2013

ILLINOIS REGISTER

Rules of
Governmental Agencies

Volume 37, Issue 31

August 2, 2013

Pages 12120-12619

Index Department
Administrative Code Division
111 E. Monroe St.
Springfield, IL 62756
217-782-7017

Printed by authority of the State of Illinois. August— 90

PUBLISHED BY JESSE WHITE • SECRETARY OF STATE

TABLE OF CONTENTS

August 2, 2013 Volume 37, Issue 31

PROPOSED RULES
CHIEF PROCUREMENT OFFICER FOR CAPITAL DEVELOPMENT BOARD
Procurement Practices (Repealer)
44 Ill. Adm. Code 8.....12120
Chief Procurement Officer for the Capital Development Board (New Part)
44 Ill. Adm. Code 8.....12143
HEALTHCARE AND FAMILY SERVICES, DEPARTMENT OF
Medical Assistance Programs
89 Ill. Adm. Code 120.....12302
Medical Payment
89 Ill. Adm. Code 140.....12317
Child Support Services
89 Ill. Adm. Code 160.....12342
PUBLIC HEALTH, DEPARTMENT OF
Emergency Medical Services and Trauma Center Code
77 Ill. Adm. Code 515.....12391
ADOPTED RULES
EMERGENCY MANAGEMENT AGENCY, ILLINOIS
Individual and Family Grant Program (Repealer)
29 Ill. Adm. Code 410.....12402
Public Disaster Assistance Program (Repealer)
29 Ill. Adm. Code 420.....12404
Medical Use of Radioactive Material
32 Ill. Adm. Code 335.....12406
Standards for Selection of Contractors
32 Ill. Adm. Code 605.....12414
Registration of Low-Level Radioactive Waste Generators
32 Ill. Adm. Code 620.....12438
FINANCIAL AND PROFESSIONAL REGULATION, DEPARTMENT OF
Illinois Credit Union Act
38 Ill. Adm. Code 190.....12450
OFFICE OF THE ATTORNEY GENERAL
Hospital Financial Assistance under the Fair Patient Billing Act
77 Ill. Adm. Code 4500.....12536
PUBLIC HEALTH, DEPARTMENT OF
Illinois Vital Records Code
77 Ill. Adm. Code 500.....12555
SECRETARY OF STATE
Uniform Partnership Act (1997)
14 Ill. Adm. Code 166.....12568
Uniform Limited Partnership Act (2001)

14 Ill. Adm. Code 171.....12573
Certificates of Title, Registration of Vehicles
92 Ill. Adm. Code 1010.....12578
PEREMPTORY RULES
CENTRAL MANAGEMENT SERVICES, DEPARTMENT OF
Pay Plan
80 Ill. Adm. Code 310.....12588
SECOND NOTICES RECEIVED
JOINT COMMITTEE ON ADMINISTRATIVE RULES
Second Notices Received.....12618

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.].

ILLINOIS REGISTER PUBLICATION SCHEDULE FOR 2013

Issue#	Rules Due Date	Date of Issue
1	December 26, 2012	January 4, 2013
2	December 31, 2012	January 11, 2013
3	January 7, 2013	January 18, 2013
4	January 14, 2013	January 25, 2013
5	January 22, 2013	February 1, 2013
6	January 28, 2013	February 8, 2013
7	February 4, 2013	February 15, 2013
8	February 11, 2013	February 22, 2013
9	February 19, 2013	March 1, 2013
10	February 25, 2013	March 8, 2013
11	March 4, 2013	March 15, 2013
12	March 11, 2013	March 22, 2013
13	March 18, 2013	March 29, 2013
14	March 25, 2013	April 5, 2013
15	April 1, 2013	April 12, 2013
16	April 8, 2013	April 19, 2013
17	April 15, 2013	April 26, 2013
18	April 22, 2013	May 3, 2013
19	April 29, 2013	May 10, 2013
20	May 6, 2013	May 17, 2013

21	May 13, 2013	May 24, 2013
22	May 20, 2013	May 31, 2013
23	May 28, 2013	June 7, 2013
24	June 3, 2013	June 14, 2013
25	June 10, 2013	June 21, 2013
26	June 17, 2013	June 28, 2013
27	June 24, 2013	July 5, 2013
28	July 1, 2013	July 12, 2013
29	July 8, 2013	July 19, 2013
30	July 15, 2013	July 26, 2013
31	July 22, 2013	August 2, 2013
32	July 29, 2013	August 9, 2013
33	August 5, 2013	August 16, 2013
34	August 12, 2013	August 23, 2013
35	August 19, 2013	August 30, 2013
36	August 26, 2013	September 6, 2013
37	September 3, 2013	September 13, 2013
38	September 9, 2013	September 20, 2013
39	September 16, 2013	September 27, 2013
40	September 23, 2013	October 4, 2013
41	September 30, 2013	October 11, 2013
42	October 7, 2013	October 18, 2013
43	October 15, 2013	October 25, 2013
44	October 21, 2013	November 1, 2013
45	October 28, 2013	November 8, 2013
46	November 4, 2013	November 15, 2013
47	November 12, 2013	November 22, 2013
48	November 18, 2013	December 2, 2013
49	November 25, 2013	December 6, 2013
50	December 2, 2013	December 13, 2013
51	December 9, 2013	December 20, 2013
52	December 16, 2013	December 27, 2013

CHIEF PROCUREMENT OFFICER FOR CAPITAL DEVELOPMENT BOARD

NOTICE OF PROPOSED REPEALER

1) Heading of the Part: Procurement Practices

2) Code Citation: 44 Ill. Adm. Code 8

3)

Section Numbers:	Proposed Action:
8.90	Repeal
8.100	Repeal
8.110	Repeal
8.120	Repeal
8.130	Repeal
8.140	Repeal
8.150	Repeal
8.160	Repeal
8.170	Repeal
8.180	Repeal
8.190	Repeal
8.200	Repeal
8.210	Repeal
8.220	Repeal

4) Statutory Authority: The Illinois Procurement Code [30 ILCS 500]

5) A Complete Description of the Subjects and Issues Involved: In PA 96-795/SB 51 the Illinois Procurement Code was amended, transferring oversight for procurement to independent Chief Procurement Officers appoint by the Executive Ethics Commission and confirmed by the Senate. The legislation further established independent State purchasing Officers and Procurement Compliance Monitors. In PA 97-895/SB 2958 further amendments were made to the Illinois Procurement Code to clarify the changes initially made in PA 96-795. The Notice of Proposed Repeal of this rule is in conjunction with the Notice of Proposed Rules that will replace this Rule which more fully implements the changes of PA 96-795 and incorporates changes resulting from PA 97-895 for the Chief Procurement Office for Capital Development Board.

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 Repealer contain an automatic repeal date? No

CHIEF PROCUREMENT OFFICER FOR CAPITAL DEVELOPMENT BOARD

NOTICE OF PROPOSED REPEALER

9) Does this Repealer contain incorporations by reference? No

10) Are there any other proposed rulemakings pending on this Part? Yes

Sections Numbers:	Proposed Action:	Illinois Register Citation:
8.1	New	37 Ill. Reg. 12143; August 2, 2013
8.5	New	37 Ill. Reg. 12143; August 2, 2013
8.15	New	37 Ill. Reg. 12143; August 2, 2013
8.20	New	37 Ill. Reg. 12143; August 2, 2013
8.25	New	37 Ill. Reg. 12143; August 2, 2013
8.530	New	37 Ill. Reg. 12143; August 2, 2013
8.1005	New	37 Ill. Reg. 12143; August 2, 2013
8.1040	New	37 Ill. Reg. 12143; August 2, 2013
8.1050	New	37 Ill. Reg. 12143; August 2, 2013
8.1501	New	37 Ill. Reg. 12143; August 2, 2013
8.1525	New	37 Ill. Reg. 12143; August 2, 2013
8.1560	New	37 Ill. Reg. 12143; August 2, 2013
8.1570	New	37 Ill. Reg. 12143; August 2, 2013
8.1580	New	37 Ill. Reg. 12143; August 2, 2013
8.1585	New	37 Ill. Reg. 12143; August 2, 2013
8.1595	New	37 Ill. Reg. 12143; August 2, 2013
8.2005	New	37 Ill. Reg. 12143; August 2, 2013
8.2010	New	37 Ill. Reg. 12143; August 2, 2013
8.2020	New	37 Ill. Reg. 12143; August 2, 2013
8.2025	New	37 Ill. Reg. 12143; August 2, 2013
8.2030	New	37 Ill. Reg. 12143; August 2, 2013
8.2036	New	37 Ill. Reg. 12143; August 2, 2013
8.2037	New	37 Ill. Reg. 12143; August 2, 2013
8.2038	New	37 Ill. Reg. 12143; August 2, 2013
8.2039	New	37 Ill. Reg. 12143; August 2, 2013
8.2040	New	37 Ill. Reg. 12143; August 2, 2013
8.2046	New	37 Ill. Reg. 12143; August 2, 2013
8.2047	New	37 Ill. Reg. 12143; August 2, 2013
8.2050	New	37 Ill. Reg. 12143; August 2, 2013
8.2055	New	37 Ill. Reg. 12143; August 2, 2013
8.2060	New	37 Ill. Reg. 12143; August 2, 2013
8.2065	New	37 Ill. Reg. 12143; August 2, 2013
8.2075	New	37 Ill. Reg. 12143; August 2, 2013
8.2076	New	37 Ill. Reg. 12143; August 2, 2013

CHIEF PROCUREMENT OFFICER FOR CAPITAL DEVELOPMENT BOARD

NOTICE OF PROPOSED REPEALER

8.2080	New	37 Ill. Reg. 12143; August 2, 2013
8.2084	New	37 Ill. Reg. 12143; August 2, 2013
8.2086	New	37 Ill. Reg. 12143; August 2, 2013
8.2560	New	37 Ill. Reg. 12143; August 2, 2013
8.3000	New	37 Ill. Reg. 12143; August 2, 2013
8.3005	New	37 Ill. Reg. 12143; August 2, 2013
8.3015	New	37 Ill. Reg. 12143; August 2, 2013
8.3025	New	37 Ill. Reg. 12143; August 2, 2013
8.3030	New	37 Ill. Reg. 12143; August 2, 2013
8.3035	New	37 Ill. Reg. 12143; August 2, 2013
8.3040	New	37 Ill. Reg. 12143; August 2, 2013
8.3045	New	37 Ill. Reg. 12143; August 2, 2013
8.3050	New	37 Ill. Reg. 12143; August 2, 2013
8.3055	New	37 Ill. Reg. 12143; August 2, 2013
8.3060	New	37 Ill. Reg. 12143; August 2, 2013
8.3065	New	37 Ill. Reg. 12143; August 2, 2013
8.3070	New	37 Ill. Reg. 12143; August 2, 2013
8.3075	New	37 Ill. Reg. 12143; August 2, 2013
8.3080	New	37 Ill. Reg. 12143; August 2, 2013
8.3085	New	37 Ill. Reg. 12143; August 2, 2013
8.3090	New	37 Ill. Reg. 12143; August 2, 2013
8.3095	New	37 Ill. Reg. 12143; August 2, 2013
8.3100	New	37 Ill. Reg. 12143; August 2, 2013
8.3105	New	37 Ill. Reg. 12143; August 2, 2013
8.3110	New	37 Ill. Reg. 12143; August 2, 2013
8.3115	New	37 Ill. Reg. 12143; August 2, 2013
8.3120	New	37 Ill. Reg. 12143; August 2, 2013
8.3125	New	37 Ill. Reg. 12143; August 2, 2013
8.3130	New	37 Ill. Reg. 12143; August 2, 2013
8.3130	New	37 Ill. Reg. 12143; August 2, 2013
8.3135	New	37 Ill. Reg. 12143; August 2, 2013
8.3140	New	37 Ill. Reg. 12143; August 2, 2013
8.3145	New	37 Ill. Reg. 12143; August 2, 2013
8.4505	New	37 Ill. Reg. 12143; August 2, 2013
8.4510	New	37 Ill. Reg. 12143; August 2, 2013
8.4526	New	37 Ill. Reg. 12143; August 2, 2013
8.4535	New	37 Ill. Reg. 12143; August 2, 2013
8.4545	New	37 Ill. Reg. 12143; August 2, 2013
8.4557	New	37 Ill. Reg. 12143; August 2, 2013

CHIEF PROCUREMENT OFFICER FOR CAPITAL DEVELOPMENT BOARD

NOTICE OF PROPOSED REPEALER

8.4570	New	37 Ill. Reg. 12143; August 2, 2013
8.4590	New	37 Ill. Reg. 12143; August 2, 2013
8.4599	New	37 Ill. Reg. 12143; August 2, 2013
8.5002	New	37 Ill. Reg. 12143; August 2, 2013
8.5005	New	37 Ill. Reg. 12143; August 2, 2013
8.5010	New	37 Ill. Reg. 12143; August 2, 2013
8.5011	New	37 Ill. Reg. 12143; August 2, 2013
8.5012	New	37 Ill. Reg. 12143; August 2, 2013
8.5013	New	37 Ill. Reg. 12143; August 2, 2013
8.5014	New	37 Ill. Reg. 12143; August 2, 2013
8.5015	New	37 Ill. Reg. 12143; August 2, 2013
8.5020	New	37 Ill. Reg. 12143; August 2, 2013
8.5023	New	37 Ill. Reg. 12143; August 2, 2013
8.5030	New	37 Ill. Reg. 12143; August 2, 2013
8.5035	New	37 Ill. Reg. 12143; August 2, 2013
8.5037	New	37 Ill. Reg. 12143; August 2, 2013
8.5038	New	37 Ill. Reg. 12143; August 2, 2013
8.5039	New	37 Ill. Reg. 12143; August 2, 2013
8.5060	New	37 Ill. Reg. 12143; August 2, 2013
8.5400	New	37 Ill. Reg. 12143; August 2, 2013
8.5420	New	37 Ill. Reg. 12143; August 2, 2013
8.5440	New	37 Ill. Reg. 12143; August 2, 2013
8.5460	New	37 Ill. Reg. 12143; August 2, 2013
8.5560	New	37 Ill. Reg. 12143; August 2, 2013
8.5620	New	37 Ill. Reg. 12143; August 2, 2013
8.5700	New	37 Ill. Reg. 12143; August 2, 2013
8.5710	New	37 Ill. Reg. 12143; August 2, 2013
8.5720	New	37 Ill. Reg. 12143; August 2, 2013
8.5730	New	37 Ill. Reg. 12143; August 2, 2013
8.5740	New	37 Ill. Reg. 12143; August 2, 2013
8.7000	New	37 Ill. Reg. 12143; August 2, 2013
8.7010	New	37 Ill. Reg. 12143; August 2, 2013
8.7015	New	37 Ill. Reg. 12143; August 2, 2013
8.8001	New	37 Ill. Reg. 12143; August 2, 2013
8.8005	New	37 Ill. Reg. 12143; August 2, 2013
8.8015	New	37 Ill. Reg. 12143; August 2, 2013
8.8017	New	37 Ill. Reg. 12143; August 2, 2013
8.8020	New	37 Ill. Reg. 12143; August 2, 2013
8.8025	New	37 Ill. Reg. 12143; August 2, 2013

CHIEF PROCUREMENT OFFICER FOR CAPITAL DEVELOPMENT BOARD

NOTICE OF PROPOSED REPEALER

8.8030	New	37 Ill. Reg. 12143; August 2, 2013
8.8035	New	37 Ill. Reg. 12143; August 2, 2013
8.8040	New	37 Ill. Reg. 12143; August 2, 2013
8.8045	New	37 Ill. Reg. 12143; August 2, 2013
8.8050	New	37 Ill. Reg. 12143; August 2, 2013
8.8055	New	37 Ill. Reg. 12143; August 2, 2013
8.8057	New	37 Ill. Reg. 12143; August 2, 2013
8.8060	New	37 Ill. Reg. 12143; August 2, 2013
8.8065	New	37 Ill. Reg. 12143; August 2, 2013
8.8070	New	37 Ill. Reg. 12143; August 2, 2013
8.8072	New	37 Ill. Reg. 12143; August 2, 2013
8.8075	New	37 Ill. Reg. 12143; August 2, 2013
8.8080	New	37 Ill. Reg. 12143; August 2, 2013
8.8082	New	37 Ill. Reg. 12143; August 2, 2013
8.8085	New	37 Ill. Reg. 12143; August 2, 2013
8.8090	New	37 Ill. Reg. 12143; August 2, 2013
8.8092	New	37 Ill. Reg. 12143; August 2, 2013
8.8095	New	37 Ill. Reg. 12143; August 2, 2013
8.8098	New	37 Ill. Reg. 12143; August 2, 2013

11) Statement of Statewide Policy Objectives: This rulemaking does not affect, create or expand a State mandate under the State Mandates Act.

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

Lorri Rosenfeldt
Rules Coordinator
Chief Procurement Office for Capital Development Board
401 S. Spring Street
Room 318 Stratton Office Building
Springfield, IL 62706

217/558-2295
lorri.rosenfeldt@illinois.gov

13) Initial Regulatory Flexibility Analysis:

CHIEF PROCUREMENT OFFICER FOR CAPITAL DEVELOPMENT BOARD

NOTICE OF PROPOSED REPEALER

A) Types of small businesses, small municipalities and not for profit corporations affected: The proposed repealer may have an impact on small businesses, small municipalities, and not-for-profit corporations as defined in Sections 1-75, 1-80, and 1-85 of the Illinois Administrative Procedure Act [5 ILCS 100/1-75, 1-80, and 1-85]. These entities may submit comments in writing to the Chief Procurement Office for Capital Development Board at the above address in accordance with the regulatory flexibility provisions in Section 5-30 of the Illinois Administrative Procedure Act [5 ILCS 100/5-30]. These entities shall indicate their status as a small business, small municipality, or not-for-profit corporation as part of any written comments they submit to the Chief Procurement Office for Capital Development Board.

B) Reporting, bookkeeping or other procedures required for compliance: Businesses interested in contracting with the State will be required to meet enhanced financial disclosure requirements and to annually recertify compliance documents. Businesses and subcontractors having contracts or proposing to do business with the State of Illinois will be required to provide conflict of interest disclosures, financial interest disclosures and sign certifications. Businesses may also be required to obtain a Department of Human Rights Number and register with the State Board of Elections. Requirements for contract execution prior to performance will also impact these organizations.

