly through an armored carrier. The term shall also include insurance companies and licensees under the Sales Finance Agency Act [205 ILCS 660] and the Consumer Installment Loan Act [205 ILCS 670]. The term "retail merchant", for the purposes of this Part, shall mean a business that is engaged in the sale of goods or services to the general public and that has one or more permanently established places of business in Illinois.
 - 5) The Secretary may, in his or her discretion, cause registration plates and stickers to be issued by motor vehicle dealers. However, motor vehicle dealers shall only issue registration plates and stickers or renew vehicle registrations in the course of transactions involving the sale or lease of vehicles.
- b) Application for Participation in the Over-The-Counter Sales Program
- 1) The Secretary of State shall accept the application of any financial institution or retail merchant~~Financial Institution~~ to participate in the over-the-counter program, if the Secretary of State makes a determination that the establishment of the institution or retail merchant in the program will provide a beneficial service to the general public and will, be cost effective for the Secretary of State to administer for the People of the State

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of Illinois, and that the institution or retail merchant can provide sufficient security for both the handling of ~~State~~ fees and taxes collected and the handling and storage of registration plates and/or stickers.

- 2) In making the ~~above~~ determination required by subsection (b)(1), the Secretary of State shall consider, but shall not be limited by~~not in limitation thereof~~, the following factors ~~in relation to the institution~~:
- A) Tentative acceptance of the terms contained in the Financial Institution/Retail Merchant License Plate/Sticker Agreement between the Secretary of State's Office and the institution or retail merchant;
 - B) Previous participation by the institution or retail merchant in the program and, if any, the circumstances surrounding its leaving the program;
 - C) Current participation by the institution or retail merchant in the over-the-counter sales program at other locations;
 - D) Submission ~~of~~ by the institution or retail merchant of a current copy of its blanket or fidelity bond, or if no such bond is maintained and the institution or retail merchant is a self-insurer, then a certificate of deposit payable to the Secretary of State, or an irrevocable letter of credit from a third party bank to the Secretary of State in an amount sufficient to protect the Secretary of State in the same manner as the Secretary~~he~~ would be protected if the blanket or fidelity bond were in force;
 - E) Total passenger registration for the county;
 - F) Total number of over-the-counter passenger sales in the community and county in the previous registration year;
 - G) Estimated annual registration plate and sticker sales for this location;
 - H) Estimated volume of walk-in traffic at this location;
 - I) Population of the community;

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- J) Population of the county;
- K) Number of banks in the community currently participating in the program in relation to the total number of banks in the community;
- L) Number of savings and loans in the community currently participating in the program in relation to the total number of savings and loans in the community;
- M) Number of currency exchanges in the community currently participating in the program in relation to the total number of currency exchanges in the community;
- N) Number of credit unions in the community currently participating in the program in relation to the total number of credit unions in the community;
- O) Number of retail merchants in the community currently participating in the program in relation to the total number of retail merchants in the community;
- P) Locations of other institutions in the community currently in the program;
- QP) Total number of institutions in the community currently in the program;
- RQ) Financial stability;
- SR) Total full time and part time employees at proposed selling location;
- TS) Selling location if different from main location;
- UF) Selling area within the institution or retail merchant;
- VU) Business days and hours the institution or retail merchant is open to the public.

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- 3) Miscellaneous Provisions
- A) Over-the-counter program, for purposes of this ~~Section~~rule, shall mean the program ~~in which~~wherein the Secretary of State, by contractual agreement, authorizes a financial institution or retail merchant to sell license plates and/or renewal stickers to the general public, at a particular location.
- B) The acceptance of any application shall, in addition to the requirements in subsection (b)(1), be dependent upon the applicant agreeing to all of the terms of and signing the Financial Institution/Retail Merchant License Plate/Sticker Agreement, and the institution's or retail merchant's being in good standing and licensed by the Department of Financial and Professional Regulation or any other licensing agency, whether local, State or Federal, ~~that~~which regulates the institution.

(Source: Amended at 31 Ill. Reg. 2668, effective January 29, 2007)

Section 1010.245 Electronic Registration and Titling (ERT) Program Provisions

- a) The Secretary may, in his or her discretion, establish a program for the electronic registration and titling (ERT) of motor vehicles. Transactions that may be conducted pursuant to an ERT program may include transmitting applications for titles and registration of motor vehicles, renewal of motor vehicle registrations, creating and removing liens from motor vehicle records, applying for salvage or junking certificates, and issuing registration plates and stickers by motor vehicle dealers, ~~and~~ financial institutions and retail merchants, except that licensees under the Sales Finance Agency Act [205 ILCS 660] and the Consumer Installment Loan Act [205 ILCS 670] shall only be authorized to apply for titles and create and remove liens from motor vehicle records. Insurance, and insurance companies shall only be permitted to apply for salvage or junking certificates and retail merchants shall only be authorized to issue registration renewal stickers.
- b) Upon the establishment of an ERT program, the Secretary may enter into agreements with ERT service providers to serve as intermediaries between the Secretary of State's office and motor vehicle dealers, ~~and~~ financial institutions and retail merchants (collectively referred to in this Section as "vendors"). For the purposes of this Section, the term "financial institution" shall mean any federal or state chartered bank, savings and loan, credit union, and armored carrier, and any