C) Types of professional skills necessary for compliance: None

14) Regulatory Agenda on which this rulemaking was summarized: July, 2013

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

CHIEF PROCUREMENT OFFICER FOR CAPITAL DEVELOPMENT BOARD

NOTICE OF PROPOSED REPEALER

TITLE 44: GOVERNMENT CONTRACTS, PROCUREMENT AND PROPERTY MANAGEMENT
SUBTITLE A: PROCUREMENT AND CONTRACT PROVISIONS
CHAPTER IV: CHIEF PROCUREMENT OFFICER FOR CAPITAL DEVELOPMENT BOARD

PART 8
PROCUREMENT PRACTICES (REPEALED)

Section
8.90 Authority
8.100 Definitions
8.110 Procurement Code
8.120 Construction Contracts
8.130 Construction Project Specifications
8.140 Architect and Engineer Contracts
8.150 Protests
8.160 Alternative Procurement Methods
8.170 Alternative Dispute Resolution
8.180 Use of Department of Central Management Services
8.190 Retention Trust
8.200 Change Orders or Modifications
8.210 Use of Funds
8.220 Suspension and Debarment

AUTHORITY: Implementing, and authorized by, Section 5-25 of the Illinois Procurement Code [30 ILCS 500/15-25].

SOURCE: Adopted at 2 Ill. Reg. 30, p. 140, effective July 27, 1978; amended at 4 Ill. Reg. 9, p. 233, effective February 14, 1980; amended at 5 Ill. Reg. 1890, effective February 17, 1981; amended and codified at 8 Ill. Reg. 20324, effective October 1, 1984; amended at 9 Ill. Reg. 17332, effective October 29, 1985; amended at 12 Ill. Reg. 9864, effective May 27, 1988; amended at 13 Ill. Reg. 8403, effective May 22, 1989; amended at 22 Ill. Reg. 1169, effective January 1, 1998; old Part repealed and new Part adopted by emergency rulemaking at 22 Ill. Reg. 14333, effective July 16, 1998, for a maximum of 150 days; old Part repealed and new Part adopted at 22 Ill. Reg. 21848, effective December 4, 1998; amended at 26 Ill. Reg. 2606, effective February 8, 2002; recodified, pursuant to PA 96-795, from Capital Development Board 44 Ill. Adm. Code 910 to Chief Procurement Officer for Capital Development Board 44 Ill. Adm. Code 8 at 35 Ill. Reg. 10165; repealed at 37 Ill. Reg. _____, effective _____.

CHIEF PROCUREMENT OFFICER FOR CAPITAL DEVELOPMENT BOARD

NOTICE OF PROPOSED REPEALER

Section 8.90 Authority

The Illinois Procurement Code ("Code") [30 ILCS 500] establishes the Chief Procurement Officer for Capital Development Board (CPO). The CPO may appoint State Purchasing Officers to carry out any or all of the procurement functions.

Section 8.100 Definitions

The following definitions shall apply to this Part:

"A/E" − Firm providing architectural and/or engineering professional services on construction projects.

"Bid" − An offer made by a bidder in response to a contract item advertised in an Invitation for Bids.

"Bid Documents" − Documents necessary for submittal of a bid on a CDB project, including but not limited to drawings, bid forms and the Standard Documents for Construction.

"Board" − Capital Development Board.

"Change Order" − A formal, written directive or agreement that amends a contract in order to address contingencies affecting the performance and completion of the contract, including but not limited to such matters as extra work, increases or decreases in quantities, additions or alterations to plans, special provisions or specifications, and adjustments or alterations specifically provided for in the contract. Change orders to A/E contracts may be referred to as "modifications".

"Code" − The Illinois Procurement Code [30 ILCS 500].

"Contract" − A written agreement between the Board and the contractor comprising such documents as set forth in each individual agreement, including change orders, and setting forth the obligations of the parties for the performance of the contract.

"Day" − A calendar day.

"Germane" − In relationship to the modification, alteration or amendment of the terms of a contract by change order, the term "germane" means a change that is related to the original terms of the contract but that is not so substantial a departure from the original as to constitute a new contract.

"Responsible" − The capability, integrity and reliability of a bidder, offeror or contractor, in all respects that will assure good faith performance, to undertake and complete fully the requirements of a contract.

"Responsive" − In the context of bidding procedures, the compliance in all meaningful, material respects with the Invitation for Bids.

"Small Business" for purposes of determining whether at least 25% of the annual total value of CDB projects constitutes income to a small business, a small business is:

A direct contractor or subcontractor in a construction contract or a contract for professional architectural or engineering services; and

A firm with annual sales and receipts not exceeding $3,000,000; and

A firm that is independently owned and operated; and

A firm that is not dominant in its field of operations; and

A firm that is otherwise qualified to do business with CDB.

"Specifications" − The contractual body of directions, provisions, and requirements for performance of prescribed work. Specifications includes the Standard Documents for Construction for general application and repetitive use as well as specifications applicable to a specific project.

"User Agency" − the governmental agency or other entity for whom CDB carries out a construction project.

Section 8.110 Procurement Code

a) General
The principles of competitive bidding and economical procurement practices shall

be applicable to all construction contracts of the Board, and all purchases, contracts and expenditure of funds shall be made in accordance with the Illinois Procurement Code [30 ILCS 500] and all other applicable statutes. The Chief Procurement Officer for General Services Standard Procurement Rules (44 Ill. Adm. Code 1) will govern the procurement practices of the Capital Development Board to the extent that such rules are not in conflict with this Part. In the event of conflict, this Part shall apply. General conditions for procurements shall be set forth in CDB's contract documents, which include the Standard Documents for Construction. In instances where 44 Ill. Adm. Code 1 applies, CDB may enact rules that are complimentary, so that both may apply in a particular situation. CMS rules that shall apply to CBD procurement include, but are not limited to, the following:

1) Section 1.10(d)(7) relating to the definition of contracts necessary to prepare for anticipated litigation, which are not subject to Code requirements other than those in this Section.

2) Section 1.2010, Competitive Sealed Bidding, specifically subsections as follows:

   A) (i) Receipt, Opening and Recording of Bids.

   B) (j) Bid Evaluation and Award.

   C) (k) Documentation of Award.

   D) (l) Award to Other Than Low Bidder.

3) Section 1.2015, Competitive Sealed Proposals.

4) Section 1.2020(b) through (f) relating to determination whether a contract is under the statutory small contract limits.

5) Section 1.2030, Emergency Procurements.

6) Section 1.2035, Competitive Selection Procedures for Professional and Artistic Services.

7) Section 1.2036, Other Methods of Source Selection, specifically

subsections as follows:

A) (c) Term and Condition Contracts (master contracts).

B) (f) Federal Requirements.

C) (h) Donations.

8) Section 1.2055(e), Performance Incentive Contracts.

9) Section 1.2060, Duration of Contracts − General.

10) Sections 1.6500 through 1.6520 relating to Governmental Joint Purchasing.

b) Procurement Bulletin
CDB is responsible under the Code for publishing a volume of the Illinois Procurement Bulletin. CDB's bulletin is available electronically via the Internet (www.cdb.state.il.us) and may be available in print, in two parts. One part entitled "Bid Information Newsletter" for construction contracts and the other entitled "Professional Services Bulletin" for architect/engineer services. CDB's Procurement Bulletin will be published or updated at least monthly but may be updated more frequently.

Section 8.120 Construction Contracts

Unless an exception authorized by the Code exists, CDB contracts for construction projects shall be competitively bid. Solicitations for bids shall be in conformance with the Illinois Procurement Code, the rules of the Chief Procurement Officer for General Services (CPO-GS) and/or CDB, and with accepted business practices. Contracts shall be awarded in accordance with those authorities and with the guidelines set forth in "Standard Documents for Construction" (SDC) used by the Board unless otherwise specified in the advertisement for bids published in the Procurement Bulletin, or as authorized by law. Policies governing bid matters that are expressed in CDB's Standard Documents for Construction relating to the bidding process include the following:

a) Licensing
In addition to other statutory requirements, all bidders shall be responsible for proper licensing with the appropriate State agency in the trades the bidder will

perform on the particular project, such as (but not limited to) roofing, plumbing, and asbestos abatement.

b) Obtaining Bid Documents
At the time of publishing an advertisement for bids, CDB shall make project plans, specifications and other bidding documents available to prospective bidders through the office(s) of the project Architect/Engineer (A/E), and other locations as may be deemed appropriate for the project, such as commercial "plan rooms."

c) Construction Administration Fee
As authorized by the CDB Act [20 ILCS 3105/9.02a], CDB may assess a Construction Administration Fee that shall be identified in the bid documents.

d) Reporting of Bid Document Errors or Inconsistencies
Bidders shall have an affirmative duty to examine bid documents and site conditions, and to report any discovered errors or inconsistencies to the project A/E. Bidders awarded a project will not be given change orders for extra payment or time extension for conditions that could reasonably have been discovered.

e) Addenda to Bid Documents
Addenda changing the bid documents prior to bid opening shall be issued in writing by the project A/E to all known plan holders a reasonable time prior to bid opening.

f) Alternates
When the estimated value of the work exceeds the available funding, portions of the work may be identified as alternates to a base bid for the most essential part of the work. The alternates may be additive or deductive valued bids for these lesser essential portions of the work. Prior to bid opening, the order of priority in which alternate bids may be accepted with the base bid may be announced. If not otherwise announced, the priority will be in the order listed on the bid form. The lowest bidder shall be determined by the amount of the base bid plus accepted alternates. Prior to award, there will be not division of awards between base bid and accepted alternate bids. If not all the alternate bids are accepted at the award time, an alternate may be added to the project at a later time by change order if funding becomes available. If, however, acceptance of the alternate prior to award would have resulted in changing the lowest bidder, the alternate cannot be added by change order.

g) Agreements to Terms
By submitting a bid, the bidder agrees to all terms and conditions of the SDC and other contract documents. Accordingly, submittal of conditions or qualifying statements on bids is unacceptable and cause for rejection of the bid.

h) Unit Prices
Unit price items may be included in project specifications only if stated a manner to clearly protect the State from unlimited increased quantities.

i) Bid changes
Prior to bid opening, bidders may change bids already submitted in a manner that does not reveal the total bid price, in writing or by telefax. Changes shall not be allowed after bid opening.

j) Bid Withdrawal
After bid opening, bid withdrawal shall be permitted only if the bidder establishes clearly and convincingly that the bid was founded on a credible error or omission.

k) Minority and Female Participation
CDB may impose minority and female work force participation and/or Minority and Female Business Enterprise participation as permitted by law, on projects determined to be appropriate, as a bidding or post-award requirement.

l) Bid Security
All bids shall include bid security in the form of a bid bond on CDB's form, a certified check, cashier's check, or bank draft in the amount of 10% of the base bid. If a bid bond is used, the surety issuing the bond must be acceptable to CDB.

m) Bid Rejection
Bids which are not in substantial conformance with the bid documents and whose non-conformance is determined to be material and unresponsive shall be rejected. Material deficiencies include but are not limited to the following:

1) Failure of the contractor to be prequalified;

2) A finding that the contractor is non-responsible;

3) Late submittal of the bid;

4) Deletion of original signatures to the extent that an intent to be bound by the bid is not apparent; or

5) Submission of a bid price that cannot be determined.

n) Technical Deficiencies
Technical deficiencies in bids may be remedied by the bidder within 7 days. Technical deficiencies include but are not limited to the following:

1) Failure to use proper bid forms;

2) Submission of a bid bond that is not on CDB's form;

3) Failure to include the Minority and Female Workforce Participation form; or

4) Failure to acknowledge an addendum to the work, but only if it does not change the amount of the bid.

o) Tie Bids
In instances where identical bids are submitted to CDB, the apparent low bidder will be identified by the toss of a coin, properly witnessed and recorded.

Section 8.130 Construction Project Specifications

a) Subdivisions of the Work
In construction contracts in excess of $250,000, separate bidding will be specified for at least the five subdivisions of work enumerated by the Code generally as: plumbing, heating, ventilating, electric, and general. If appropriate to the project and advantageous to the State, additional subdivisions such as sprinkler work (fire protection) may be specified. In the event that the work in a particular subdivision is less than $30,000, or is an amount determined in writing by CDB to be so small compared to the other contracts that a separate contractor would adversely interfere with the scheduling and coordinating of the project, or so small that it is not likely that more than one bidder will bid, the work may be added to another subdivision as appropriate.

b) Product Substitutions

Bids for construction projects shall be based on providing all products, subcontractors or suppliers specified in the specifications. However, CDB specifications shall provide that a bidder may propose substitutions of a product, subcontractor or supplier upon review and approval by CDB's project A/E. The product substitution process may be utilized regardless of whether the specification calls for a sole source, and regardless of whether only brand names are listed. Substitutions not approved prior to bidding shall not be accepted after award if acceptance would require a change order increasing the amount of the contract.

Section 8.140 Architect and Engineer Contracts

Solicitation for procurement of services of architects/engineers (A/Es), or related professionals, shall be in accordance with the Architectural, Engineering, and Land Surveying Qualifications Based Selection Act [30 ILCS 535] and CDB's rules (44 Ill. Adm. Code 1000).

Section 8.150 Protests

The procedures of this Section will govern the resolution of protests received by the Board from an interested party concerning a contract solicitation.

a) Interested Party
In order to be considered an interested party, the protester must be or have been an actual bidder or offeror who demonstrates compliance in all respects with this Part and the terms of the subject Invitation for Bids or Request for Proposals.

b) Subject of the Protest

1) A protest may be filed regarding any phase of the solicitation process for a particular contract.

2) The subject of the protest shall concern fraud, corruption or illegal acts undermining the objectives and integrity of the procurement process.

3) Protest procedures of this Section do not apply to issues of prequalification, suspension or debarment.

c) Filing of a Protest

1) All protests shall be in writing and filed with the Chief Procurement Officer within 7 calendar days after the protester knows or should have known of the facts giving rise to the protest. Protests filed after the 7 calendar days period will not be considered. In addition, protests that raise issues of fraud, corruption or illegal acts affecting specifications, special provisions, supplemental specifications and plans must be received by the Chief Procurement Officer no later than 14 calendar days before the date set for opening of bids.

2) The protest shall be contained in an envelope clearly labeled "Protest." The written protest shall include as a minimum the following requirements:

A) The name, address, telephone and facsimile numbers of the protester.

B) The identification of the procurement or solicitation that is the subject of the protest.

C) All information establishing that the protester is an interested party.

D) A detailed statement of the factual and legal grounds of the protest, including all relevant documents and exhibits that demonstrate fraud, corruption or illegal acts having the effect of undermining the integrity of the procurement process.

E) All information establishing the timeliness of the protest.

F) The signature of the protester.

d) Stay of Action during Protest
When a protest has been timely filed and before an award has been made, CDB will make no award of the contract until the protest has been resolved, unless the award of the contract without delay is necessary to protect the interests of the State. When a protest has been filed after an award has been made, the protest will be denied.

e) Decision

1) A decision on a protest will be made as expeditiously as possible after receiving all relevant information.

2) The protest will be sustained only if it is determined by the Chief Procurement Officer that the protest conclusively demonstrates by the preponderance of relevant information submitted that fraud, corruption or illegal acts have occurred that undermine the integrity of the procurement process.

3) If the protest is sustained, the remedies available are limited to cancellation or revision of the solicitation, or readvertisement of the solicitation. Relief available does not include award of the contract to the protester.

4) The decision of the Chief Procurement Officer is final and conclusive unless clearly erroneous, arbitrary, capricious or contrary to law. (See Section 20-75 of the Code.)

Section 8.160 Alternative Procurement Methods

In lieu of competitive sealed bidding, CDB shall procure goods and services by the following or as otherwise allowed by statute or rule:

a) Small Contracts

1) As authorized by the Code, individual contracts for supplies or services not exceeding the following thresholds may be made without notice, competition or use of other method of procurement prescribed in the Code or this Part:

A) Any contract not exceeding $25,000;

B) Contracts for professional or artistic services not exceeding $20,000 that are nonrenewable and one year or less in duration;

C) Construction and construction-related contracts not exceeding $30,000; and

D) Any contract subject to action by the Procurement Policy Board under Code Section 20-20 to adjust threshold amounts for inflation or to modify the above small purchase amounts.

2) Section 30-35 of the Code provides that a construction contract change order may cause the obligation or expenditure of funds in excess of the original contract price provided that the subject of the change order is germane to the original contract. Section 30-35 of the Code further establishes the manner in which the amount of additional expenditure or obligation will be determined and authorized by the Board. CDB will approve construction contract change orders authorizing the obligation or expenditure of additional funds without supplemental procurement procedures in accordance with the following requirements and thresholds:

A) A construction contract change order that is germane and that causes the obligation or expenditure in excess of the amounts in Section 30-35(b) of the Code or of more than $30,000 in excess of the contract price, whichever is less, will not be authorized without supplemental procurement procedures unless the scope of the change order is approved as provided in Section 30-35 of the Code.

B) Determination of germaneness and the amount of additional expenditure or obligation thresholds will be determined in accordance with this Part and Section 30-35 of the Code.

C) Prior written approval will be made by the Board if the contemplated construction contract change order will cause an expenditure or obligation of funds of more than $30,000 in excess of the contract price. The written approval will state the reasons for the additional obligation or expenditure and the basis for the germaneness determination.

D) For purposes of determining the scope of the change order and the value thereof that is subject to the requirements of this Section, the Board will consider the total net value of all added and deducted work functions related to the object of the change order and the work of the contract to be affected.

E) Notice of approved construction contract change orders will be

published in the Capital Development Board Procurement Bulletin.

3) Estimated needs shall not be divided in any manner to avoid the use of an established method of procurement. (See Section 20-20(a) of the Code.)

b) Construction Manager Services
Procurement of a construction manager for project services, which may include, but are not limited to, scheduling, contractor coordination, and administration of pay requests, but not including design services, shall be made in accordance with Code Section 20-15 providing for competitive sealed proposals and 44 Ill. Adm. Code 1.2035 (Competitive Selection Procedures for Professional and Artistic Services) and 1.2015 that establishes procedures for competitive sealed proposals.

c) Emergency Contracts

1) A contract may be procured without the use of any other method of procurement prescribed in the Code or this Part when there exists a threat to public health or safety, or when an immediate contract is needed to repair State property in order to prevent or minimize loss or damage to State property, or to prevent or minimize serious disruption in State services, including but not limited to, completion of a defaulted contract, or to ensure the integrity of State records. (See Section 20-30(a) of the Code.)

2) For purposes of determining whether an emergency exists to prevent or minimize serious disruption in State services, State services include, but are not limited to, all activities committed by law to the jurisdiction or responsibility of the Board and the user agency, whether provided directly or indirectly by means of contract or intergovernmental agreement.