SECRETARY OF STATE

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currency exchange, either directly or indirectly through an armored carrier. The term shall also include insurance companies and licensees under the Sales Finance Agency Act ~~[205 ILCS 660]~~ and the Consumer Installment Loan Act ~~[205 ILCS 670]~~. The term "retail merchant" shall mean a business that is engaged in the sale of goods or services to the general public and that has one or more permanently established places of business in Illinois.

- c) The ERT service provider shall be responsible for the following:
- 1) establishing a computerized communication link between the vendors and the Secretary of State for the transmission of titling, registration, registration renewal and lien information, in compliance with all specifications of the Secretary of State's office;
 - 2) transmitting all fees associated with the title and registration transactions to the Secretary of State, and transmitting all sales taxes due and owing for the sales of motor vehicles to the Illinois Department of Revenue;
 - 3) maintaining an inventory of registration plates and stickers and distributing those plates and stickers to vendors as necessary;
 - 4) complying with all requirements of the Secretary of State and the Department of Revenue concerning the security of the electronic information and funds transmissions, the security of the registration plates and stickers, and maintaining an electronic inventory control system for the registration plates and stickers;
 - 5) providing real-time access to the inventory control system by Secretary of State staff, auditors and Secretary of State Police for review, auditing, and inventory verification to ensure compliance with rules, policies and regulations, and for locating individual registration plates and stickers and determining to which vendor the individual registration plates and stickers were issued;
 - 6) retaining records of all ERT transactions as directed by the Secretary;
 - 7) posting a performance bond in an amount set by the Secretary, not to exceed \$1,000,000;

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- 8) registering as a remittance agent pursuant to 625 ILCS 5/Ch. 3, Art. IX;
and
 - 9) complying with all other terms and conditions set forth in the agreement between the Secretary of State and the ERT service provider.
- d) The ERT service provider shall enter into agreements with vendors for participation in the ERT program. All vendors must be currently licensed and in good standing with their regulatory agencies before being selected to participate in this program. The Secretary shall have the sole discretionary right to review and approve these agreements and shall have the right to approve, deny or revoke the right to participate in the ERT program by individual vendors. Any decision to deny or revoke an individual vendor's right to participate in the ERT program shall be based on the vendor's prior compliance with or violations of applicable statutes, rules and regulations; the vendor's participation in the Secretary's temporary registration permit program and any violations of the rules and regulations of the temporary registration permit program found in Section 1010.421; violations by the vendor of this Section or violations of the terms of agreements entered into by the vendor in the ERT program; the benefit to the public to be derived by the vendor's participation in the program; and the resources of the Secretary of State's office to support the vendor's participation in the program.
- e) Except as permitted by the Secretary during a transition period, no vendor may simultaneously participate in the ERT program and the Over-the-Counter Sales Program (see Section 1010.240).

(Source: Amended at 31 Ill. Reg. 2668, effective January 29, 2007)

DEPARTMENT OF COMMERCE AND ECONOMIC OPPORTUNITY

NOTICE OF MODIFICATION TO EMERGENCY RULES IN RESPONSE TO AN
OBJECTION OF THE JOINT COMMITTEE ON ADMINISTRATIVE RULES

- 1) Heading of the Part: River Edge Redevelopment Zone Program
- 2) Code Citation: 14 Ill. Adm. Code 524
- 3) Section Numbers: 524.240(a)(1)
524.410
524.420
- 4) Notice of Emergency Rules published in the Illinois Register: November 3, 2006; 30 Ill. Reg. 17575
- 5) JCAR Statement of Objection to Emergency Rules published in the Illinois Register: December 29, 2006; 30 Ill. Reg. 19735
- 6) Date agency submitted this modification to JCAR for approval: January 22, 2007
- 7) Summary of Action Taken by the Agency: JCAR objected to the Department of Commerce and Economic Opportunity's emergency rules titled River Edge Redevelopment Zone Program because, in allowing a county to designate zones and to take action to decertify zones, the Department exceeded its statutory authority. In its agency response, DCEO agreed with the Objection and, therefore, is modifying the emergency rules accordingly by striking from the emergency rules any references to a county being allowed to designate zones and to take action to decertify zones.

The full text of the Sections of the Emergency Rules being modified begins on the next page:

DEPARTMENT OF COMMERCE AND ECONOMIC OPPORTUNITY

NOTICE OF MODIFICATION TO EMERGENCY RULES IN RESPONSE TO AN
OBJECTION OF THE JOINT COMMITTEE ON ADMINISTRATIVE RULES

TITLE 14: COMMERCE

SUBTITLE B: CONSUMER PROTECTION

CHAPTER I: DEPARTMENT OF COMMERCE AND ECONOMIC OPPORTUNITY

PART 524

RIVER EDGE REDEVELOPMENT ZONE PROGRAM

SUBPART A: RIVER EDGE REDEVELOPMENT ZONES IN ILLINOIS

Section

524.10	Purpose
524.20	Definitions

SUBPART B: APPLICATION FOR CERTIFICATION

Section

524.110	Eligible Applicants
524.120	Eligibility Criteria
524.130	Form of Application
524.140	Application Procedures
524.150	Application Evaluation and Ranking
524.160	Certification

SUBPART C: AMENDMENT AND DECERTIFICATION

Section

524.210	Application to Amend an Ordinance
524.220	Application to Change Boundaries
524.230	Application to Change Incentives, Alter Termination Date, and Make Technical Corrections
524.240	Decertification
524.250	Adoption of Tax Increment Financing

SUBPART D: LOCAL RESPONSIBILITIES

Section

524.310	Zone Administration
524.320	Business Cessation Notification

DEPARTMENT OF COMMERCE AND ECONOMIC OPPORTUNITY

NOTICE OF MODIFICATION TO EMERGENCY RULES IN RESPONSE TO AN
OBJECTION OF THE JOINT COMMITTEE ON ADMINISTRATIVE RULES

SUBPART E: DESIGNATED ZONE ORGANIZATIONS

Section	
524.410	General
524.420	Project Eligibility and Approval
524.430	Charitable Contributions

SUBPART F: TAX INCENTIVES

Section	
524.510	List of Available Tax Incentives
524.520	Investment Tax Credit
524.530	Job Tax Credit
524.540	Environmental Remediation Tax Credit
524.550	Dividend Income Deduction
524.560	Interest Income Deduction
524.570	Building Materials Sales Tax Exemption

SUBPART G: RIVER EDGE REDEVELOPMENT GRANT PROGRAM

Section	
524.610	Purpose
524.620	Application Cycle
524.630	Eligible Program Costs
524.640	Grant Application
524.650	Review of Grant Applications

AUTHORITY: Implemented and authorized by Section 10-6 of the River Edge Redevelopment Zone Act [65 ILCS 115/10-6].

SOURCE: Adopted by emergency rule at 30 Ill. Reg. 17575, effective October 23, 2006, for a maximum of 150 days; emergency rules modified in response to the Joint Committee on Administrative Rules Objection at 31 Ill. Reg. 2680, effective January 22, 2007, for the remainder of the maximum 150 days.

SUBPART C: AMENDMENT AND DECERTIFICATION

Section 524.240 Decertification

DEPARTMENT OF COMMERCE AND ECONOMIC OPPORTUNITY

NOTICE OF MODIFICATION TO EMERGENCY RULES IN RESPONSE TO AN
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- a) In accordance with Section 10-5.4 of the Act, a River Edge Redevelopment Zone may be decertified in two ways:
- 1) **Joint Action.** By joint action of the Department and the designating ~~county~~ **county** or municipality in accordance with Section 10-5.4(c) of the Act; or
 - 2) **For Cause.** For cause by the Department in accordance with Section 10-5.4(d) of the Act. Cause for decertification shall be defined as the designating unit of government's failure to implement the River Edge Redevelopment Zone program, which can be evidenced by: the lack of an economic development strategy (no clearly defined objectives or course of action for improving zone performance); the failure to implement a business retention and expansion plan (little or no contact with zone businesses, or zone benefits not explained or publicized to businesses); and the failure to implement incentives uniformly throughout the River Edge Redevelopment Zone as described in Section 524.120(d).
- b) **Notice of Probation.** The Department shall notify the designating unit of government of the commencement of probationary status pending action to decertify the River Edge Redevelopment Zone. Notice shall include: the date the probationary term begins; the duration of the probationary term; the deficiencies involved; and the date and location of the public hearing. The probationary status shall commence on the date the notice is postmarked.
- 1) **Work Plan.** Within 30 days after the date of the Department notice, the designating unit of government shall submit a work plan that explains corrective actions to be taken and any evidence refuting the deficiencies.
 - 2) **Public Hearing.** Upon expiration of the 30-day response period, the Department shall conduct a public hearing within the boundaries of the River Edge Redevelopment Zone in order to receive evidence and testimony regarding decertification. Written and oral testimony, including supporting documentation, will be accepted from any affected party, regardless of whether the party resides within the River Edge Redevelopment Zone boundaries. The Department shall place public notice of the public hearing in one newspaper of general circulation within the River Edge Redevelopment Zone, not more than 20 days nor less than 5 days before the public hearing. A tape recording of the public hearing shall be made. Interested persons may access the tape recordings of public

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hearings in accordance with procedures provided in the Department's Freedom of Information rules titled Access to Information of the Department of Commerce and Community Affairs (2 Ill. Adm. Code 801).