3) The Board will employ such competition as is practical under the emergency circumstances to abate the emergency situation, including the use of existing contracts.

4) Section 20-30(a) of the Code requires a written description of the basis for the emergency and reasons for the selection of the particular contractor to be included in the contract file. Section 20-30 of the Code further requires an affidavit to be filed with the Auditor General setting forth the amount expended, the name of the contractor and the basis for the emergency. For

purposes of Board emergency procurements, the Code-required affidavits will serve as the Code-required written descriptions retained in the contract file, and for purposes of publication notice as required by Code.

d) Sole Source and Limited Source

1) A contract may be procured from a single source contractor without competition or use of any other method of procurement prescribed in the Code or this Part when the single source contract is the only economically feasible source capable of providing the services, including professional and artistic services, contemplated or the material or product to be supplied. (See Section 20-25 of the Code.)

2) Examples of circumstances that could necessitate sole source procurement include but are not limited to:

A) when the compatibility of equipment, accessories, replacement parts, or service is a primary consideration;

B) when trial use, testing or the development of new technology is the object of the procurement;

C) when a sole supplier's item is to be procured for resale;

D) when utility services are to be procured;

E) when the surety providing a performance bond tenders a completion contractor, acceptable to the Board, to complete a defaulted contract;

F) when the item is copyrighted or patented and the item is not available except from the holder of the copyright or patent or service area licensee; and

G) when utility or other private property is to be relocated or otherwise adjusted by the owner to accommodate a Board project.

3) Change Orders. Change orders to existing contracts germane to the original contract that are necessary or desirable to complete the project,

and that can be best accomplished by the contract holder, may be procured under this Section.

4) Bulletin. The Board shall publish notice of intent to contract on a sole source basis in the Capital Development Board Procurement Bulletin at least 14 days prior to execution of the contract. (See Section 20-25 of the Code.)

e) Illinois Correctional Industries
Procurement from Illinois Correctional Industries constitutes contracting between State governmental bodies, exempt from Procurement Code requirements, and shall be done in accordance with CPO-GS rules and this Part. Such procurements may utilize an annual master contract with agreed-upon unit prices for construction services, against which sub-orders may be placed for specific CDB projects.

f) Art-in-Architecture Program Procurement
Works of art procured for CDB construction projects pursuant to Section 14 of the CDB Act shall be in accordance with selection procedures developed by the Fine Arts Review Committee and CDB, in consultation with the Public Arts Advisory Committee.

Section 8.170 Alternative Dispute Resolution

To resolve disputes related to the performance of construction projects, whether in design phase or construction phase, the parties to the dispute shall utilize alternative dispute resolution methods as required by the contract or bid documents. At a minimum, alternative dispute resolutions shall be a condition precedent to the filing of any court action valued in excess of $50,000. This Section shall not apply to mechanics lien actions, unless the parties thereto so consent, nor to contract terminations, CDB's right to carry out the work, and non-project matters such as suspension of prequalification.

Section 8.180 Use of Department of Central Management Services

All office supplies, equipment and commodities required for the operation of the Capital Development Board shall be purchased in accordance with CPO-GS rules and pursuant to the appointment by the CPO-GS of a State Purchasing Officer.

Section 8.190 Retention Trust

a) Contractors may elect to have retention deposited in a trust provided that:

1) The project is funded by direct appropriation to CDB;

2) the contract exceeds $300,000; and

3) the specified contract time is 360 calendar days or longer.

b) Retention Trust Agreement must be entered into before application by the contractor for the first payment. The agreement will include, but not be limited to the following:

1) the amount to be deposited;

2) terms and conditions of payment in case of default by the contractor;

3) termination upon completion, default, or other breach; and

4) the contractor's responsibility for obtaining the written consent of the bank trustee and for paying all costs and fees associated with the trust.

c) Only CDB's retention trust agreement form is acceptable. In the event the contractor fails to deliver the trust agreement duly executed by the contractor and the bank prior to, or at the time of, receipt of the first partial payment, CDB may not execute the trust agreement. CDB may cancel the retention trust agreement for reason of non-performance and demand return of any deposits by the bank.

Section 8.200 Change Orders or Modifications

a) The Board shall set staff approval levels for construction change orders or modifications with Board approval required for amounts deemed significant enough to be appropriate for Board-level approval of change orders or modifications, when CDB determines in writing that a change is germane to the original contract

b) Only work that is germane to the original contract shall be added by change order or modification. Proposed change orders or modifications that are determined by CDB to not be germane to the original contract shall be procured in accordance

with the Code and CDB rules.

c) All change orders and modifications shall be in writing. Prior to the execution of the actual change order or modification, changed work may proceed if authorized in writing according to the approval levels authorized by the Board, when so provided contractually.

d) For purposes of determining the scope of the change order and the value thereof that is subject to the requirements of this Section, the Board will consider the total net value of all added and deducted work functions related to the object of the change order and the work of the contract to be affected.

e) Notice of approved change orders and modifications shall be reported in CDB's Procurement Bulletin.

Section 8.210 Use of Funds

CDB construction funds shall not be used for routine operation, routine repair, or routine maintenance of existing structures, buildings, or real property, which would typically be covered by operation and maintenance funds of the user agency nor for reimbursement of user agencies for administration, staff, or other costs.

Section 8.220 Suspension and Debarment

Any person or firm prequalified with CDB may be suspended for a period up to 5 years, or may be debarred for a period of 5 years up to a permanent debarment in accordance with 44 Ill. Adm. Code 980. Causes for suspension or debarment are set forth in the Code, other statutes, and 44 Ill. Adm. Code 980.

CHIEF PROCUREMENT OFFICER FOR CAPITAL DEVELOPMENT BOARD

NOTICE OF PROPOSED RULES

1) Heading of the Part: Chief Procurement Officer for the Capital Development Board

2) Code Citation: 44 Ill. Adm. Code 8

3)

Sections Numbers:	Proposed Action:
8.1	New
8.5	New
8.15	New
8.20	New
8.25	New
8.530	New
8.1005	New
8.1040	New
8.1050	New
8.1501	New
8.1525	New
8.1560	New
8.1570	New
8.1580	New
8.1585	New
8.1595	New
8.2005	New
8.2010	New
8.2020	New
8.2025	New
8.2030	New
8.2036	New
8.2037	New
8.2038	New
8.2039	New
8.2040	New
8.2045	New
8.2046	New
8.2047	New
8.2050	New
8.2055	New
8.2060	New
8.2065	New
8.2075	New

8.2076	New
8.2080	New
8.2084	New
8.2086	New
8.2560	New
8.3000	New
8.3005	New
8.3015	New
8.3025	New
8.3030	New
8.3035	New
8.3040	New
8.3045	New
8.3050	New
8.3055	New
8.3060	New
8.3065	New
8.3070	New
8.3075	New
8.3080	New
8.3085	New
8.3090	New
8.3095	New
8.3100	New
8.3105	New
8.3110	New
8.3115	New
8.3120	New
8.3125	New
8.3130	New
8.3130	New
8.3135	New
8.3140	New
8.3145	New
8.4505	New
8.4510	New
8.4526	New
8.4535	New
8.4545	New

CHIEF PROCUREMENT OFFICER FOR CAPITAL DEVELOPMENT BOARD

NOTICE OF PROPOSED RULES

8.4557	New
8.4570	New
8.4590	New
8.4599	New
8.5002	New
8.5005	New
8.5010	New
8.5011	New
8.5012	New
8.5013	New
8.5014	New
8.5015	New
8.5020	New
8.5023	New
8.5030	New
8.5035	New
8.5037	New
8.5038	New
8.5039	New
8.5060	New
8.5400	New
8.5420	New
8.5440	New
8.5460	New
8.5560	New
8.5620	New
8.5700	New
8.5710	New
8.5720	New
8.5730	New
8.5740	New
8.7000	New
8.7010	New
8.7015	New
8.8001	New
8.8005	New
8.8015	New
8.8017	New
8.8020	New

8.8025	New
8.8030	New
8.8035	New
8.8040	New
8.8045	New
8.8050	New
8.8055	New
8.8057	New
8.8060	New
8.8065	New
8.8070	New
8.8072	New
8.8075	New
8.8080	New
8.8082	New
8.8085	New
8.8090	New
8.8092	New
8.8095	New
8.8098	New

4) Statutory Authority: The Illinois Procurement Code [30 ILCS 500]

5) A Complete Description of the Subjects and Issues Involved: In PA 96-795/SB 51 the Illinois Procurement Code was amended, transferring oversight for procurement to independent Chief Procurement Officers appointed by the Executive Ethics Commission and confirmed by the Senate. The legislation further established independent State Purchasing Officers and Procurement Compliance Monitors. In PA 97-895/SB 2958 further amendments were made to the Illinois Procurement Code to clarify the changes initially made in PA 96-795.

The proposed rule more fully implements the changes of PA 96-795 and incorporates changes resulting from PA 97-895 for the Chief Procurement Office for Capital Development Board. It does this by repealing the existing Part 8 because of its limited content and scope and replacing it with a comprehensive description of the processes for procuring construction and construction related services.

Included in the new part are detailed definitions of terms; the structure for the CPO and SPO for exercising procurement authority and providing oversight of procurement

processes; and direction to the Capital Development Board on its role in construction procurement matters for contractors, architects/engineers, design build entities, construction managers, subcontractors, and others. The proposed rule contains new or more detailed procedures for: the development of procurement policies and procedures, the publication of procurement actions including cancellation, rejection and withdrawal of bids; providing public notice for solicitations, including duration of public notice; documenting procurement actions, including the content and retention of procurement files; source selection and contract formation, including sole source and sole economically feasible procurements, methods for modifying or withdrawing bids or proposals, the scope and extension of emergency purchases, and small procurements; determining whether vendors are responsible and how vendors may be found non-responsible, including through and as related to procedures for prequalification; security requirements for bids, proposals and performance; limits on the types and duration of contracts; addressing protests, disputes, and contract controversies; prevailing wage requirements, the formatting of construction project specifications; expenditures in excess of contract price; implementing preferences, including for domestic products; disclosure of financial interests, conflicts of interest and other ethical considerations; and debarment and suspension of vendors. The Rule also details the continuing duty for contract holders to update financial disclosures and certifications in the event of change and to annually recertify the ability to hold multi-year contracts, prohibition of political contributions, lobbying restrictions, procurement communications reporting requirements, and the circumstances where a bidder may be prohibited. General procedures for permitting and conducting hearings, including notices and providing comment, are also provided.

6) Published studies or reports, and sources of underlying data, used to compose this rulemaking The Chief Procurement Office for Capital Development Board relied on PA 96-795 and PA 97-895 to compose the rulemaking. Copies are available for review with the Chief Procurement Office for Capital Development Board at 401 S. Spring, Room 318 Stratton Office Building, Springfield, Illinois 62706.

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

CHIEF PROCUREMENT OFFICER FOR CAPITAL DEVELOPMENT BOARD

NOTICE OF PROPOSED RULES

11) Statement of Statewide Policy Objectives: This rulemaking does not affect, create or expand a State mandate under the State Mandates Act.

12) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: The Chief Procurement Office for Capital Development Board will consider all written comments it receives during the first notice period as required by Section 5-40 of the Illinois Administrative Procedure Act [5 ILCS 100/5-40]. Written comments may be submitted within 45 days after the date of publication in the *Illinois Register* to:

Lorri Rosenfeldt
Rules Coordinator
Chief Procurement Office for Capital Development Board
401 S. Spring Street
Room 318 Stratton Office Building
Springfield, IL 62706

217-558-2295
lorri.rosenfeldt@illinois.gov

13) Initial Regulatory Flexibility Analysis:

A) Types of small businesses, small municipalities and not for profit corporations affected: The proposed amendments may have an impact on small businesses, small municipalities, and not-for-profit corporations as defined in Sections 1-75, 1-80, and 1-85 of the Illinois Administrative Procedure Act [5 ILCS 100/1-75, 1-80, 1-85]. These entities may submit comments in writing to the Chief Procurement Office for Capital Development Board at the above address in accordance with the regulatory flexibility provisions in Section 5-30 of the Illinois Administrative Procedure Act [5 ILCS 100/5-30]. These entities shall indicate their status as a small business, small municipality, or not-for-profit corporation as part of any written comments they submit to the Chief Procurement Office for Capital Development Board.

B) Reporting, bookkeeping or other procedures required for compliance: Businesses interested in contracting with the State will be required to meet enhanced financial disclosure requirements and to annually recertify compliance documents. Businesses and subcontractors having contracts or proposing to do business with the State of Illinois will be required to provide conflict of interest disclosures, financial interest disclosures and sign certifications. Businesses may also be

required to obtain a Department of Human Rights Number and register with the State Board of Elections. Requirements for contract execution prior to performance will also impact these organizations.

C) Types of professional skills necessary for compliance: None

14) Regulatory Agenda on which this rulemaking was summarized: July, 2013

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

CHIEF PROCUREMENT OFFICER FOR CAPITAL DEVELOPMENT BOARD

NOTICE OF PROPOSED RULES

TITLE 44: GOVERNMENT CONTRACTS, PROCUREMENT
AND PROPERTY MANAGEMENT
SUBTITLE A: PROCUREMENT AND CONTRACT PROVISIONS
CHAPTER IV: CHIEF PROCUREMENT OFFICER FOR
CAPITAL DEVELOPMENT BOARD

PART 8
CHIEF PROCUREMENT OFFICER FOR THE CAPITAL DEVELOPMENT BOARD

SUBPART A: GENERAL

Section
8.1 Short Title
8.5 Policy and Scope
8.15 Definition of Terms Used in This Part
8.20 Referenced Materials
8.25 Property Rights

SUBPART B: PROCUREMENT RULES, POLICIES AND PROCEDURES

Section
8.530 Policies and Procedures

SUBPART C: PROCUREMENT AUTHORITY

Section
8.1005 Procurement Authority
8.1040 Central Procurement Authority of the CPO
8.1050 Designees

SUBPART D: PUBLICIZING PROCUREMENT ACTIONS

Section
8.1501 Illinois Procurement Bulletin
8.1525 Bulletin Content
8.1560 Alternate and Supplemental Notice
8.1570 Error in Notice
8.1580 Direct Solicitation
8.1585 Notice Time

CHIEF PROCUREMENT OFFICER FOR CAPITAL DEVELOPMENT BOARD

NOTICE OF PROPOSED RULES

8.1595 Availability of Solicitation Time

SUBPART E: SOURCE SELECTION AND CONTRACT FORMATION

Section
8.2005 General Provisions
8.2010 Competitive Sealed Bidding
8.2020 Small Purchase Limits
8.2025 Sole Economically Feasible Source Procurement
8.2030 Emergency Procurements
8.2036 Other Methods of Source Selection
8.2037 Tie Bids and Proposals
8.2038 Modification or Withdrawal of Bids or Proposals
8.2039 Mistakes
8.2040 Cancellation of Solicitations; Rejection of Bids or Proposals

SUBPART F: PREQUALIFICATION AND RESPONSIBILITY

Section
8.2045 Vendor Prequalification and Responsibility
8.2046 Responsibility and Ineligibility

SUBPART G: BID, PROPOSAL AND PERFORMANCE SECURITY

Section
8.2047 Security Requirements

SUBPART H: SPECIFICATIONS AND SAMPLES

Section
8.2050 Specifications and Samples

SUBPART I: CONTRACTS

Section
8.2055 Types of Contracts
8.2060 Duration of Contracts – General
8.2065 Cancellation of Contracts

SUBPART J: PROTESTS, DISPUTES AND CONTRACT CONTROVERSIES

CHIEF PROCUREMENT OFFICER FOR CAPITAL DEVELOPMENT BOARD

NOTICE OF PROPOSED RULES

Section
8.2075 Protests
8.2076 Disputes and Contract Controversies

SUBPART K: PROCUREMENT FILES

Section
8.2080 Public Procurement File
8.2084 Record Retention
8.2086 Filing with the Comptroller

SUBPART L: WORKING CONDITIONS

Section
8.2560 Prevailing Wage

SUBPART M: GENERAL PROVISIONS RELATED TO CONSTRUCTION

Section
8.3000 Notification of Procurement
8.3005 Construction and Construction Related Professional Services
8.3015 Method of Source Selection
8.3025 Retention Trust
8.3030 Construction Project Specifications
8.3035 Expenditure in Excess of Contract Price

SUBPART N: SELECTION OF CONSTRUCTION-RELATED PROFESSIONAL SERVICES, CONSTRUCTION MANAGEMENT SERVICES AND DESIGN-BUILD ENTITIES

Section
8.3040 Purpose
8.3045 Design-Build Written Determination
8.3050 Public Notice
8.3055 Design-Build Request for Proposal
8.3060 Preparation of Design-Build Scope and Performance Criteria
8.3065 Submittal Requirements
8.3070 Selection Procedures

CHIEF PROCUREMENT OFFICER FOR CAPITAL DEVELOPMENT BOARD

NOTICE OF PROPOSED RULES

8.3075 Evaluation Committee
8.3080 Evaluation Procedures
8.3085 Preliminary Evaluations
8.3090 Interviews
8.3095 Phase 1 Design-Build Evaluation
8.3100 Design-Build Shortlist
8.3105 Phase 2 Design-Build Evaluation
8.3110 Delegation of Architect/Engineer Evaluations
8.3115 Award of Design-Build Contract
8.3120 Small Projects
8.3125 Emergency Projects
8.3130 Construction Manager Procurement Limitations
8.3135 Publication of Award
8.3140 Design-Build Reports and Evaluations
8.3145 Federal Requirements

SUBPART O: PREFERENCES

Section
8.4505 Procurement Preferences
8.4510 Resident Vendor Preference
8.4526 Environmentally Preferable Procurement
8.4535 Qualified Not-for-Profit Agencies for Persons with Severe Disabilities
8.4545 Small Business
8.4557 Veterans
8.4570 Contracting with Businesses Owned and Controlled by Minorities, Females and Persons with Disabilities
8.4590 Notice of Preferences
8.4599 Domestic Products

SUBPART P: ETHICS

Section
8.5002 Continuing Disclosure; False Certification
8.5005 Bribery
8.5010 Felons
8.5011 Debt Delinquency
8.5012 Collection and Remittance of Illinois Use Tax
8.5013 Conflicts of Interest Prohibited by the Code