- 3) **Corrective Steps.** The Department may enter an agreement with the designating unit of government regarding the specific corrective steps to be taken. Within 15 days after the date of the public hearing, the Department shall issue a letter to the designating unit of government stating the final terms of the plan for corrective action.
- 4) **Progress Reports.** The designating unit of government shall submit written monthly progress reports and shall make personnel available for meetings and interviews to ensure compliance with the plan of corrective action.
- 5) **Notice of Decertification.** The Department shall notify the designating unit of government, 21 days prior to the end of the probationary period, as to whether decertification will proceed.

(Source: Adopted by emergency rule at 30 Ill. Reg. 17575, effective October 23, 2006, for a maximum of 150 days; emergency rules modified in response to Joint Committee on Administrative Rules Objection at 31 Ill. Reg. 2680, effective January 22, 2007, for the remainder of the maximum 150 days)

SUBPART E: DESIGNATED ZONE ORGANIZATIONS

Section 524.410 General

A designating municipality ~~or county~~ may designate one or more Designated Zone Organizations qualified under Section 10-3(d) of the Act to perform within the area or zone for the benefit of the residents and businesses in the zone. The Department shall furnish a standard application to an entity or association seeking certification as a Designated Zone Organization (DZO). No organization shall be considered a DZO unless and until the Department verifies eligibility in accordance with Section 10-3(d) of the Act, and the organization is authorized by local ordinance to function as a DZO. Once certified, the DZO may provide services or perform functions in coordination with the municipality ~~or county~~ that is listed in Section 10-8 of the Act.

(Source: Adopted by emergency rule at 30 Ill. Reg. 17575, effective October 23, 2006, for a maximum of 150 days; emergency rules modified in response to Joint Committee on

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Administrative Rules Objection at 31 Ill. Reg. 2680, effective January 22, 2007, for the remainder of the maximum 150 days)

Section 520.420 Project Eligibility and Approval

A business entity may receive a deduction against income subject to State taxes for a contribution to a DZO if the project for which the contribution is made has been specifically approved by the designating municipality ~~or county~~ and by the Department. Any DZO seeking to have a project approved for contribution must submit an application to the Department describing the nature and benefit of the project and its potential contributors.

- a) **Standard Applications.** The Department shall provide a standard application to any DZO seeking to qualify a project for contributions eligible for tax deductions in accordance with Section 10-11 of the Act. Applications shall be processed in accordance with Section 10-11(e) of the Act.
- b) **Project Approval Period.** Applications shall be approved for a period of one project fiscal year. Continuation of project approval and eligibility for contributions in future years shall require a new application and current documentation, including:
 - 1) A project balance sheet showing assets and liabilities, in accordance with the most recent accounting standards of the Financial Standards Board of the American Institute of Certified Public Accountants as contained in the publication entitled AICPA Professional Standards, American Institute of Certified Public Accountants, Harborside Financial Center, 201 Plaza 3, Jersey City, New Jersey 07311 (June 2001, no later editions are incorporated);
 - 2) A project budget; and
 - 3) Information regarding the extent to which project objectives have been accomplished.
- c) **Renewal Applications**
 - 1) All renewal applications shall be submitted at least 90 days prior to the start of the budget fiscal year or program year for which approval is requested.

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- 2) Within 15 days after receipt of the application, the Department shall notify the DZO in writing regarding project renewal. In the event the renewal application is determined deficient, the Department will notify the DZO of the deficiencies. The DZO shall have 15 days from the date of the notice of deficiency to submit corrected or additional information.
- 3) Within 5 days after the start of the budget fiscal year for which the project renewal is requested, the Department shall notify the DZO that the application is accepted and that the project will be renewed or that the application is deficient and the renewal is denied.
- d) **Written Endorsement Requirement.** In no case shall a project be approved by the Department that does not have the written endorsement of the designating units of government.
- e) **Project Proposal.** A proposed project shall enhance the River Edge Redevelopment Zone in accordance with Section 10-11(c) of the Act. In describing how the proposed project will enhance the River Edge Redevelopment Zone, the DZO shall address the following:
 - 1) **Assessment of Need.** The applicant shall identify the specific need, problem or objective that will be addressed by the proposed project.
 - 2) **Project Objectives.** The applicant shall identify how the project will offer relief from the identified problems or meet the identified need.
 - 3) **Project Criteria.** In accordance with Section 10-11(b) of the Act, a DZO must demonstrate that the proposed project meets all of the following criteria:
 - A) That the project will contribute to the self-help efforts of zone residents. (Self-help means the project can reasonably be expected to improve the ability of participating residents to live and/or work in the River Edge Redevelopment Zone.);
 - B) That the zone residents will actively participate in the project's planning and implementation;

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- C) That the project lacks sufficient resources; and
- D) That the DZO will be fiscally responsible for the project.
- f) Project Modifications. Project modifications, either programmatic or budgetary, require the prior approval of the Department.
- g) DZO Project Administrative Responsibility. The DZO shall furnish the Department an annual status report on each project. The report must be submitted no later than 30 calendar days following the anniversary and shall consist of the following information:
 - 1) A financial statement, in accordance with the most recent generally accepted accounting principles of the AICPA; and
 - 2) A statement describing the project's success in achieving the objectives outlined in the approved application.

(Source: Adopted by emergency rule at 30 Ill. Reg. 17575, effective October 23, 2006, for a maximum of 150 days; emergency rules modified in response to Joint Committee on Administrative Rules Objection at 31 Ill. Reg. 2680, effective January 22, 2007, for the remainder of the maximum 150 days)

JOINT COMMITTEE ON ADMINISTRATIVE RULES

NOTICE OF PUBLICATION ERROR

DEBT COLLECTION BOARD

- 1) Heading of the Part: State Agency Accounts Receivable
- 2) Code Citation: 74 Ill. Adm. Code 910
- 3) Register citation of adopted rulemaking and other pertinent action: 1/26/07; 31 Ill. Reg. 1951
- 4) Explanation: On the notice page for the adopted rulemaking, the effective date was mistakenly published as 1/10/06 rather than 1/10/07. JCAR regrets this inadvertent error.

JOINT COMMITTEE ON ADMINISTRATIVE RULES

NOTICE OF PUBLICATION ERROR

STATE BOARD OF EDUCATION

- 1) Heading of the Part: Special Education
- 2) Code Citation: 23 Ill. Adm. Code 226
- 3) Register citation of proposed rulemaking and other pertinent action: The State Board of Education's proposed rulemaking at 30 Ill. Reg. 4421 published in the 3/17/06 *Illinois Register* was objected to and prohibited from being filed by the Joint Committee on Administrative Rules at its 1/9/07 meeting. The Objection/Filing Prohibition was published at 31 Ill. Reg. 2033 in the 1/26/07 *Illinois Register*.
- 4) Explanation: The list of rule sections covered by the Filing Prohibition inadvertently omitted Section 226.520 as a section to which the Objection/Filing Prohibition pertained. JCAR regrets this oversight.

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 January 23, 2007 through January 29, 2007 and have been scheduled for review by the Committee at its February 6, 2007 or March 13, 2007 meetings in Springfield. 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>
3/8/07	<u>State Board of Education</u> , The "Grow Your Own" Teacher Education Initiative (23 Ill. Adm. Code 60)	11/3/06 30 Ill. Reg. 17219	2/6/07
3/8/07	<u>State Board of Education</u> , Early Childhood Teacher Preparation Assistance Grant (23 Ill. Adm. Code 70)	11/13/06 30 Ill. Reg. 17716	2/6/07
3/8/07	<u>Department of Human Services</u> , Services (89 Ill. Adm. Code 590)	8/25/06 30 Ill. Reg. 14052	2/6/07
3/14/07	<u>Housing Development Authority</u> , Illinois Affordable Housing Tax Credit Program (47 Ill. Adm. Code 355)	9/1/06 30 Ill. Reg. 14220	3/13/07

DEPARTMENT OF REVENUE

NOTICE OF PUBLIC INFORMATION

Pursuant to the provisions of 20 ILCS 1605/7.1, the Illinois Department of the Lottery shall publish each January in the *Illinois Register* a list of all game-specific rules, play instructions, directives, operations manuals, brochures, or other game-specific publications issued by the Department during the previous year. Following is the list of game-specific materials published by the Lottery during calendar year 2006.

Directive #07-01: "Special Game Designation: Set for Life Promotion"

Directive #07-02: "Special Game Designation: Holiday Cash"

Standard Instant Game Rules

Big Ticket to Universal Orlando Resort Promotion Official Rules & Procedures

Big Ticket to Universal Orlando Resort Promotion Official Drawing Procedures

Big Ticket to Universal Orlando Resort Promotional Poster

Big Ticket to Universal Orlando Resort Winner List

Big Ticket to the Billboard Latin Music Awards Promotion Official Rules & Procedures

Big Ticket to the Billboard Latin Music Awards Promotion Official Drawing Procedures

Big Ticket to the Billboard Latin Music Awards Promotional Poster

Pick 'n Play Consumer Promotion Official Rules & Procedures

Set for Life Promotion Official Rules & Procedures

Set for Life Promotion Official Rules & Procedures Revised 9/6/2006

Set for Life Promotion Grand Prize Drawing Procedures

Set for Life Promotion Winner List

Mega Tripler Promotion Official Rules & Procedures

Green Ball Double Draw Promotion Official Rules and Procedures (August 2006)

State Fair Concert Ticket Second Chance Drawings Official Drawing Procedures

Green Ball Double Draw Promotion Official Rules & Procedures (December 2006)