CHIEF PROCUREMENT OFFICER FOR CAPITAL DEVELOPMENT BOARD

NOTICE OF PROPOSED RULES

8.5014 Environmental Protection Act Violations
8.5015 Negotiations for Future Employment
8.5020 Exemptions
8.5023 Other Conflicts of Interest
8.5030 Revolving Door Prohibition
8.5035 Disclosure of Financial Interests and Potential Conflicts of Interest
8.5037 Vendor Registration, Certification and Prohibition on Political Contributions
8.5038 Lobbying Restrictions
8.5039 Procurement Communication Reporting Requirement
8.5060 Prohibited Bidders and Contractors

SUBPART Q: COOPERATIVE PURCHASING

Section
8.5400 General
8.5420 Governmental Joint Purchasing Act Contracts
8.5440 Non-Governmental Joint Purchasing
8.5460 No Agency Relationship

SUBPART R: SUSPENSION AND DEBARMENT

Section
8.5560 Suspension and Debarment

SUBPART S: VIOLATION OF STATUTE OR RULE

Section
8.5620 Violation of Statute or Rule

SUBPART T: HEARING PROCEDURES

Section
8.5700 General
8.5710 Informal Process
8.5720 Hearing Officers
8.5730 Notice of Hearing
8.5740 Written Comments and Oral Testimony

SUBPART U: MISCELLANEOUS PROVISIONS OF GENERAL APPLICABILITY

CHIEF PROCUREMENT OFFICER FOR CAPITAL DEVELOPMENT BOARD

NOTICE OF PROPOSED RULES

Section
8.7000 Severability
8.7010 Government Furnished Property
8.7015 Inspections

SUBPART V: PREQUALIFICATION

Section
8.8001 Purpose
8.8005 Policy
8.8015 Prequalification Required
8.8017 Special Projects
8.8020 Confidentiality
8.8025 Sources for Determining Responsibility
8.8030 Licensing and Registration Actions
8.8035 Trade Codes and Profile Codes
8.8040 Prequalification by Office Locations
8.8045 Processing of Prequalification and Responsibility and Renewal Applications

SUBPART W: SUSPENSION, DEBARMENT, MODIFICATION OF ABILITY TO BID, AND CONDITIONAL PREQUALIFICATION

Section
8.8050 Actions Affecting Prequalification
8.8055 Causes for Suspension, Debarment, Modification of Ability to Bid or Offer, or Conditional Prequalification
8.8057 Failure to Satisfactorily Perform Work on, or Breach of the Terms of, CDB Contracts, Private Contracts or Other Governmental Contracts
8.8060 Interim or Emergency Suspension or Modification Pursuant to Section 16 of the Capital Development Board Act
8.8065 Denial of Prequalification

SUBPART X: APPLICATION OF CDB ACTION

Section
8.8070 General
8.8072 Violation of CDB Order
8.8075 Nullification of Prequalification

CHIEF PROCUREMENT OFFICER FOR CAPITAL DEVELOPMENT BOARD

NOTICE OF PROPOSED RULES

8.8080 Denial of Award of Contract
8.8082 Debarment
8.8085 Reapplication for Prequalification
8.8090 Extension of CPO Action
8.8092 Effect on Current Contracts
8.8095 Basis of Decisions
8.8098 Settlement

AUTHORITY: Implementing, and authorized by, Section 5-25 of the Illinois Procurement Code [30 ILCS 500/5-25].

SOURCE: Adopted at 2 Ill. Reg. 30, p. 140, effective July 27, 1978; amended at 4 Ill. Reg. 9, p. 233, effective February 14, 1980; amended at 5 Ill. Reg. 1890, effective February 17, 1981; amended and codified at 8 Ill. Reg. 20324, effective October 1, 1984; amended at 9 Ill. Reg. 17332, effective October 29, 1985; amended at 12 Ill. Reg. 9864, effective May 27, 1988; amended at 13 Ill. Reg. 8403, effective May 22, 1989; amended at 22 Ill. Reg. 1169, effective January 1, 1998; old Part repealed and new Part adopted by emergency rulemaking at 22 Ill. Reg. 14333, effective July 16, 1998, for a maximum of 150 days; old Part repealed and new Part adopted at 22 Ill. Reg. 21848, effective December 4, 1998; amended at 26 Ill. Reg. 2606, effective February 8, 2002; recodified, pursuant to PA 96-795, from Capital Development Board 44 Ill. Adm. Code 910 to Chief Procurement Officer for Capital Development Board 44 Ill. Adm. Code 8 at 35 Ill. Reg. 10165; old Part repealed at 37 Ill. Reg. _____, and new Part adopted at 37 Ill. Reg. _____, effective _____.

SUBPART A: GENERAL

Section 8.1 Short Title

This Part may be cited by its official name or as CPO-CDB Procurement Rules.

Section 8.5 Policy and Scope

Section 1-5 of the Illinois Procurement Code establishes the policy of the State to be that the principles of competitive bidding and economical procurement practices shall apply to all purchases and contracts by or for State agencies. The purpose of this Part is to establish the rules necessary and desirable to carry out that policy with respect to procurements of construction and construction-related services committed by law to the jurisdiction or responsibility of the Capital Development Board and, therefore, subject to the jurisdiction of the Chief Procurement Officer for the Capital Development Board.

a) Sections 1-15.15, 10-5 and 10-20 of the Code establish the Chief Procurement Officer for the Capital Development Board as the person upon whom is imposed the duty to exercise all procurement authority created by the Code with respect to construction and construction-related services subject to the jurisdiction or responsibility of the Capital Development Board. Subject to exceptions established by the Code, that authority extends to the procurement of:

1) The services of architects, engineers and land surveyors as provided by Section 30-15(b) of the Code;

2) Construction under Article 30 of the Code

3) Construction management services under Article 33 of the Code; and

b) Pursuant to Section 5-25 of the Code, the Chief Procurement Officer is also granted the authority to promulgate rules to carry out the authority to make procurements under the Code. This Part establishes rules necessary and appropriate to implement the requirements and grants of authority of the Code with respect to the procurements described in subsection (a).

c) Among the purposes and policies of this Part are:

1) The policy that the activities of all State actors in the procurement processes be undertaken to maximize the value of the expenditure of public funds and in a manner that maintains public trust in the integrity of those processes.

2) The intent to ensure that procurement activities are conducted in a manner that is uniform, consistent, fair and open so as to facilitate vendor participation in State procurements and encourage competition to the ultimate benefit of the State.

d) The procurement of office supplies, equipment, commodities and services required for the administrative operation of CDB is not subject to the jurisdiction of the CPO; rather, that procurement shall be conducted under the auspices of the CPO for General Services in accordance with 44 Ill. Adm. Code 1.

Section 8.15 Definition of Terms Used in This Part

CHIEF PROCUREMENT OFFICER FOR CAPITAL DEVELOPMENT BOARD

NOTICE OF PROPOSED RULES

Terms used in this Part shall have the meanings given to them in the Code and this Section unless a term's use in a particular context clearly requires a different meaning. A term may be defined in a particular Section for use in that Section.

"A/E" – An architectural or engineering firm that is in the business of offering the practice of furnishing architectural, engineering or land surveying services for building projects, that is registered with the Department of Financial and Professional Regulation (DFPR) and licensed to practice architecture, structural engineering or professional engineering in the State of Illinois, or that is properly authorized under the Professional Service Corporation Act and by DFPR to practice architecture, structural engineering or professional engineering in the State of Illinois. For purposes of this Part, this includes licensed individuals transacting business as sole proprietorships, which are not required to be registered with DFPR.

"Amendment" or "Modification" − A change in the terms or conditions of a contract, including, but not limited to, alterations to the scope of work, price, schedule, terms or conditions covered by the contract or the manner of performance or completion of the contract terms. An amendment to a written contract must be in writing to be effective. An amendment to a construction contract is known as a change order and an amendment to a design or construction-related professional service contract is known as a modification.

"Award" − The determination that a particular vendor has been selected from among other potential vendors to enter into negotiations for the purpose of, or to otherwise engage in, finalizing a contract.

"Bid" – The response to an Invitation for Bids.

"Bid Documents" − Documents that include, but are not limited to, the Standard Documents for Construction, advertisement for bids, bid forms including PC-2, MBE/FBE Business Enterprise Participation Form, drawings, and product and performance specifications following a format standard in the construction industry.

"Bidder" – Any person who submits a bid.

"Bid Officer" − A person designated to receive and open bids or offers.

"Board" – The seven member Capital Development Board appointed by the Governor.

"Brand Name Specification" – A specification limited to one or more items specified by manufacturers' names or catalogue numbers. A bidder may request product substitutions as specified in the CDM or SDC.

"Bulletin" or "Procurement Bulletin" − The volume of the Illinois Procurement Bulletin published by the CPO-CDB.

"CDB Act" –The Capital Development Board Act [20 ILCS 3105], CDB's enabling Act.

"Capital Development Board" or "CDB" – The State agency established by the CDB Act.

"Chief Procurement Officer" or "CPO" or "CPO-CDB" – The chief procurement officer appointed by the Executive Ethics Commission for procurements for construction and construction-related services committed by law to the jurisdiction or responsibility of the Capital Development Board pursuant to Section 10-20(a)(2) of the Code.

"Code" – The Illinois Procurement Code.

"Construction Management Services" – *Includes, but is not limited to:*

> *services provided in the planning and pre-construction phases of a construction project, including, but not limited to, consulting with, advising, assisting, and making recommendations to the Capital Development Board and architect, engineer, or licensed land surveyor on all aspects of planning for project construction; reviewing all plans and specifications as they are being developed and making recommendations with respect to construction feasibility, availability of material and labor, time requirements for procurement and construction, and projected costs; making, reviewing, and refining budget estimates based on the Board's program and other available information; making recommendations to the Board and the architect or engineer regarding the division of work in the plans and specifications to facilitate the bidding and awarding of*

contracts; soliciting the interest of capable contractors and taking bids on the project; analyzing the bids received; and preparing and maintaining a progress schedule during the design phase of the project and preparation of a proposed construction schedule; and

services provided in the construction phase of the project, including, but not limited to, maintaining competent supervisory staff to coordinate and provide general direction of the work and progress of the contractors on the project; directing the work as it is being performed for general conformance with working drawings and specifications; establishing procedures for coordinating among the Board, architect or engineer, contractors, and construction manager with respect to all aspects of the project and implementing those procedures; maintaining job site records and making appropriate progress reports; implementing labor policy in conformance with the requirements of the public owner; reviewing the safety and equal opportunity programs of each contractor for conformance with the public owner's policy and making recommendations; reviewing and processing all applications for payment by involved contractors and material suppliers in accordance with the terms of the contract; making recommendations and processing requests for changes in the work and maintaining records of change orders; scheduling and conducting job meetings to ensure orderly progress of the work; developing and monitoring a project progress schedule, coordinating and expediting the work of all contractors and providing periodic status reports to the owner and the architect or engineer; and establishing and maintaining a cost control system and conducting meetings to review costs. [30 ILCS 500/33-5]

"Construction Manager" or "CM" – *Any individual, sole proprietorship, firm, partnership, corporation, or other legal entity providing construction management services for the Board and prequalified by the State in accordance with* Section 33-10 of the Code. [30 ILCS 500/33-5]

"Construction-related Professional Services" – services performed that are governed by the Architectural, Engineering, and Land Surveying Qualifications-Based Selection Act. “Professional services” means those services within the scope of the practice of architecture, professional engineering, structural engineering, or registered land surveying, as defined by the laws of this State.

"Contract" – *All types of State agreements, including change orders and renewals, regardless of what they may be called, for the procurement, use, or disposal of supplies, services, professional or artistic services, or construction or for leases of real property, whether the State is lessor or lessee, or capital improvements, and including master contracts, contracts for financing through use of installment or lease-purchase arrangements, renegotiated contracts, amendments to contracts, and change orders.* [30 ILCS 500/1-15.30]

"Contractor" or "Vendor" – An individual, firm, partnership, corporation, joint venture or other legal entity who seeks, or has entered into, a construction or construction-related professional services contract with CDB. The terms contractor and vendor are used interchangeably for purposes of the Code and this Part. When appropriate, the term shall also include subcontractors.

"Construction" – means building, altering, repairing, improving, or demolishing any public structure or building, or making improvements of any kind to public real property.

"Day" – A calendar day. In computing any period of time, the day of the event from which the designated period of time begins to run shall not be included, but the last day of the period shall be included unless it is a Saturday, Sunday or a State holiday, as applicable, in which event the period shall run to the end of the next business day.

"DB Act" – The Design-Build Procurement Act.

"Design-Bid-Build" – The traditional delivery system used on public projects in this State that incorporates the Architectural, Engineering, and Land Surveying Qualification Based Selection Act and the principles of competitive selection in the Code.

"Design-Build" or DB" – *A delivery system that provides responsibility within a single contract for the furnishing of architecture, engineering, land surveying and related services as required, and the labor, materials, equipment, and other construction services for the project.* [30 ILCS 537/10]

"Design-Build Contract" – A contract for a public project under the DB *Act between the State construction agency and a design-build entity to furnish architecture, engineering, land surveying, and related services as required, and to*

furnish the labor, materials, equipment, and other construction services for the project. The design-build contract may be conditioned upon subsequent refinements in scope and price and may allow the State construction agency to make modifications in the project scope without invalidating the design-build contract. [30 ILCS 537/10]

"Design-Build Entity" – Any individual, sole proprietorship, firm, partnership, joint venture, corporation, professional corporation, or other entity that proposes to design and construct any public project under the DB *Act. A design-build entity and associated design-build professionals shall conduct themselves in accordance with the laws of this State and the related provisions of the Illinois Administrative Code, as referenced by the licensed design professionals Acts of this State.* [30 ILCS 537/10]

"Design Professional" – An individual, sole proprietorship, firm, partnership, joint venture, corporation, professional corporation or other entity that offers services under the Illinois Architecture Practice Act of 1989, the Professional Engineering Practice Act of 1989, the Structural Engineering Licensing Act of 1989, or the Illinois Professional Land Surveyor Act of 1989.

"Design and Construction Manual" or "DCM" – A contractual document that details the role of the A/E on a CDB construction project and contains standard forms and procedures.

"Standard Documents for Design-Build Projects" – A contractual document that details the role of the A/E on a CDB design-build project and contains standard forms and procedures. MOVE THIS

"Designee" − A CDB employee or category of employees designated to exercise procurement authority on hehalf of of the CPO, A designee acts under procurement authority of the CPO or SPO and has the responsibility for taking procurement actions in accordance with applicable laws, rules and CPO and CDB policies, as limited by the terms of the designation.

"Domestic Product" – A product that meets the requirements of the Procurement of Domestic Products Act.

"Drawings" – A technical drawing or set of drawings showing some or all reuirements and elements of a construction project. Drawings fall within the

definition of architecture or engineering, and follow a set of conventions that include particular views (floor plans, section, details, etc.), sheet sizes, units of measurement, assembly of components, annotations and cross references. Drawings are complemented by a project manual containing detailed construction specifications that are based on industry standards and which include general requirements, product and sourcing information, and instructions on performing the work. Individually or collectively these documents constitute :"technical submissions".

"Evaluation Criteria" – The requirements for the separate phases of the selection process as defined in the QBS Act , the Design Build Procurement Act, or Articlee 33 of the Illinois Procurement Code for the selection of construction manaers, and which may include the specialized experience, technical qualifications and competence, capacity to perform, past performance, experience with similar projects, assignment of personnel to the project, and other appropriate factors.

"Germane" – For purposes of the limitations on the expenditure of funds in excess of a contract price under Section 30-35 of the Code, additional work to be performed or materials to be furnished is "germane" to the original contract only if, in the services or materials are closely or significantly related to, arise out of, or are directly incident to the original contract. An initial determination of germaneness shall be made by CDB in writing subject to approval of the CPO or SPO. Additional work that is such a substantial departure from the nature, scope or scale of the original contract that it amounts to a new contract or could not fairly been said to have been bid shall not be considered germane.

"Invitation for Bids" or "IFB" – *The process by which a purchasing agency requests information from bidders, including all documents, whether attached or incorporated by reference, used for soliciting bids.* [30 ILCS 500/1-15.45]

"Offer" or "Proposal" − The response to a Request for Proposal in the form of a letter of interest or statement of qualifications.

"Offeror" – A person who responds to a Request for Proposal.

"Person" − *Any business, public or private corporation, partnership, individual, union, committee, club, unincorporated association or other organization or group of individuals, or other legal entity.* [30 ILCS 500/1-15.55]

"Proceed Order" – A written directive or agreement amending a contract to allow germane and necessary work to proceed in a manner otherwise not provided for in the contract and subject to a fixed maximum price prior to the finalizing of a change order. The change order establishes the actual price, which may not exceed the maximum established by the proceed order.

"Procurement Compliance Monitor" or "PCM" − Person appointed by the Executive Ethics Commission (EEC) under Section 10-15 of the Code to oversee and review procurement processes subject to the jurisdiction of the CPO.

"Procurement Officer" – The CPO, SPO or CPO designee who is responsible for a particular procurement.

"Procurement Policy Board" or "PPB" − The body created by Section 5-5 of the Code.

"Project Manual" – Contractual documents that provide directions to the contractor that follow a format standard to the construction industry.

"Purchasing Agency" − *A State agency that enters into a contract at the direction of* the CPO or an SPO *authorized by the CPO*. [30 ILCS 500/1-15.70]

"Qualifications Based Selection" or "QBS" – Pursuant to Section 30-15(c) of the Code, the selection of construction-related professional services in accordance with the Architectural, Engineering, and Land Surveying Qualifications Based Selection Act.

"Request for Information" or "RFI" − The process of requesting information from potential vendors or other interested persons for the purpose of educating the State as to the range of available technical solutions and procurement options. This type of RFI is not a procurement method and does not result directly in the award of a contract.

"Request for Proposals" or "RFP" – A notice of projects and services to be procured that is published for purposes of the solicitation of letters of interest or statements of qualifications from construction managers under Article 33 of the Code or from architects, engineers or land surveyors under QBS or of proposals from design-build entities or commissioning agents.

"Respondent" – A person who responds to an RFI.

"Responsible Bidder" or "Offeror" – Includes a *person who has the capability in all respects to perform fully the contract requirements and* who has *the integrity and reliability that will assure good faith performance. A responsible bidder or offeror shall not include a business or other entity that does not exist as a legal entity at the time a bid or proposal is submitted for a State contract.* [30 ILCS 500/1-15.80] Additional responsibility requirements related to construction contractors are enumerated in Section 30-22 of the Code.

"Responsive Bidder" – *A person who has submitted a bid that conforms in all material respects to the* Invitation for Bids. [30 ILCS 500/1-15.85]

"Responsive Offeror" – a person who has submitted an offer that conforms in all material respects to the request for proposals.