On-Line Drawing Procedures Supplemental Instructions for Green Ball Double Draw

On Line Game Rules revised as of March 27, 2006

Instant Game Prize List

2006 Winning Numbers Lists (Pick 3, Pick 4, Little Lotto, Lotto, Mega Millions)

2006 Winning Numbers in Order Drawn (Little Lotto, Lotto, Mega Millions)

Lottery Financial History, Sales by Game/Where Your Dollar Goes

Official How to Play brochure (Mega Millions, Lotto, Little Lotto, Pick 3/Pick 4 and Instant)

Chances of Winning Lotto, Little Lotto or Mega Millions

Lotto and Little Lotto Subscription Forms

The Illinois Lottery: A History

The Illinois Lottery: The Condensed History

Chronological Events to Remember

The Illinois Lottery: How to Play and Win

Lotto, Little Lotto and Mega Millions Unclaimed Grand Prizes

Mega Millions Unclaimed 2nd Prizes

DEPARTMENT OF REVENUE

NOTICE OF PUBLIC INFORMATION

Record North American Jackpots
Top Big Game/Mega Millions Jackpots
Top Lotto Jackpots
Top Illinois Jackpots

Copies of the foregoing may be obtained by submitting a written request to:

Freedom of Information Officer
Illinois Department of Revenue
101 West Jefferson, MC 6-595
Springfield, Illinois 62702

PROCLAMATIONS

**2007-14
GUBERNATORIAL PROCLAMATION**

The severe winter storm that brought freezing rain to parts of Illinois beginning on November 30, 2006 and continuing in to December, caused damage to the electric power distribution system in several southwest and central Illinois counties. The electric power co-operatives in the counties impacted by the ice formation sustained severe damage to power lines and poles.

In the interest of aiding the people in the State of Illinois and the local governments responsible for ensuring public health and safety, I hereby declare that a disaster emergency exists in the Illinois counties of Clinton, Fayette and Ford, pursuant to the provisions of the Illinois Emergency Management Agency act, 20 ILCS 3305/7.

This gubernatorial proclamation of disaster will enable the Illinois Emergency Management Agency to assess damage to the public infrastructure in the declared counties and seek federal disaster assistance where warranted. This proclamation also serves to identify the declared counties as additional State disaster areas most severely impacted by the ice formation that occurred on November 30 and December 1, 2006.

Issued by the Governor: January 26, 2007

Filed with the Secretary of State: January 26, 2007

**2007-15
ILLINOIS STATE UNIVERSITY'S SESQUICENTENNIAL DAY**

WHEREAS, Illinois State University, originally Illinois State Normal University, was founded in 1857 by Jesse W. Fell as Illinois' first public university, established as a teacher education institution; and

WHEREAS, as part of a shift to becoming a comprehensive university, in 1964, the institution's name became Illinois State University; and

WHEREAS, Abraham Lincoln, one of Illinois' favorite sons, during his days as an attorney drew up the bond guaranteeing that Bloomington citizens would fulfill financial pledges to finance the University; and

WHEREAS, Illinois State University has more than 20,000 students, from 47 states, and 86 countries, including 165,000 alumni living around the world; and

WHEREAS, Illinois State is ranked nationally as one of the 100 "best values" in public higher education according to Kiplinger Magazine; and

PROCLAMATIONS

WHEREAS, Illinois State University is an active participant in the American Democracy Project, an initiative that prepares students to be engaged participants in a competitive global society; and

WHEREAS, the State of is proud to join in honoring Illinois State University, which will begin its sesquicentennial with a year-long celebration that begins with Founder's Day on February 15, 2007:

THEREFORE, I, Rod R. Blagojevich, Governor of the State of Illinois, do hereby proclaim February 15, 2007 as **ILLINOIS STATE UNIVERSITY'S SESQUICENTENNIAL DAY** in Illinois in recognition of its 150th anniversary.

Issued by the Governor on January 23, 2007.

Filed by the Secretary of State January 26, 2007.

2007-16**CAREER AND TECHNICAL EDUCATION MONTH**

WHEREAS, a commitment to career and technical education helps to ensure that Illinois has a strong, well-trained workforce that enhances productivity in business and industry, and solidifies the state's leadership in the national and international marketplaces; and

WHEREAS, providing citizens with career and technical education can stimulate the growth and vitality of businesses and industries by preparing workers for the occupations forecasted to experience the largest and fastest growth in the next decade; and

WHEREAS, individual citizens benefit from a career and technical education because it enables them to find satisfying careers suited to their own skills and interests, provides technical skills that allow them to excel in their chosen careers and teaches leadership skills that serve them on the job, at home and in the community; and

WHEREAS, for over 60 years, the Illinois Association for Career and Technical Education (IACTE), the only association in Illinois dedicated to the support and service of career and technical educators, has been committed to the betterment of the profession, and to providing visibility and assistance for vocational and technical education; and

WHEREAS, each year, the IACTE celebrates Career and Technical Education Month to promote the advancement of the career and technical education profession in this

PROCLAMATIONS

state. The theme for this year's month is "Career Tech: Today an Education, Tomorrow a Career":

THEREFORE, I, Rod R. Blagojevich, Governor of the State of Illinois, do hereby proclaim February 2007 as **CAREER AND TECHNICAL EDUCATION MONTH** in Illinois, and encourage all citizens to become familiar with the services and benefits offered by career and technical education programs in our state, and to support and participate in these programs to enhance individual work skills and productivity.

Issued by the Governor on January 24, 2007.

Filed by the Secretary of State January 26, 2007.

2007-17**NATIONAL WOMEN'S HEART WEEK**

WHEREAS, heart disease claims the lives of nearly 500,000 women in the United States every year, at a rate of about one death per minute, and is the leading cause of death among women. In Illinois alone, 15,796 women died in 2002 due to diseases of the heart; and

WHEREAS, the majority of women are not aware of their risk factors for a heart attack, nor are they even aware of the signs and symptoms of a heart attack. Risk factors for a heart attack include tobacco use, high blood cholesterol, high blood pressure, physical inactivity, diabetes and obesity; and

WHEREAS, signs and symptoms of a heart attack include uncomfortable pressure, squeezing, fullness or pain in the center of the chest that lasts more than a few minutes, or goes away and comes back; pain or discomfort in one or both arms, the back, neck, jaw or stomach; shortness of breath along with, or before, chest discomfort; and cold sweat, nausea or lightheadedness; and

WHEREAS, heart disease is a serious problem that unnecessarily affects far too many Americans. Consequently, it is critical that Americans are also more attentive of certain habits that will both greatly improve their health and significantly reduce the risks of heart disease, such as exercising regularly; and

WHEREAS, in addition to reducing the risks of heart disease, exercising regularly also helps us keep in shape, relieve stress and reduce the risks of diabetes. Consequently, the Women's Heart Foundation is promoting the importance of exercise during their 14th Annual National Women's Heart Week from February 1-7:

PROCLAMATIONS

THEREFORE, I, Rod R. Blagojevich, Governor of the State of Illinois, do hereby proclaim February 1-7, 2007 as **NATIONAL WOMEN'S HEART WEEK** in Illinois in support of the wonderful campaign by the Women's Heart Foundation, and to encourage all citizens, especially women, to exercise regularly.

Issued by the Governor on January 24, 2007.
Filed by the Secretary of State January 26, 2007.

2007-18**RE/MAX NORTHERN ILLINOIS WEEK**

- WHEREAS, since 1977, RE/MAX Northern Illinois has been selling homes in the Chicago metropolitan area, and since 1989 they have been the leader in residential sales; and
- WHEREAS, closing more than \$15 billion in sales in 2006, RE/MAX agents were responsible for approximately one of every five listed homes sold in the Chicago area; and
- WHEREAS, RE/MAX Northern Illinois continues showing robust growth and now consists of more than 170 offices and 4,200 agents; and
- WHEREAS, the www.illinoisproperty.com system created by RE/MAX Northern Illinois receives 750,000 unique Internet visits each month giving thousands of Illinois consumers access to more than 100,000 properties available for sale in Northern Illinois; and
- WHEREAS, RE/MAX offices and agents in Northern Illinois consistently contribute time and resources to supporting their communities and vital not-for-profit institutions, including Children's Memorial Hospital of Chicago and the Susan G. Komen Foundation Breast Cancer Survivor program; and
- WHEREAS, on February 17, 2007, RE/MAX Northern Illinois will be celebrating its 30th anniversary:

THEREFORE, I, Rod R. Blagojevich, Governor of the State of Illinois, do hereby proclaim February 17 - 23, 2007 as **RE/MAX NORTHERN ILLINOIS WEEK** in Illinois.

Issued by the Governor on January 24, 2007.
Filed by the Secretary of State January 26, 2007.

2007-19**MOTORCYCLE AWARENESS MONTH**

PROCLAMATIONS

- WHEREAS, Illinois is a national leader in motorcycle education and safety; and
- WHEREAS, sharing a roadway is where motorist awareness starts. The Motorcycle Safety Foundation (MSF) urges all motor vehicle drivers to expect to see more motorcyclists riding in traffic in spring and summer months and to respect that they rightfully enjoy the same access to the roads as other traffic; and
- WHEREAS; the Illinois Department of Transportation has been conducting the Illinois Cycle Rider Safety Training program since 1976; and
- WHEREAS, the program is supported by state motorcycle registration fees and has been responsible for training more than 230,000 cyclists; and
- WHEREAS, better rider education, licensing, and public awareness lead to safer motorcycling:
- THEREFORE, I, Rod R. Blagojevich, Governor of the State of Illinois, do hereby proclaim May 2007 as **MOTORCYCLE AWARENESS MONTH** in Illinois, and encourage all drivers to help keep our roadways safe through proper motorist awareness.

Issued by the Governor on January 24, 2007.

Filed by the Secretary of State January 26, 2007.