"Scope and Performance Criteria" – The requirements for the public project, including, but not limited to, the intended usage, capacity, size, scope, quality and performance standards, life-cycle costs, and other programmatic criteria that are expressed in performance-oriented and quantifiable specifications and drawings that can be reasonably inferred and are suited to allow a DB entity to develop a proposal.

"Scoring Tool" – The document used by the individuals evaluating the responses to a solicitation to judge qualifications or otherwise show whether or how well the responses met requirements set forth in the solicitation.

"Single Prime" – A contracting method whereby one contractor provides all subdivisions of the work necessary to complete the construction project. These subdivisions include, but are not limited to, plumbing, heating, ventilating, electrical, fire protection, temperature control, and general work.

"Solicitation" – The document (e.g., IFB or RFP) posted to the Bulletin requesting interested contractors or vendors to submit a bid, offer or proposal for evaluation by the State. An RFI is not considered a solicitation.

"Specifications" – *Any description, provision or requirement pertaining to the physical or functional characteristics, or of the nature of, a supply, service, or*

other item to be procured under a contract. Specifications may include a description of any requirement for inspecting, testing, or preparing a supply, service, professional or artistic service, construction, or other item for delivery. [30 ILCS 500/1-15.95] Specifications include the Standard Documents for Construction, Design and Construction Projects, and Standard Documents for Design Build Manual for general application and repetitive use, as well as specifications applicable to a specific project which are contained in the Project Manual and drawings.

"Standard Documents for Construction" or "SDC" – The document incorporated and made a part of CDB construction contracts that contains the requirements and obligations of contractors and design professionals and that applies to all CDB projects.

"State" − The State of Illinois, a State agency as defined in the Code, and all officers and employees of the foregoing, as appropriate, collectively or individually.

"Statement of Qualifications" − The information supplied by a vendor in response to an RFP that describes the specific experience and expertise that may qualify the vendor to provide the services requested.

"State Purchasing Officer" or "SPO" – A person appointed by the CPO pursuant to Section 10-10 of the Code and assigned to exercise procurement authority with respect to CDB, at the direction of the CPO.

"State Witness" – An employee of the State who, as part of his or her official duties, is assigned to observe the opening of bids or sealed proposals.

"Subcontract" – A contract between a person and a person who has a contract subject to the Code, pursuant to which the subcontractor provides to the contractor, or, if the contract price exceeds $50,000, another subcontractor, some or all of the goods, services, real property, remuneration, or other monetary forms of consideration that are the subject of the primary contract, including, among other things, subleases from a lessee of a State contract. [30 ILCS 500/1-15.107]

"Subcontractor" – A person or entity that enters into a contractual agreement with a total value of $50,000 or more with a person or entity who has a contract

subject to the Code pursuant to which the person or entity provides some or all of the goods, services, real property, remuneration, or other monetary forms of consideration that are the subject of the primary State contract, including subleases from a lessee of a State contract. [30 ILCS 500/1-15.108]

"User Agency" − The agency or unit of government for which CDB carries out a construction project.

Section 8.20 Referenced Materials

The following State statutes are referenced in this Part:

a) Illinois Procurement Code [30 ILCS 500];

b) The Design-Build Procurement Act [30 ILCS 537];

c) Architectural, Engineering, and Land Surveying Qualification Based Selection Act [30 ILCS 535];

d) Capital Development Board Act [20 ILCS 3105];

e) Professional Service Corporation Act [805 ILCS 10];

f) Illinois Architecture Practice Act of 1989 [225 ILCS 305];

g) Professional Engineering Practice Act of 1989 [225 ILCS 325];

h) Structural Engineering Licensing Act of 1989 [225 ILCS 340];

i) Illinois Professional Land Surveyor Act of 1989 [225 ILCS 330];

j) Procurement of Domestic Products Act [30 ILCS 537];

k) Business Enterprise for Minorities, Females, and Persons with Disabilities (BEMFD) Act [30 ILCS 575];

l) Freedom of Information Act (FOIA) [5 ILCS 140];

m) Prevailing Wage Act [820 ILCS 130];

n) Illinois Human Rights Act [775 ILCS 5];

o) Local Government Professional Services Selection Act (LGPSS Act) [50 ILCS 510];

p) Illinois False Claims Act [740 ILCS 175];

q) Criminal Code of 2012 [720 ILCS 5];

r) Illinois Use Tax Act [35 ILCS 105];

s) Illinois Environmental Protection Act [415 ILCS 5];

t) Public Officer Prohibited Activities Act [50 ILCS 105];

u) Lobbyist Registration Act [25 ILCS 170];

v) Illinois Securities Law of 1953 [815 ILCS 5];

w) Governmental Joint Purchasing Act [30 ILCS 525];

x) Steel Products Procurement Act [530 ILCS 565].

Section 8.25 Property Rights

No person shall have any right to a specific contract with the State unless that person has a contract that has been signed by an officer or employee of the purchasing agency with appropriate signature authority. The State shall be under no obligation to issue an award or execute a contract. [30 ILCS 500/1-25] No person who participates in a procurement action has any right to an award or subsequent contract. No notice of award can be issued and no contract can be executed without the written determination of a Procurement Officer. Neither receipt of a solicitation or other procurement documents nor submission of any response to a solicitation or other procurement request, solicited or otherwise, confers any right to receive an award or contract or contractually obligates the State in any manner.

SUBPART B: PROCUREMENT RULES, POLICIES AND PROCEDURES

Section 8.530 Policies and Procedures

a) The CPO may issue policies and procedures to further implement the Code and this Part. Policies and procedures shall be maintained in a structured format. The CPO shall periodically review policies and procedures and determine if any should be issued as an administrative rule.

b) The CPO shall notify the PPB of changes to policies or new policies. The CPO may give notice by including the PPB on the standard distribution list.

SUBPART C: PROCUREMENT AUTHORITY

Section 8.1005 Procurement Authority

a) The Chief Procurement Officers appointed by the Executive Ethics Commission will exercise the procurement authority created by the Code for the benefit of the State of Illinois and the State agencies under the jurisdiction of each CPO.

b) The authority extends to all aspects of the procurement process, including, but not limited to, pre-solicitation activities, solicitation preparation, source selection, evaluation, award, contracts, contract amendments and records.

c) Any reference in the Code or this Part directing or authorizing a State agency to take procurement action is subject to the general procurement authority of the CPO and SPO as set forth in the Code and this Part.

d) The CPO exercises procurement authority directly or through one or more SPOs or temporary acting SPOs, designees, and CDB staff assigned to the procurement function. Those assigned to assist shall recognize the role and authority of the CPO. The CPO may reserve certain procurement activities to the CPO and reserves the right to review and modify or overturn any action of an SPO or any other designee.

e) An SPO will exercise procurement authority in accordance with direction and limitations established by the CPO. The SPO will act primarily to review, authorize and approve State agency procurement. The CPO and SPO will determine and identify, in writing, procurement activities that must be conducted by the CPO or SPO. Other procurement activities not so identified will be conducted by the CDB staff with CPO/SPO oversight.

f) CDB shall determine and provide an appropriate number of qualified staff and related resources to assist the SPO in meeting the procurement needs of the CDB. CDB staff, while acting to assist the SPO, remain CDB employees.

g) CDB is responsible for assisting User Agencies in determining need for a procurement and providing written justification of the need to the CPO. Additional justification may be required by the CPO or SPO at later stages of the procurement process. If, at the culmination of any of the procurement processes covered by this Part, CDB determines to proceed with the execution of a contract, CDB shall have authority to fully execute and file the contract for payment if, and only if, a Procurement Officer has given prior, written approval of the contract. The Procurement Officer's approval may be indicated by signature on the contract itself or by signature on a separate form affixed to the contract.

h) CDB staff are responsible:

1) For ensuring that all procurement activities, including those submitted to the SPO or CPO-GS for review, authorization or approval are in accordance with the Code, this Part, other applicable alws and rules, the internal policies of the State, the internal policies of the state agency; and

2) For obtaining all State and State agency approvals applicable to the particular stage of the procurement process.

i) The CPO has the authority to approve or reject contracts for a State agency. In addition to this authority the CPO may direct an SPO to approve or rejct contracts for CDB, authorize an SPO to further authorize CDB to enter into contraqcts, or authorize CDB to enter into contracts. The head of CDB has the authority to sign and enter into a contract once a SPO provides written approval of the contract. The CPO shall determine in writing which contraqcts, if any, must be signed by the CPO. The CPO shall determine in writing which contracts may be signed by an SPO or CDB. These signature authorities may be modified or revoked at any time by the CPO or SPO, when appropriate.

1) Any written determination regarding signature authorization shall be maintained by the CPO and distributed to the SPO, CDB head, agency purchasing director and the State Coomptroller.

2) If the CPO or SPO signs a contract, the State agency must also sign in order for the contract to be legally binding on the agency.

3) If the CPO and SPO do sign a contract in no event shall the cpo OR spo ASSUME ANY RESPONSIBILITY OR OBLIGATION UNDER THE CONTRACT, FINANCIAL or otherwise, to any party or person.

i) Procurement Compliance Monitors (PCMs)

1) PCMs have roles and responsibilities established in Section 10-15 of the Code. This includes monitoring procurement activities of CDB, having access to records and systems, and attending any procurement meeting.

2) CDB shall recognize these statutory roles and shall cooperate with PCMs in the conduct of their actions. Cooperation includes the giving of prior notice of, and access to, all procurement meetings, and access to all procurement related records in whatever format they may exist, including documents, databases and systems. Failure to cooperate with, and resolve issues reported by, a PCM may be taken into account by the Procurement Officer in processing the transaction, including the decision to approve or reject a contract for execution. As warranted, failure to coorperate with the PCM should be reported to the CDB Executive Director and Office of the Executive Inspector General.

3) Failure to cooperate with the PCM may also be reported to the chairman of the Board and Executive Director of CDB and in certain cases may require reporting to the Office of the Executive Inspector General or other authority.

4) Should a PCM request review of a contract before final execution, CDB shall not execute the contract until approved by the SPO after consultation with the PCM and CDB.

Section 8.1040 Central Procurement Authority of the CPO

a) Procurement Requests
CDB must initiate the procurement process through submission of a procurement request to the CPO. The CPO shall designate the format and requirements for submission. Should a PCM request review of a contract before final execution,

CDB shall not execute the contract until approved by the SPO after consultation with the PCM and CDB.

b) Chief Procurement Officer's Authority to Reject
When the CPO, after consultation with CDB, decides that processing the requested procurement is clearly not in the best interest of the State, or that further review is needed, the CPO shall return the procurement request to CDB. A written statement of the reasons for its return shall accompany the returned request.

c) Determination of Contractual Terms and Conditions
The CPO or SPO has authority to determine the terms and conditions of solicitations and contracts. The CPO will consult with CDB if CDB requests special terms and conditions.

Section 8.1050 Delegation

a) The CPO may delegate to any SPO or, in consultation with the CDB Executive Director, to CDB authority, to conduct certain named activities or functions.

b) Delegations of authority to designees shall be in writing and shall specify:

1) the activity or function authorized;

2) any limits or restrictions on the exercise of the delegated authority;

3) whether the authority may be further delegated;

4) the duration of the delegation; and

5) any reporting requirements.

c) Notwithstanding the provisions of subsection (b), any activities delegated under this Section are subject to review by the CPO, PCM or SPO and modification or cancellation by the CPO.

SUBPART D: PUBLICIZING PROCUREMENT ACTIONS

Section 8.1501 Illinois Procurement Bulletin

a) The Illinois Procurement Bulletin consists of four volumes, one for each of the Chief Procurement Officers designated in the Code. Each volume will contain information relating to procurements under the authority of the appropriate CPO. References in this Part to the Bulletin mean the volume published by the Capital Development Board and its CPO, unless the context indicates a different meaning.

b) The CPO shall have all rights to, and is the authority for, publishing the Bulletin. The CPO, shall, in consultation with CDB, determine the content, form, function, organization and structure and may make revisions as necessary.

c) Whenever this Part charges CDB with publishing a notice or other information in the Bulletin, CDB must receive the prior written approval of the Procurement Officer.

d) The Bulletin shall be published in electronic, web accessible form. In addition, the Bulletin may be made available in print.

Section 8.1525 Bulletin Content

a) The Bulletin will contain all content required by the Code. The Bulletin may include reference information of general interest (e.g., how to access the other volumes of the Bulletin, notice of new legislation, announcements and determinations) and may serve as the CPO's official website.

b) Notice of each procurement shall contain at least the following information:

1) the name of the purchasing and using agency, if different;

2) a brief description of the project with respect to which the services are being procured and of the services sought in the particular solicitation;

3) a project reference number;

4) the date the procurement is first offered (procurements that require notice shall not be distributed to vendors prior to the date the notice is first published in the Bulletin);

5) the date, time and location for submitting bids or proposals;

6) the method of source selection;

7) the name and contact information of the Procurement Officer in charge;

8) instructions on how to obtain a comprehensive purchase description and any disclosure and contract forms;

9) encouragement to prospective vendors to hire qualified veterans;

10) encouragement to prospective vendors to hire qualified Illinois minorities, women, persons with disabilities and residents discharged from any Illinois adult correctional center; and

11) any unique evaluation scoring criteria.

c) Notice of bid opening results shall be sent electronically directly to each bidder or offeror on the day of bid opening and posted on the CDB website no later than the next day after the bid opening.

d) Notice of the award that was subject of a notice in subsection (b) shall be issued electronically on the day of the award to those bidders or offerors submitting responses to the solicitation and no later than the next day after the award on the CDB website.

e) Should CDB fail to send notice of award to bidders or offerors submitting responses to the solicitation, the time for filing a bid protest will be extended a day for each day the notice of award is late, up to 5 business days. No later than the end of the next business day, CDB shall publish the notice of award to its website and the Bulletin. This notice shall contain at least the following information:

1) the information published under subsections (b)(1) through (7);

2) the name of the apparent low bidder or the apparent most qualified offeror;

3) the contract price;

4) the names of all unsuccessful responding vendors;

5) for each bidder or offeror, the percentage of the contract amount that the vendor states will be paid to minority, female or veteran owned businesses;

6) the total number of veteran owned small businesses and the number of service disabled veteran owned small businesses who submitted bids for contracts;

7) a determination of responsiveness for each bidder or offeror;

8) a determination of responsibility for each bidder or offeror; and

9) a determination of attainment of MBE/FBE/VBP goals or acceptance of a good faith effort in attainment of the goals.

f) The Procurement Officer shall publish in the Bulletin the following information regarding emergency procurements within 3 business days after award of an emergency contract:

1) name of the user agency;

2) name of the vendor selected for award;

3) brief description of what services or supplies the vendor is authorized to provide;

4) total cost (if total cost is not known, an estimate of the total cost shall be published, but a subsequent notice meeting the requirements of this subsection (f) shall be published when the final amount is known);

5) reasons for using the emergency method of source selection;

6) name of the responsible CPO and SPO; and

7) if applicable, the name of the user agency official or officials who initiated the emergency contract action in accordance with Section 8.2030(f)(2).

8) affidavit of emergency procurement, if available, and if not available, to be filed as an amendment to the notice within 10 days after the emergency procurement.

For purposes of this subsection (f), an emergency contract is "awarded" when a Procurement Officer authorizes a vendor to commence work in accordance with Section 8.2030 or when a fully executed contract is issued, whichever occurs first.

g) In addition to the requirements of subsection (f), the notice of hearing to extend an emergency contract must be posted electronically in the Bulletin at least 14 days prior to hearing.

h) The following information in regard to sole source procurements shall be published by the CPO in the Bulletin at least 14 days prior to the award of a contract to a sole source vendor or as many days before the holding of any public hearing pursuant to Section 20-25(a) of the Code:

1) name of the user agency,

2) name of the intended sole source vendor;

3) a description of what CDB intends to procure;

4) contact information for the CPO;

5) the date, time and location of the a scheduled public hearing with an explanation that the hearing will be cancelled if no hearing request is received; and

6) a completed sole source justification form as prescribed by PPB.

i) CDB shall post in the Bulletin a copy of its annual report of utilization of businesses owned by minorities, females and persons with disabilities. Posting is due within 10 days after CDB submits its report to the Business Enterprise Council pursuant to Section 6(c) of the BEMFD Act.

j) As determined by the CPO, other notices shall be published in the Bulletin as provided by the Code, including notices related to suspensions and debarment,

Business Enterprise Program and Small Business Set-Aside waivers, and other matters of public interest.

k) The CPO may allow another CPO or another governmental entity to publish procurement related notices and other matters of public interest in the Bulletin.

Section 8.1560 Alternate and Supplemental Notice

a) If the electronic Bulletin cannot be published, the CPO may publish notices in one of the other CPO's Procurement Bulletin on an interim basis. If no electronic version of the Bulletin can be published, the CPO may designate its website as its volume of the Bulletin. If necessary, the CPO may designate the Official State Newspaper or other newspaper of general circulation as its volume of the Bulletin. All newspaper notices will be published in the Bulletin when it becomes available, but that publication will not extend any procurement-related timeframes.

b) Publication in the Bulletin may be supplemented in order to reach a broader pool of vendors by publication elsewhere at the discretion of the CPO or SPO. Examples include publication in:

1) print or online newspapers;

2) industry publications or websites; or

3) CDB or user agency website.

Section 8.1570 Error in Notice

When a required publication contains an error, the error may be corrected by a single notice published in the Bulletin and elsewhere in the same manner as the original notice within 30 days after the time the error is known. A correction that results in a change of procurement method or a material change in the requirements set forth in a solicitation may require extension of the time to respond to the original solicitation. The duration of the extension shall be set forth in the correction. Extensions may be granted at the discretion of the Procurement Officer, taking into consideration impacts on the State as well as on vendors.

Section 8.1580 Direct Solicitation

In addition to giving notice in the Bulletin, a Procurement Officer CDB, the A/E or the user agency may directly contact prospective vendors. Direct solicitation may be oral or in writing, but all vendors shall receive the same information as provided in the Bulletin. No direct solicitation shall be made prior to the date any required notice first appears in the Bulletin.

Section 8.1585 Notice Time

Each solicitation shall be published in the Bulletin at least 14 days prior to the date set for opening, unless a shorter time is authorized by the Code or this Part.

Section 8.1595 Availability of Solicitation Document

The content of a solicitation shall not be distributed to vendors or otherwise to the public prior to the date the solicitation is first published in the Bulletin.

SUBPART E: SOURCE SELECTION AND CONTRACT FORMATION

Section 8.2005 General Provisions

a) Solicitation. A solicitation will contain forms that must be returned or may require completion in a prescribed format. If a form or format is prescribed, prospective vendors shall submit those forms as instructed.

b) Late Bids or Proposals, Late Withdrawals and Late Modifications

1) Any bid or proposal (including any modification, withdrawal or other procurement related submission) received after the time and date for receipt, or at other than the specified location, is late. A submission that is delivered to the wrong location but that is subsequently delivered to the correct location by the date and time specified shall not be considered to be late. Staff at the incorrect delivery location shall not be responsible for ensuring subsequent delivery. Dellivery at the specified location and time shall be the sole responsibility of the bidder or offeror.

2) No late submission will be considered unless the SPO, and not a designee, determines it would have been timely but for the action or inaction of State personnel directly serving the procurement activity (e.g., providing the wrong address). It is the responsibility of the bidder or offeror to ensure delivery at the time and to the place specified. A vendor that

submits a late response will be notified and given the opportunity to retrieve the submission at its cost. Late submissions not returned to the vendor will be destroyed after all related procurement activity is complete and the resulting contract has been executed.

3) CDB shall make and keep as part of the procurement file a record for each late bid or proposal, late modification, or late withdrawal. The record shall include time of receipt, method of delivery (e.g., hand-delivered, overnight mail), name of vendor and person making delivery, and a brief description of the circumstances that caused the delivery to be late.

c) Extension of Solicitation Due Date
The SPO or a designee may, prior to the due date, extend the time for submitting or modifying a bid or proposal for the convenience of the State. If notice to extend cannot be made in a manner that fosters a competitive procurement, the opening will be cancelled and rescheduled. All notices under this Section will be provided electronically and posted on the CDB Procurement Bulletin.

d) Bid Firm Time

1) Unless otherwise provided in the solicitation, the vendor's bid must be kept firm for at least 60 days after the opening date.

2) After opening bids, the SPO or a designee may request bidders to extend the offer firm time for an additional 60 days, provided that, with regard to offers, no other change is permitted. An extension beyond this will require approval from the Procurement Officer. CDB must submit a detailed written explanation of the need for extension with the request for additional extension. This Extension does not provide an opportunity for others to submit bids or proposals.

e) Offer Firm Time

1) Unless otherwise provided in the solicitation, the vendor's offer must be kept firm for at least 120 days after the opening date.

2) After opening proposals, the SPO or a designee may request offerors to extend the offer firm time for no more than an additional 60 days, provided that, with regard to offers, no other change is permitted. An

extension beyond this will require approval from the Procurement Officer. CDB must submit a detailed written explanation of the need for extension with the request for additional extension. This extension does not provide an opportunity for others to submit offers.

f) Electronic Submissions

1) The solicitation may state that electronic submissions will be considered if they and any required attachments are received in the manner and by the time and date set for receipt, as stated in the solicitation.

2) Electronic submissions authorized by specific language in the solicitation will be opened in accordance with electronic security measures in effect at the time of opening.

g) All bids/offers received shall be time-stamped, and if received via hard copy, recorded on a log and stored in a secure, locked file cabinet or safe and under the control of the bid officer. The bid officer shall maintain the confidentiality of the bid/offer submittals. No information regarding bids/offers received shall be disclosed to anyone except to confirm receipt to the bidder or offeror.

h) Only One Bid or Proposal Received
If only one bid or proposal is received, and if it meets the thresholds established by the Capital Development Board of Director's Resolutions, the SPO may award to the single bidder or offeror if the SPO finds that the price submitted is fair and reasonable, and that other prospective bidders or offerors had reasonable opportunity to respond, or there is not adequate time for resolicitation. Otherwise, the SPO may cancel the procurement and CDB will return the bids unopened.

i) Unit Prices
Unit price items may be included in project specifications only if stated in a solicitation. The interest of the State must be protected from unlimited increased quantities.

j) Alternate Bids
Subject to Procurement Officer approval, CDB shall, with the assistance of the A/E and user agency, determine what parts or features of the work are most essential and, due to the limit of available funding, what discretionary elements may or may not be included in the project. Essential elements must be included in

the base bid. All discretionary work must be identified in the IFB as alternates. To the extent discretionary elements are included, CDB shall identify discretionary work items in the order in which CDB will award the work at time of posting the bid. The alternates may be additive or deductive values. The lowest bidder shall be determined by the amount of the base bid plus accepted alternates. If not all the alternate bids are accepted at the award time, an alternate may be added to the project at a later time by change order if funding becomes available. If, however, acceptance of the alternate prior to award would have resulted in changing the lowest bidder, the alternate can only be added by change order upon approval of the SPO.

k) Assignment, Novation or Change of Name

1) Assignment. No CDB contract is transferable, or otherwise assignable, without the prior written consent of the CPO or SPO; provided, however, that a vendor may assign money receivable under a contract after due notice to CDB. The assignee, except in the case of assignment for payment only, must meet all requirements for contracting with CDB. Any purported assignment without prior written consent shall be null and void. The decision to consent with respect to QBS, Construction Management, or design-build contracts shall be based upon consideration of, among other things, the continued availability of personnel whose qualifications served as the basis for the original award and the importance of the professional and artistic judgment of those persons, the qualifications of replacement staff, and the extent to which the services have already been performed.

2) Recognition of a Successor in Interest; Novation. When in the best interest of the State, a successor in interest may be recognized in a novation agreement in which the transferor and the transferee agree that:

A) the transferee assumes all of the transferor's obligations;

B) the transferee meets all requirements for contracting with CDB;

C) the transferor waives all rights under the contract as against the State; and

D) unless the transferor guarantees performance of the contract by the transferee, the transferee shall, if required by the State, furnish a satisfactory performance bond.

3) Change of Name. A vendor may submit to the SPO a written request to change the name in which it holds a contract with CDB. The name change shall not alter any of the terms and conditions of the contract or the obligations of the vendor.

l) Incorporation by Reference
A solicitation may incorporate documents by reference provided that the incorporated materials are readily available to potential bidders and the solicitation specifies where the documents can be obtained.

m) Confidential Data
Vendors must clearly identify, by page and paragraph, any information submitted to the State claimed to be exempt from the disclosure requirement of the Illinois Freedom of Information Act (FOIA), identify the specific Section of FOIA applicable to the claimed exemption, and show how that Section applies to the information claimed to be exempt. Information submitted without a claim or exemption may be disclosed to the public without notice or permission. Information submitted with a claimed exemption may still be disclosed to the public if determined by a court, the Public Access Counselor appointed by the Illinois Attorney General, or the agency receiving the FOIA request that the claimed exemption does not meet the requirements for withholding the information under FOIA. The agency receiving the FOIA request shall attempt to provide the vendor reasonable notice and opportunity to object to the disclosure of any material claimed by the vendor to be exempt from FOIA.

n) Notice of Subcontractor
Any contract entered into under this Part shall state whether the services of a subcontractor will be used; include the names and addresses of all known subcontractors with subcontracts with an annual value of more than $50,000; and state the expected amount of money each will receive under the contract. If, at any time during the term of the contract, a contractor adds or changes any subcontractors, the contractor shall promptly notify CDB, in writing, of the names and addresses of the subcontractors, the expected amount of money each new or replaced subcontractor will be paid, and the general type of work to be performed. Subcontractors shall be required to register with CDB prior to entering into an

agreement and provide financial disclosure and standard certifications prior to entering into a contract with the Prime Contractor.

o) Pre-Solicitation Assistance

1) *For purposes of this subsection* (o):

A) *"business" includes all individuals with whom a business is affiliated, including, but not limited to, any officer, agent, employee, consultant, independent contractor, director, partner, manager or shareholder of a business* [30 ILCS 500/50-10.5(e)]; and

B) "agent of the State" is limited to an A/E under contract with CDB or a consultant to the A/E.

2) Prohibited Bidders or Offerors. Except as provided in subsection (o)(3), Section 50-10.5(e) of the Code prohibits any person or business from bidding or entering into a contract *if the person or business assisted an employee of the State of Illinois, who, by the nature of his or her duties, has the authority to participate personally and substantially in the decision to award a State contract, by reviewing, drafting, directing, or preparing any invitation for bids, request for proposal or request for information or provided similar assistance.*

3) Exceptions. This subsection (o)(2) does not prohibit a person or business from submitting a bid or proposal or entering into a contract if the person or business:

A) Provides the assistance as part of a publicly issued opportunity to review drafts of all or part of the IFB, RFP or RFI.

B) Initiates the communication to provide general information about products, services or industry best practices and, if applicable, that communication is documented in accordance with Section 50-39 of the Code.

C) Responds to a communication initiated by an employee or agent of the State for the purposes of providing information to evaluate new products, services or technologies.

D) In the case of a vendor who bids or offers to supply technology, goods or services developed by the vendor, demonstrates the technology, goods or services in such a way as to represent industry trends and innovation and not in a way specifically designed to meet the State's needs.

E) Receives or possesses written material obtained from a State employee from public sources, such as through an internet search or literature packets obtained in conjunction with an event such as a trade show.

F) Provides, at the request of the State or agent of the State, general marketing material or makes a general sales presentation to show the person's qualifications or product capabilities. Material may be personalized for the procuring agency provided any personalization is obtained from publically available sources.

G) For purposes of this subsection (o), "agent of the State" is limited to an architect/engineer under contract with CDB, or a consultant to that A/E.

4) Prohibited Acts. Assistance that is prohibited under this Section includes, but is not limited to, assistance in the preparation of procurement documents in any of the following ways:

A) Draft (writes or assists the State with writing all or part of the procurement document);

B) Advance review (reads the document and provides comments on the procurement document or signifies approval or disapproval);

C) Prepare (any activity relating to organizing or distributing the documents, including through the Procurement Bulletin); or

D) Provides similar assistance, e.g., conducting research or providing any advice used in drafting, reviewing or preparing procurement documents.

p) Pre-Bid Conference

1) A pre-bid conference may be conducted to enhance the potential vendors' understanding of the procurement requirements. The pre-bid conference shall be announced as part of the solicitation notice. The conference may be designated as "attendance mandatory" or "attendance optional". CDB may designate a conference as "attendance mandatory" only when direct observation of site conditions or the nature of specifications makes attendance necessary to be able to prepare an accurate bid.

2) The conference should be held long enough after the solicitation has been published to allow potential vendors to become familiar with it, but sufficiently before solicitation opening to allow consideration by vendors of conference results in preparing their responses.

3) Minutes of any conference shall be supplied to all prospective vendors who attended the conference and by posting the minutes on the Bulletin.

4) Nothing stated at the pre-bid conference shall change specifications unless a change is made by written modification to the posted solicitation on the Bulletin. The A/E shall also issue a copy of the modified solicitation directly to all vendors who attended the conference and publish it in the location of the original solicitation and specifications.

q) Federally Funded Purchases. For purchases funded in whole or in part by United States Government funds, the solicitation will identify the federal statutes and regulations with which the vendor must comply.

Section 8.2010 Competitive Sealed Bidding

a) Application. Except as provided, unless an exception authorized by the Code and this Part exists, CDB contracts for construction projects shall be procured by competitive sealed bidding in accordance with Section 20-10 of the Code and this Section. Solicitations for bids shall be in conformance with the Code, this Part, and accepted business practices, including CPO notices. Contracts shall be

awarded in accordance with those authorities and with the provisions set forth in the SDC unless otherwise specified in the advertisement for bids published in the Procurement Bulletin, or as authorized by law or policies governing bid matters that are expressed in the SDC relating to the Invitations for Bid process.

b) Invitations for Bids

1) Use. An IFB is used to initiate a competitive sealed bid procurement.

2) Content. An IFB shall include, at a minimum, the following:

A) instructions and information to bidders concerning the bid submission requirements, including the time and date set for receipt of bids, the address of the location to which bids are to be delivered, the name of the bid officer, and the bid firm date;

B) the project description, instruction as to where the comprehensive purchase description (also known as "bid documents") may be obtained, delivery or performance schedule, and such inspection and acceptance requirements as are not included in the project description; and

C) the contract terms and conditions, including warranty and bonding or other security requirements, as applicable, and State mandated certifications.

3) Delivery Related Costs. Unless otherwise provided in the solicitation, the bid price includes transportation, transit insurance, delivery, installation and any other costs.

c) Amendments to Invitations for Bids

1) Form. Amendments to IFBs shall be issued as "addenda" and shall clearly identify and reference the portion of the IFB being amended.

2) Distribution. Amendments shall be posted to the Bulletin, and the A/E shall distribute them directly to plan rooms and all known plan holders.

3) Timeliness. Amendments shall be made available so as to allow

prospective bidders a reasonable time to consider them in preparing their bids, but receipt will be not later than 3 days before the time of bid opening. If the time and date set for receipt of bids will not permit that preparation, the amendment shall extend the response time.

d) Licensing. In addition to other statutory requirements, all bidders shall be responsible for proper licensing with the appropriate State agency in the trades the bidder will perform on the particular project, such as, but not limited to, roofing, plumbing and asbestos abatement.

e) Obtaining Bid Documents. At the time of publishing an advertisement for bids, CDB shall make project plans, specifications and other bidding documents available to prospective bidders through the offices of the project Architect/Engineer (A/E) and other locations such as commercial "plan rooms", or electronic means, including the CDB or CPO websites or the Procurement Bulletin. Each advertisement shall identify the specific locations from which bid documents may be obtained. The A/E may charge a refundable deposit for loan of bid documents.

f) Construction Administration Fee. If CDB assesses a construction administration fee as authorized by Section 9.02(a) of the CDB Act, the amount of that fee shall be identified in the bid documents.

g) Reporting of Bid Document Errors or Inconsistencies. Bidders shall have an affirmative duty to examine bid documents and site conditions and to report any discovered errors or inconsistencies to the project A/E. Bidders awarded a contract will not be given change orders for extra payment or time extension for conditions that could reasonably have been discovered.

h) Agreement to Terms. By submitting a bid, the bidder agrees to all terms and conditions of the SDC and other contract documents referenced or incorporated in the IFB. Accordingly, submittal of conditions or qualifying statements on bids may be cause for rejection of the bid.

i) Bid Security. All bids shall include bid security in the form of a bid bond on CDB's form, certified check, cashier's check or bank draft in the amount of 10% of the base bid. If a bid bond is used, the surety issuing the bond must be acceptable to CDB.

j) Pre-Opening Modification or Withdrawal of Bids

1) Procedure. Bids may be modified or withdrawn by written notice received at the location designated in the IFB prior to the time and date set for bid opening.

2) Disposition of Bid Security. If a bid is withdrawn in accordance with this Section, the bid security, if any, shall be returned to the bidder.

3) Records. All documents relating to the modification or withdrawal of bids shall be made a part of the appropriate procurement file.

l) Receipt, Opening and Recording of Bids

1) Receipt. Upon its receipt, each bid and modification shall be date and time-stamped but not opened and shall be stored in a secure place until the time and date set for bid opening. If a bid is opened for identification purposes or in error, the file shall state the reason for the breach. The bid officer and the person mistakenly opening the bid shall sign a statement explaining the reason for the mistake or error, including the name of anyone involved. The statement shall be included in the procurement file, and the bid shall be resealed.

2) Opening and Recording. The bid officer shall open the bids and modifications publicly at the time, date and place designated in the IFB in the presence of a State witness. The bid officer shall not serve as witness. The bid officer shall announce and record on the bid tabulation sheet the project, the construction trade, the name of each bidder and that bidder's price, including modifications and alternate prices, and any acknowledgement of addenda. The Procurement Officer may require the reading of additional information if the nature of the project and bidding warrants.

3) CDB the CPO or SPO may request that a vendor clarify its bid or proposal as part of the evaluation process. A vendor shall not be allowed to change its bid or proposal or deviate from the specifications in response to a request for clarification.

m) Bid Evaluation and Award

1) General. The contract is to be awarded to the lowest responsible and responsive bidder whose bid meets the requirements and criteria set forth in the IFB and only those requirements and criteria, except as permitted in the Code and this Part. After evaluating bids, CDB shall identify the lowest responsible and responsive bidder and submit to the Procurement Officer a written recommendation to award to that bidder unless an exception applies.

2) Responsibility and Ineligibility. Responsibility of prospective vendors is addressed in Section 8.2046 and Subpart Y.

3) Material deficiencies shall result in rejection of a bid and include:

   A) Failure of the contractor to be prequalified;

   B) Omission of signatures resulting in the intent to be bound by the bid being not apparent;

   C) Submission of a bid price that cannot be determined;

   D) Failure to provide required bid security;

   E) Failure to demonstrate responsibility.

4) Technical Deficiencies. Technical deficiencies in bids may be remedied by the bidder within 7 days after having been notified of the deficiency by CDB. The date of notification is deemed to be the business day of the sending of an email or fax, the date of delivery if recorded by the service making the delivery, or, in the case of first class mail, the third day after the date of the postmark. Technical deficiencies include but are not limited to the following:

   A) Failure to use proper bid forms;

   B) Submission of a bid bond that is not on CDB's form;

   C) Failure to include a properly completed PC-2 (the Minority and Female Workforce Participation form of the Department of Human

Rights); or

D) Failure to acknowledge an addendum that makes a material change to the bid documents.

5) Product Substitutions. Bids for construction projects shall be based on providing all products, subcontractors or suppliers specified. However, CDB specifications shall provide that a bidder may propose substitutions of a product, subcontractor or supplier upon review and approval by CDB and the project A/E. The product substitution process may be utilized regardless of whether the specification calls for a sole source and whether only brand names are listed. Substitutions shall not be accepted after award unless approved by a Procurement Officer. Determinations on the acceptance of substitutions shall be included in the procurement file.

6) CDB's written recommendation to award shall be in the form of an award package that includes, at least, the bid tabulations, the name and bid amount of the recommended awardee, results of the awardee's evaluation, MBE/FBE participation and identification of any bids rejected and the reasons for rejection.

n) Award to Other Than Low Responsible and Responsive Bidder

1) The SPO, but not a designee, may authorize the State to award to other than the lowest responsible and responsive bidder upon a written determination that award to another bidder is in the State's best interest. The determination shall include a description of the user agency's needs, a statement that the anticipated cost will be fair and reasonable, a listing of all responsible and responsive bidders, the name of the bidder selected, pricing and an explanation of the reasons for selecting this bidder instead of the low bidder.