2007-20**AMBUCS NATIONAL VISIBILITY MONTH**

- WHEREAS, AMBUCS is a national service organization composed of a diverse group of men and women who are dedicated to fostering mobility and independence for those with disabilities; and
- WHEREAS, AMBUCS was founded in Birmingham, Alabama in 1922. Their founder and honorary first National President is William L. White; and
- WHEREAS, AMBUCS headquarters are at the AMBUCS Resource Center in High Point, North Carolina. Prior to that location, the headquarters was in Danville, Illinois, which chartered in 1925; and
- WHEREAS, today, there are more than 6,000 AMBUCS members throughout the country who administer wonderful programs such as AMBUCS Scholars. Since its inception, the AMBUCS Scholars program has provided over \$6 million to educate physical and occupational therapists; and

PROCLAMATIONS

WHEREAS, another AMBUCS program, AmBility, supports a variety of projects, including the distribution of therapeutic bicycles to children with disabilities, and ramp construction to make homes and businesses more accessible for the disabled; and

WHEREAS, in addition to those programs, there are 15 AMBUCS chapters in Illinois that also partner with Easter Seals, Special Olympics, and other terrific organizations to broaden their services; and

WHEREAS, during the month of February, the national organization will recognize all AMBUCS chapters and members for their commitment and dedication to helping those with disabilities:

THEREFORE, I, Rod R. Blagojevich, Governor of the State of Illinois, do hereby proclaim February 2007 as **AMBUCS NATIONAL VISIBILITY MONTH** in Illinois in recognition of AMBUCS chapters and members for their noble and worthy service to the community.

Issued by the Governor on January 26, 2007.

Filed by the Secretary of State January 26, 2007.

2007-21**WOMEN'S HEALTHY HEART MONTH**

WHEREAS, heart disease is the leading cause of death for American women, claiming the lives of almost 500,000 women per year, at a rate of almost one per minute; and

WHEREAS, in Illinois alone, the year 2004 saw 37,520 deaths in women due to diseases of the heart; and

WHEREAS, the majority of women are not aware of their risk factors for a heart attack, nor are they aware of the signs and symptoms of a heart attack; and

WHEREAS, risk factors for a heart attack are: tobacco use, high blood cholesterol, high blood pressure, physical inactivity, diabetes and obesity; and

WHEREAS, symptoms of heart attack are: uncomfortable pressure, squeezing, fullness or pain in the center of the chest that lasts more than a few minutes, or goes away and comes back; pain or discomfort in one or both arms, the back, neck, jaw, stomach; shortness of breath along with, or before, chest discomfort; and cold sweat, nausea or lightheadedness; and

PROCLAMATIONS

WHEREAS, it is critical that we, as a country and state, work to empower women and increase their awareness of the many things they can do to reduce their risk of heart disease; and

WHEREAS, this includes exercising regularly, eating healthy meals and snacks, loving their body and taking time for themselves; and

WHEREAS, February of each year is nationally recognized as American Heart Month, Go Red for Women, and this year in Illinois, we want to give special emphasis to women's heart health by declaring that February 2007 be Women's Healthy Heart Month; and

WHEREAS, in addition, on February 2, 2007, we are proud to be joining various heart health organizations across the country in encouraging people to wear red in support of the continued efforts to raise awareness of heart disease among women in Illinois:

THEREFORE, I, Rod R. Blagojevich, Governor of the State of Illinois, do hereby proclaim the month of February 2007 as **WOMEN'S HEALTHY HEART MONTH** in Illinois, and urge all citizens, especially women, to familiarize themselves with the signs, symptoms and treatments for heart disease, as well as the steps they can take to ensure themselves good heart health.

Issued by the Governor on January 26, 2007.

Filed by the Secretary of State January 26, 2007.

2007-22**AFRICAN AMERICAN VETERANS RECOGNITION DAY**

WHEREAS, in the face of great adversity, African American men and women have displayed a history of patriotism by courageously serving in all branches of the United States Armed Forces; and

WHEREAS, African American men and women have served and distinguished themselves in times of peace as well as during every major conflict since the birth of our nation; and

WHEREAS, certain African American groups such as: Company E, 4th United States Colored Infantry; the Tuskegee Airmen; the Montford Point Marines; the 555th Airborne Battalion; the 761st Tank Battalion; and the "Golden Thirteen" have become historical icons in American military history; and

WHEREAS, African American men and women continue to bravely serve in all branches of the United States Armed Forces and carry on a great legacy of patriotism; and

PROCLAMATIONS

WHEREAS, the State of Illinois is proud to participate in the “Salute to African-American Veterans” on February 10, 2007, to acknowledge the numerous accomplishments made by these brave men and women who have served their country through military service:

THEREFORE, I, Rod R. Blagojevich, Governor of the State of Illinois, do hereby proclaim February 10, 2007 as **AFRICAN AMERICAN VETERANS RECOGNITION DAY** in Illinois, and encourage all citizens to honor those veterans who have courageously served their country.

Issued by the Governor on January 26, 2007.

Filed by the Secretary of State January 26, 2007.

ILLINOIS ADMINISTRATIVE CODE

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