2) The SPO must publish the determination in the Bulletin and file a copy with the Legislative Audit Commission and PPB. This information shall be made available by the CPO for inspection by the public within 30 days after the agency's decision to award the contract.

o) Publicizing Award

1) Bidders shall be notified of contract award. The notification shall be issued electronically to the successful bidder in the form of a letter or other clear communication. Notices of awards through the Invitation for Bids process shall be published in the Bulletin prior to the execution of a contract. Failure to provide notice to all bidders shall result in extending the time for filing a bid protest up to 5 business days. The extension shall be a day for each day the notice is late, up to 5 days. If the contract is awarded to other than the lowest bidder, the notice shall include an explanation of the award. Notice of the award shall be posted on CDB's website the next business day. All bids and supporting documents shall be made available by CDB for public inspection and copying after award unless exempt from the disclosure requirement of the Illinois Freedom of Information Act ("FOIA") [5 ILCS 140].

e) Should CDB fail to send notice of award to bidders or offerors submitting responses to the solicitation, the time for filing a bid protest will be extended a day for each day the notice of award is late, up to 5 business days. No later than the end of the next business day, CDB shall publish the notice of award to its website and the Bulletin. This notice shall contain at least the following information:

1) the information published under subsections (b)(1) through (7);

2) the name of the apparent low bidder or the apparent most qualified offeror;

3) the contract price;

4) the names of all unsuccessful responding vendors;

5) for each bidder or offeror, the percentage of the contract amount that the vendor states will be paid to minority, female or veteran owned businesses;

6) the total number of veteran owned small businesses and the number of service disabled veteran owned small businesses who submitted bids for contracts;

7) a determination of responsiveness for each bidder or offeror;

8) a determination of responsibility for each bidder or offeror; and

9) a determination of attainment of MBE/FBE/VBP goals or acceptance of a good faith effort in attainment of the goals.
y, that submitted bids for contracts.

Section 8.2020 Small Purchase Limits

a) As authorized by law and under the jurisdiction of the CPO, individual contracts for construction, construction related services, construction related professional services, and construction management supplies or services not exceeding the following thresholds (hereinafter, "small purchase limit") may be made without notice or competition or use of other method of procurement as follows:

1) Any construction-related professional services contract with an estimated basic professional services fee of less than $25,000;

2) Construction management contracts of less than $25,000;

3) Construction not exceeding the small purchase level of $30,000, adjusted for inflation each July 1 after 1998 in accordance with Code Section 20-20(b). The CPO shall publish any change identified by the United States Department of Labor in the Consumer Price Index for All Urban Consumers for the period ending each December 31, and for each year thereafter on its website. That percentage change shall be used to recalculate the small purchase maximum for construction that shall be applicable for the fiscal year beginning the following July 1. The CPO shall publish on the Procurement Bulletin the current small purchase maximum.

b) Determination of Small Purchase Status

1) In determining whether a contract is under the small purchase limit, the stated value of the supplies or services, plus any optional supplies and services, determined in good faith shall be utilized. When the value is calculated month-to-month or in a similar fashion, the amount shall be calculated for a 12 month period.

2) If, after signing the contract, the actual cost of completing the contract is determined to exceed the small purchase amount, and the SPO determines

that a supplemental procurement is not economically feasible or practicable because of the immediacy of the agency's needs or other circumstances, the SPO must follow the procedures for sole source or emergency procurement, whichever is applicable, to complete the contract.

3) If there is a repetitive need for small procurements of the same type, the State agency shall notify the SPO. The SPO shall consider whether issuing a competitive sealed bid or proposal for procurement of those needs is required or otherwise in the best interest of the State. Procurements shall not be artificially divided in order to constitute a small purchase.

c) The CPO may establish policies and procedures to manage the use of the small purchase method of source selection. A SPO may establish additional policies and procedures applicable to State agencies under the SPO's jurisdiction.

Section 8.2025 Sole Economically Feasible Source Procurement

a) Application. The provisions of this Part apply to procurement from a sole economically feasible source (referred to as "sole source") unless the estimated amount of the procurement is within the limit authorized in Section 8.2020 (Small Purchases) or unless emergency conditions exist as defined in Section 8.2030 (Emergency Procurements), in which case those other procedures may be used.

b) Conditions for Use of Sole Source Procurement. Sole source procurement is permissible when a requirement is available from only a single supplier or when only one supplier or service provider is deemed economically feasible. A requirement for a particular proprietary item does not justify a sole source procurement if there is more than one vendor authorized to provide that item. The following are examples of circumstances that could necessitate sole source procurement:

1) compatibility of equipment, accessories, replacement parts or service is a paramount consideration;

2) items are needed for trial use or testing of that specific product or service;

3) non-competitive public utility services;

4) item is copyrighted or patented and the item or service is not available except from the holder of the copyright or patent;

5) contract has expired, but the supplies or services have not been fully provided;

6) Federal or State grant requires contract with named vendor;

7) changes to existing contracts (see subsection (c)).

c) Changes
A change that is germane and reasonable in scope and cost in relation to the original contract that is necessary or desirable to the success of the project need not comply with these sole source procedures.

d) Sole Source Determination and Hearing

1) CDB may request that a particular procurement be made on a sole source basis. The request shall be in writing and shall describe in detail the basis for the sole source determination.

2) If the SPO approves, the SPO shall cause to be published in the Bulletin and provided to PPB the notice of intent required by Section 20-25(c) of the Code. In addition to meeting other requirements, the notice shall advise interested parties of the date, time and location of any hearing that may be held in response to a written request submitted by an interested party to challenge the justification for use of the sole source procurement method.

3) The hearing date shall be set for a date no fewer than 15 days after publication of the notice. Unless an interested party's request for hearing is received by the CPO no later than the close of business on the date prior to the scheduled hearing, the Procurement Officer shall cancel the hearing and cause notice of cancellation to be published in the Bulletin prior to the hearing date. If a hearing is requested, the procurement may proceed on a sole source basis only after the hearing is conducted and with the approval of the CPO.

e) Hearing Procedures. Any hearing required shall be conducted in accordance with Subpart T.

Section 8.2030 Emergency Procurements

a) Authority to Make Emergency Procurements. The provisions of this Section apply to every procurement over the small purchase limit set in Section 8.2020 made under emergency conditions. The CPO shall have the authority to make emergency procurements when an emergency condition arises and the need cannot be met through normal procurement methods.

b) Statutory Emergency Conditions exist:

1) if there exists a threat to public health or public safety;

2) when immediate expenditure is needed for repairs to State property in order:

A) to protect against further loss or damage to State property;

B) to prevent or minimize serious disruption in critical State services that affect health, safety, or collection of substantial State revenues; or

C) to ensure the integrity of State records.

c) Scope of Emergency Conditions. CDB shall provide the CPO a detailed written description of the basis for the emergency and reasons for the selection of the particular contractor to be included in the contract file in accordance with Section 20-30(a) of the Code.

d) Source Selection Methods

1) CDB will employ as much competition as is practicable under the emergency circumstances to address the emergency situation, as approved by the SPO.

2) When practicable, a minimum of three vendors approved by the SPO shall be evaluated for award of an emergency contract.

e) Determination and Record of Emergency Procurement

1) Determination. The SPO shall make a written determination confirming or denying the basis for the emergency and the reasons for the selection of the particular vendor. These determinations shall be kept in the procurement file.

2) Vendor Authorization. Unless impractical, no work shall be performed by a vendor under the jurisdiction of the CPO without the prior written authorization of the SPO.

3) Record. A written explanation and affidavit of each emergency procurement (including extensions of emergency contracts beyond 90 days) shall be submitted to the CPO by CDB within 5 days. The CPO will submit the explanation and affidavit to the Auditor General and the PPB within 10 days after award and shall include the following information:

A) the vendor's name;

B) the amount and type of the contract (if only an estimate of the amount is available immediately, the record shall be supplemented with the final amount once known);

C) a description of what the vendor will do or provide;

D) the conditions and circumstances requiring use of the emergency method of source selection, including the cost and advantages and disadvantages of reasonable alternatives to the emergency procurement;

E) the expected duration of the contract;

F) the expected or anticipated need for other contracts that might be necessary to completely address the emergency conditions;

G) an analysis of how a competitive selection may or will be structured to address a permanent solution to the condition prompting the emergency; and

H) such other information as may explain the emergency procurement or as may be requested by the SPO.

4) Notice of the Emergency Procurement. Notice of the emergency procurement shall be published in the Bulletin by the SPO as specified in Sections 15-25(c) and 20-30 of the Code no later than 3 business days after the contract is awarded and shall include a description of the procurement, identification of the contractor, the reasons for the emergency procurement, the names of the responsible CPO and SPO, and the total cost. When only an estimate of the total cost is known at the time of publication, the estimate shall be identified as an estimate and published. When the total cost is determined, it shall also be published in like manner before the 10th day of the next succeeding month.

f) Duration and Replacement of Emergency Contract. By statute, the term of an emergency purchase shall be limited to the time reasonably needed for a competitive procurement, not to exceed 90 days. Therefore, unless the purchase or the temporary nature of the emergency conditions are likely to resolve the emergency or otherwise make unnecessary the emergency measures, CDB shall immediately act to initiate whatever competitive procurement is appropriate to provide the services on a longer term basis or, in the case of a temporary solution, is necessary to acquire the permanent solution.

g) Extension of Emergency Contract. An emergency contract may be extended beyond 90 days if the CPO determines additional time is necessary and the contract scope and duration are limited to the emergency.

1) If CDB believes an extension beyond 90 days is necessary, it shall direct an extension request to the SPO for approval. The request shall be in writing and include justification for the extension and a description of the efforts of CDB and, if appropriate, the using agency to address the emergency condition on a permanent basis.

2) If the SPO approves, the SPO shall submit the request to the CPO with a written approval and justification for that approval. Unless the CPO disapproves the request, the CPO shall hold a public hearing on the extension, notice of which shall be published in the Bulletin no later than 14 days prior to the hearing. Notice shall include at least a description of

the need for the emergency extension, the contractor, and, if applicable, the date, time and location of the public hearing.

3) The public and any representative of the PPB may present testimony at the public hearing, which shall be conducted in accordance with Subpart T. Only after the hearing and the CDB providing written justification, may the CPO allow the emergency contract to be extended. The notice of hearing and all hearing documents, including the written justification, must be posted on the Bulletin as soon as possible but no later than 3 days after the hearing.

Section 8.2036 Other Methods of Source Selection

a) Art-in-Architecture Program Procurement. Works of art for CDB construction projects shall be procured in accordance with Section 14 of the CDB Act and as detailed in CDB's Art-in-Architecture Policy & Procedure Manual as approved by the CPO, provided that any contracts awarded shall be subject to CPO or SPO approval and shall comply with Article 50 of the Code.

b) Single-Prime. In accordance with Section 30-30 of the Code and subject to prior approval of the Procurement Policy Board, CDB may, on certain projects, retain one contractor to provide all subdivisions of the work necessary to complete the construction contract. Use of this method requires prior written approval of the CPO.

c) Design-Build. In accordance the Design-Build Procurement Act, CDB may use the design-build delivery method for certain projects, provided it first makes a written determination that it is in the best interest of the State to enter into a design-build contract. This written determination must include a description of particular advantages and must be approved by the CPO in writing prior to the solicitation of a design-build contract.

d) Construction-related professional services shall be procured in accordance with the QBS Act, Subpart M of this Part and, to the extent not inconsistent with QBS and Subpart M, the remainder of this Part and any related rules of the Board.

e) Construction management services shall be procured in accordance with Subpart N of this Part, and, to the extent not inconsistent with Subpart N, the remainder of this Part and any related rules of the Board.

f) Federal Requirements. If a project is funded with federal aid funds, grants or loans or is otherwise subject to federal requirements, the funded procurements may be conducted in accordance with federal requirements that are necessary to receive or maintain those federal aid funds, grants or loans or to remain in compliance with federal requirements.

Section 8.2037 Tie Bids and Proposals

a) Tie bids or proposals are those from responsive and responsible vendors that are, in the case of bids, identical in price, and, in the case of proposals, identical in rank after evaluation.

b) Tie bids or proposals will be resolved as follows:

1) If the tied vendors include only one Illinois resident vendor, the Illinois resident vendor shall be given the award. "Illinois resident vendor" has the meaning ascribed in Section 8.4510 (Resident Vendor Preference).

2) In all other situations, the award shall be made by the toss of a coin, properly witnessed and recorded, unless CDB requests and documents, and the SPO determines that awarding to one of the vendors is in the State's best interest because, for example, that vendor:

A) is likely to be more reliable or responsive to the State's needs, based on past performance;

B) provides a better quality of the supply or service as demonstrated by performance evaluations on file prior to bidding, or such similar evidence;

C) provides quicker delivery; or

D) in the case of proposals, because of a desire to take advantage of the lower price.

c) Records. In addition to the record in the particular procurement file, a separate record shall be made of all procurements on which tie bids or offers are received, showing at least the following information:

1) The identification number of the solicitation;

2) A description of what was procured; and

3) A listing of all bidders or offerors and the prices submitted.

Section 8.2038 Modification or Withdrawal of Bids or Proposals

a) Modification or Withdrawal A bidder or offeror may withdraw or modify a bid or proposal if notice of the withdrawal or modification is received by the bid officer before the latest time specified for receipt of bids or proposals. Any modification or withdrawal, however, must be made in writing and conveyed directly to the bid officer prior to the scheduled bid or proposal opening. The SPO may allow all modifications or withdrawals by printed form conveyed by electronic mail or fax. Method of submittal of withdrawal and modification must be included in the bid documents including any specific fax numbers or e-mail addresses.

1) Withdrawal of bids or proposals after bid or proposal opening will not ordinarily be permitted. A thorough analysis of the request for withdrawal of bid or proposal, including a recommendation to approve or deny the request, must be provided to the SPO. In cases in which, in the judgment of the SPO, based on credible, clear and concise evidence, the bidder or offeror has made a bona fide error in the preparation of the bid or proposal and that error will result in a substantial loss to the bidder or offeror, a withdrawal may be made at the SPO's discretion.

2) Minor Informalities or irregularities. A minor informality or irregularity is one that is a matter of form or pertains to some immaterial or inconsequential defect or variation from the exact requirement of the solicitation, the correction or waiver of which would not be prejudicial to the State (i.e., the effect on price, quality, quantity, delivery or contractual conditions is negligible). The bid officer shall waive these informalities or irregularities allowing correction if to allow such correction is in the best interests of the State. A record of minor informalities and irregularities shall be maintained in the Procurement File and is subject to review by the SPO during the award process.
Examples of minor informalities as to form include the failure to:

A) return the required number of signed copies required by the IFB;

B) acknowledge receipt of an amendment to the solicitation, but only if:

i) it is clear from the bid that the offeror received the amendment and intended to be bound by its terms; or

ii) the amendment involved had a negligible effect on price, quantity, quality or delivery.

b) Documentation Required. When a bid or proposal is corrected or withdrawn, or correction or withdrawal is denied, a written determination shall be prepared by the bid officer and provided to the SPO showing that relief was granted or denied in accordance with this Part.

Section 8.2039 Mistakes

a) General. Corrections to bids, proposals or other procurement processes are allowed, but only to the extent not contrary to the best interest of the State or the fair treatment of the other bidders or offerors.

b) Mistakes Discovered Before Opening. A vendor may correct mistakes discovered before the time and date set for opening by withdrawing or correcting the error in writing, or in person at the opening location, before the time and date set for opening.

c) Confirmation of Mistake After Opening. When the SPO knows or has reason to know that a mistake has been made, the SPO may request the vendor to confirm the information. Situations in which confirmation should be requested include obvious or apparent errors on the face of the document or a price unreasonably lower than the others submitted. If the vendor alleges a mistake, the bid or proposal may be withdrawn if the conditions set forth in this Section, as applicable, are met.

1) Minor Informalities or Irregularities. A minor informality or irregularity is one that is a matter of form or pertains to some immaterial or inconsequential defect or variation from the exact requirement of the solicitation, the correction or waiver of which would not be prejudicial to

the State (i.e., the effect on price, quality, quantity, delivery or contractual conditions is negligible). The bid officer shall waive these informalities or irregularities allowing correction if to allow the correction is in the best interest of the State. A record of minor informalities and irregularities shall be maintained in the procurement file and is subject to review by the SPO during the award process. Examples of minor informalities as to form include the failure to:

A) return the required number of signed copies required by the IFB or RFP;

B) acknowledge receipt of an amendment to the solicitation, but only if:

i) it is clear from the bid that the offeror received the amendment and intended to be bound by its terms; or

ii) the amendment involved had a negligible effect on price, quantity, quality or delivery.

2) Mistakes in Which the Intended Correct Information Is Evident. If the mistake and the intended correct information are clearly evident on the face of the bid document, the information shall be corrected and the bid may not be withdrawn. Examples of mistakes that may be clearly evident on the face of the solicitation document are typographical errors, errors in extending unit prices, transposition errors and arithmetical errors.

3) Mistakes in Which the Intended Correct Information Is Not Evident. The bid or proposal may be withdrawn if:

A) a mistake is clearly evident on the face of the bid or proposal document but the intended correct bid or proposal is not similarly evident; or

B) there is clear and convincing evidence demonstrating a mistake was made.

d) Documentation Required. The reason for allowing correction or withdrawal of bids or proposals shall be made part of the procurement file and shall be available for public inspection.

Section 8.2040 Cancellation of Solicitations; Rejection of Bids or Proposals

a) Policy. Any solicitation may be canceled before or after opening when the SPO believes cancellation to be in the State's best interest. An SPO may request from CDB any information necessary to assist the SPO in reaching a determination of whether cancellation is in the State's best interest. Nothing shall compel the award of a contract.

b) Cancellation of Solicitation; Rejection of All Bids or Proposals

1) A solicitation may be canceled in whole or in part when the SPO determines in writing that the action is in the State's best interest for reasons including, but not limited to:

A) the State no longer requires the supplies or services;

B) the State no longer can reasonably expect to fund the procurement;

C) proposed amendments to the solicitation would be of such magnitude that a new solicitation is desirable;

D) ambiguous or otherwise inadequate specifications;

E) the solicitation did not provide for consideration of all factors of significance to the State;

F) prices potentially exceed available funds and it would not be appropriate to adjust quantities to come within available funds;

G) all otherwise acceptable bids or proposals received are at clearly unreasonable prices; or

H) there is reason to question whether the bids or proposals may not have been independently arrived at in open competition, may have been collusive, or may have been submitted in bad faith.

2) When a solicitation is canceled, notice of cancellation shall be posted to the Bulletin.

3) The notice of cancellation shall:

A) identify the solicitation;

B) briefly explain the reason for cancellation or rejection; and

C) when appropriate, explain that an opportunity will be given to compete on any re-solicitation or any future procurements of similar supplies or services.

c) Rejection of Individual Bids or Proposals

1) Individual bids or proposals may be rejected for reasons including, but not limited to:

A) the bid or proposal is not responsive (i.e., it does not conform in all material respects to the submission requirements for the solicitation);

B) the vendor that submitted the bid or proposal is not responsible as determined under Section 1.2046 (Responsibility);

C) the supply or service item offered in the bid or proposal is unacceptable by reason of its failure to meet the announced requirements of the solicitation, including, but not limited to, specifications or permissible alternates or other acceptability criteria set forth in the solicitation, statement of work or quotation; or

D) the proposed price, including options, is clearly unreasonable.

2) Notice of Rejection. Bidders or offerors whose bids or proposals have been rejected shall be advised of the reasons for rejection.

d) Documentation. The reason for cancellation or rejection shall be made a part of the procurement file and shall be available for public inspection.

SUBPART F: PREQUALIFICATION AND RESPONSIBILITY

Section 8.2045 Vendor Prequalification and Responsibility

Prequalification constitutes a preliminary determination of responsibility requisite for a vendor to be eligible to bid or submit proposals. Prequalification is not a binding final determination of a vendor's responsibility. All entities required to be prequalified shall be prequalified in accordance with Subparts V, W and X. Responsibility shall be considered by the SPO prior to making an award or signing a contract in accordance with Section 8.2046.

Section 8.2046 Responsibility and Ineligibility

a) Application. Before making an award or signing a contract, the SPO must be satisfied the prospective vendor is responsible. CDB's recommendation to award a contract shall include a determination of responsibility. If there is doubt about responsibility, a vendor may be denied an award. If additional bonding or other security would adequately protect the State's interests, then that vendor may receive an award or contract upon receipt of the bond or other security.

b) Standards of Responsibility. Factors to be considered in determining whether the standard of responsibility has been met include whether a prospective vendor:

1) has available the appropriate financial, material, equipment, facility and personnel resources and expertise, or the ability to obtain and manage this expertise, necessary to indicate its capability to meet all contractual requirements;

A) CDB shall not recommend a determination of responsibility for any vendor who has the appearance of being a broker, rather than a conventional business. In determining whether a vendor is a broker or a vendor with inadequate resources, CDB may consider one or more of the following:

i) Whether the vendor maintains and works from a separate conventional office which is not a residence or offices for other businesses.

ii) Whether the vendor maintains a full-time office with professional and/or construction staff consisting of clerical, managerial, and supervisory personnel.

iii) Whether key persons with the vendor have an educational and work experience background that makes the key persons sufficiently expert and knowledgeable to carry out CDB construction projects.

iv) Whether the vendor owns equipment, tools, machinery, materials or supplies used on construction projects.

v) Whether the contractor has financial resources related to or generated by the construction business.

vi) Whether the vendor has historically subcontracted for a percentage of the work in construction contracts exceeding the requirements of CDB contracts.

vii) Whether key persons with the vendor are engaged in non-construction businesses.

2) is able to comply with required or proposed delivery or performance schedules, taking into consideration all existing commercial and governmental commitments;

3) has a satisfactory record of performance. Vendors who are or have been materially-deficient in current or recent contract performance in dealing with the State or other customers may be deemed "not responsible" unless the deficiency is shown to have been beyond the reasonable control of the vendor;

4) has a satisfactory record of integrity and business ethics. Vendors who are under investigation or indictment for criminal or civil actions that bear on the particular procurement or that would make contracting with that vendor undesirable may be declared not responsible for the particular procurement;

5) is qualified legally and authorized to contract with the State, which means, among other things, the vendor holds and is in good standing with respect to all licenses, certifications, financial disclosures and conflicts of interest or registrations necessary to provide the subject services in Illinois;

6) has supplied all necessary information in connection with any inquiry concerning responsibility;

7) has a current public contracts number from the Illinois Department of Human Rights pursuant to 44 Ill. Adm. Code 250.210, if required. Proof of application prior to opening of bids or proposals will be sufficient for an initial determination;

8) does not have any financial or other conflicts of interest under Sections 50-13 and 50-35 of the Code, or any other provisions of Article 50 of the Code;

9) complies with all applicable laws concerning the bidder's entitlement to conduct business in Illinois;

10) complies with all applicable provisions of the Prevailing Wage Act;

11) complies with Subchapter VI ("Equal Employment Opportunities") of 42 USC 2000e et seq. and with Federal Executive Order No. 11246, as amended by Executive Order No. 11375;

12) has a valid Federal Employer Identification Number or, if an individual, a valid Social Security Number;

13) has a valid certificate of insurance showing the following coverages as applicable: general liability, professional liability, product liability, workers' compensation, completed operations, hazardous occupation and automobile; and

14) participates, including its subcontractors, in applicable apprenticeship and training programs approved by and registered with the United States Department of Labor's Bureau of Apprenticeship and Training.

c) Information Pertaining to Responsibility. Information pertaining to responsibility shall be obtained from CDB prequalification files, bid documents, proposals and State vendor registration systems. The prospective vendor may be required to supply additional information, if requested by CDB, the CPO or SPO, concerning the responsibility of the vendor. The State may supplement this information from other sources and may require additional documentation at any time. If the vendor fails to supply the requested information, the determination of responsibility will be based upon any available information, the prospective vendor may be found not responsible.

d) Duty Concerning Responsibility. Before awarding a contract, the CPO or SPO must be satisfied that the prospective vendor is responsible. Responsibility can be proven at any point from the time of bid until time of award.

e) Written Determination of Non-Responsibility Required. If a vendor who otherwise would have been awarded a contract is found to be not responsible, a written determination of non-responsibility setting forth the basis of the finding shall be prepared by CDB for approval by the CPO or SPO. A copy of the determination shall be sent promptly to the non-responsible vendor. The final determination shall be made part of the procurement file.

f) Affiliated Companies. Vendors that are newly formed business concerns having substantially the same owners, officers, directors or beneficiaries as a previously existing, non-responsible vendor may be declared non-responsible solely on that basis unless the new organization can demonstrate it was not set up for the purpose of avoiding an earlier declaration of non-responsibility.

SUBPART G: BID, PROPOSAL AND PERFORMANCE SECURITY

Section 8.2047 Security Requirements

a) Vendors shall furnish security as specified in the solicitation or contract. The cost of providing security will be borne by the vendor unless otherwise stated in the solicitation.

b) Security, unless otherwise specified, may be in the form of cashier's check, certified check, money order, or irrevocable letter of credit or bond. Any bond must be issued by a surety company authorized to do business in the State of

Illinois and meeting the requirements set forth in the Standard Documents for Construction.

c) Unless the amount is set by law, CDB will determine the amount, in dollars or percentage of contract price, that will adequately protect the State's interests. That amount will vary depending on the type of procurement and the risks and potential losses associated with delay or failure to complete the project, and for other such reasons.

d) A vendor may be required to furnish up to 100% performance security at any time during contract performance and at its cost, if it appears that delivery or production schedules cannot be met, quality is poor, responsibility is questioned or for similar reasons.

e) Bid Bond

1) The bid bond will be used to ensure the bidder or offeror meets all obligations imposed under the solicitation, including the obligation to keep the price or bid vendor for as long a period as specified in the solicitation to enter into a contract and the obligation to file a performance security. If required, when the contract is awarded, CDB may retain the bid security as damages if the bidder fails to meet its obligations.

2) The bid bond will be returned to the vendor as soon as is practicable after the bid or proposal opening. The three lowest qualified vendors' bond will be returned as soon as possible after the contract is awarded or, if performance bond is required, as soon as the successful vendor has filed acceptable performance bond. Bond will be returned to the unsuccessful vendors upon expiration of the bid/proposal vendor time or execution of the contract, whichever is earlier.

SUBPART H: SPECIFICATIONS AND SAMPLES

Section 8.2050 Specifications and Samples

a) Responsibilities Regarding Specifications. Subject to the SPO's approval, the CDB shall have necessary specifications drafted.

b) Development of Specifications

1) All procurements shall be based on specifications developed in accordance with the Design and Construction Manual that accurately reflect the State's needs. Specifications shall clearly and precisely describe the salient technical or performance requirements and shall be written in such a manner as to describe the requirements to be met, without being unduly restrictive or having the effect of exclusively requiring a particular brand name, a proprietary supply or service, or procurement from a sole source, unless no other manner of description will suffice.

2) Any specifications or standards adopted by business, industry, not-for-profit organization or governmental unit may be incorporated by reference. Specifications for a construction project shall include reference to the minimum Green Building Act requirements for the project.

3) A specification may provide alternate descriptions when two or more design, functional or performance criteria will satisfactorily meet the State's requirements.

4) Article 45 of the Illinois Procurement Code shall be considered and applied when required or appropriate.

c) Brand Name Specification. Bids for construction projects shall be based on providing all products, subcontractors or suppliers specified in the specifications. When a brand name specification is used, a minimum of three brand names must be specified for each product. Brand name product specifications shall allow that a bidder may propose additional products prior to bid opening. Bidders may propose substitutions of a product, upon review and approval by CDB and the project A/E. The product substitution process may be utilized regardless of whether only brand names are listed. Substitutions shall be accepted before award and are subject to the review of the SPO. Determinations on the acceptance of substitutions shall be included in the recommendation to award file.

1) Brand name specifications may be used in a construction solicitation when:

A) no specification for a common or general use specification or qualified products list is available;

B) time does not permit the preparation of another form of specification;

C) the nature of the product or the nature of the State's requirement makes use of a brand name specification suitable for the procurement; or

D) use of a brand name specification is in the State's best interest.

2) Brand name specifications shall designate a minimum of three brands and shall further state that substitutions may be allowed.

3) Unless CDB determines that the essential characteristics of the brand names included in the specifications are commonly known in the industry or trade, brand name specifications shall include a description of the particular design, functional or performance characteristics that are required.

d) Limited Source Product Specification. CDB shall specify a minimum of three brand name products and shall identify sources to achieve whatever degree of competition is practicable. If less than three brand names are specified, CDB will review and approve all such specifications, which are subject to review by the Procurement Officer upon request. The procedure for review by CDB shall be contained in CDB's Design and Construction Manual.

e) Specifications Prepared by Persons Other Than State Personnel. Specifications may be prepared by persons other than State personnel, including, but not limited to, consultants, architects, engineers, designers or other drafters of specifications for public contracts. CDB shall review and approve such specifications. Vendors preparing specifications must affirm that no conflict of interest exists at time of submittal and review of the specifications by CDB. Vendors may be requested to verify conflict of interest status at any time throughout a project. *No person or business shall submit specifications to a State agency unless requested to do so by an employee of the State* [30 ILCS 500/50-10.5(e)].

1) The SPO retains the authority for final approval of the specifications. Contracts with vendors for the preparation of specifications shall require the specification writer to adhere to the Design and Construction Manual, the Code and this Part.

2) The person or business that writes specifications for a particular procurement need shall not submit a bid or proposal, receive a contract to meet that procurement need, or have any financial interest in the product or service specified or the source from which it is procured.

f) Prohibited Bidder and Contractors

1) *No person or business shall bid or enter into a contract if the person or business:*

A) *Assisted an employee of the State of Illinois, who, by the nature of his or her duties, has the authority to participate personally and substantially in the decision to award a State contract, by reviewing, drafting, directing, or preparing any IFB,* an *RFP or* an *RFI; or*

B) *Provided similar assistance, except as part of a publicly issued opportunity to review drafts of all or part of these documents.*

2) *This subsection* (f) *does not prohibit a person or business from submitting a bid or proposal or entering into a contract if the person or business:*

A) *Initiates a communication with an employee to provide general information about products, services or industry best practice and, if applicable, that communication is documented; or*

B) *Responds to a communication initiated by an employee of* CDB *for the purposes of providing information to evaluate new products, trends, services or technologies.* [30 ILCS 500/50-10.5(e)]

3) *For purposes of this subsection* (f), *"business" includes all individuals with whom a business is affiliated, including, but not limited to, any officer, agent, employee, consultant, independent contractor, director, partner, manager, or shareholder of a business.* [30 ILCS 500/50-10.5(e)]

g) Pre-Solicitation Request for Information. When CDB does not have sufficient information about available supplies or services to issue a solicitation, CDB may issue a pre-solicitation request for information inviting vendors to submit

information about the availability of specified types of supplies and services. Public notice of the RFI shall be published in the Bulletin by the SPO at least 14 days before the date set for the receipt of responses. The submission of information by a vendor in response to a pre-solicitation request for information is not a prerequisite for that vendor to respond to a subsequent solicitation for the types of supplies and services for which information was solicited, and the issuance of an RFI does not commit the State agency to make any procurement of supplies or services of any kind.

SUBPART I: CONTRACTS

Section 8.2055 Types of Contracts

a) Scope. This Section contains descriptions of types of contracts and limitations as to when they may be utilized by the State in its procurements. Types of contracts not mentioned in this Section may also be utilized.

b) Prohibition of Cost-Plus-a-Percentage-of-Cost Contracting. The cost-plus-a-percentage-of-cost contract is prohibited by Section 20-55 of the Code. This type of contracting may not be used alone or in conjunction with an authorized type of contract. A cost-plus-percentage-of-cost contract is one in which the vendor selects the supply or service on which the vendor's percentage is applied.

1) A percentage mark-up from the price of a supply or service selected by the State or another vendor under contract to the State is not a cost-plus-a-percentage-of-cost contract.

2) The application of such things as overhead and profit to the price of a subcontract is not a cost-plus-a-percentage-of-cost contract.

c) Types of Fixed-Price Contracts

1) Firm Fixed-Price Contract. A firm fixed-priced contract provides a price that is not subject to adjustment because of variations in the vendor's cost of performing the work specified in the contract.

2) Fixed-Price Contract with Price Adjustment

A) A fixed-price contract with price adjustment provides for variation in the contract price under special conditions defined in the contract, other than customary provisions authorizing price adjustments due to modifications to the work. The formula or other basis by which the adjustment in the vendor's price can be made shall be specified in the solicitation and the resulting contract. Adjustment allowed may be upward or downward only, or both upward and downward. Examples of conditions under which adjustments may be provided in fixed-price contracts are:

i) changes in the vendor's labor agreement rates as applied to an industry or area (such as are frequently found in contracts for the purchase of coal);

ii) changes due to rapid and substantial price fluctuations that can be related to an accepted index (such as contracts for gasoline, heating oils and dental gold alloy); and

iii) in requirement contracts in which a vendor is selected to provide all of the State's needs for the items specified in the contract, when a general price change applicable to all customers occurs, or when a general price change alters the base price (such as a change in a manufacturer's published price list or posted price to which a fixed discount is applied pursuant to the contract to determine the contract price).

B) If the contract permits unilateral action by the vendor to bring about the condition under which a price increase may occur, the State shall have the right to reject the price increase and terminate without cost the future performance of the contract.

d) Cost-Reimbursement Contracts.

1) Determination Prior to Use

A) The State agency must submit to the SPO a justification for using any type of cost-reimbursement contract. This justification must be sufficient to show that such a contract is likely to be less costly

to the State than any other type or that it is impracticable to obtain the items through any other type of contract. The SPO will consider the justification and any other relevant factors before making a written determination to authorize use of the cost-reimbursement contract.

B) Reimbursement of travel expenses in accordance with applicable travel control board regulations is authorized without further determinations.

2) Cost-Reimbursement Contracts. A cost-reimbursement contract provides that the vendor will be reimbursed for allowable costs incurred in performing the contract, but will not receive a fee.

3) Cost-Plus-Fixed-Fee Contract. This cost-reimbursement type contract provides for payment to the vendor of an agreed fixed fee in addition to reimbursement of allowable incurred costs. The fee is established at the time of contract award and does not vary if the actual cost of contract performance is greater or less than the initial estimated cost established for the work. Thus, the fee is fixed but not the contract amount because the final contract amount will depend on the allowable costs reimbursed. The fee is subject to adjustment only if the contract is modified to provide for an increase or decrease in the scope of work specified in the contract.

4) Cost Incentive Contracts

A) General. A cost-incentive type of contract provides for the reimbursement to the vendor of allowable costs incurred up to the ceiling amount and establishes a formula whereby the vendor is rewarded for performing at less than the maximum agreed upon cost (that is, the parties' agreed best estimate of the cost of performing the contract will vary inversely with the maximum costs of performance and consequently is dependent on how effectively the vendor controls cost in the performance of the contract).

B) Fixed-Price Cost-Incentive Contract. In a fixed-price cost-incentive contract, the parties establish at the outset a target cost, a target profit (that is, the profit that will be paid if the actual cost of

performance equals the target cost), a formula that provides a percentage increase or decrease of the target profit depending on whether the actual cost of performance is less than or exceeds the target cost, and a ceiling price. After performance of the contract, the actual cost of performance is arrived at based on the total incurred allowable costs as provided in the contract. The final contract price is then established in accordance with the formula using the actual cost of performance. The final contract price may not exceed the ceiling price. The vendor is obligated to complete performance of the contract and, if actual costs exceed the ceiling price, the vendor suffers a loss.

C) Cost-Reimbursement Contract with Cost-Incentive Fee. In a cost-reimbursement contract with cost-incentive fee, the parties establish at the outset a target cost; a target fee; a formula for increase or decrease of fee depending on whether actual cost of performance is less than or exceeds the target cost, with maximum and minimum fee limitations; and a cost ceiling that represents the maximum amount that the State is obligated to reimburse the vendor. The vendor continues performance until the work is complete or costs reach the ceiling specified in the contract, including any modification thereof, whichever first occurs. After performance is complete or costs reach the ceiling, the total incurred allowable costs reimbursed as provided in the contract are applied to the formula to establish the incentive fee payable to the vendor.

e) Performance Incentive Contracts. In a performance incentive contract, the parties establish at the outset a pricing basis for the contract, performance goals, and a formula that varies the profit or the fee if the specified performance goals are exceeded or not met. For example, early completion may entitle the vendor to a bonus, while late completion may entitle the State to a price decrease.

f) Time and Materials Contracts; Labor Hour Contracts. Time and materials contracts provide an agreed basis for payment for materials supplied and labor performed. Labor hour contracts provide only for the payment of labor performed. The contracts shall, to the extent possible, contain a stated ceiling or an estimate that shall not be exceeded without prior State approval.

g) Definite Quantity and Indefinite Quantity Contracts

1) Definite Quantity. A definite quantity contract is a fixed-price contract that provides for delivery of a specified quantity of supplies or services either at specified times or when ordered.

2) Indefinite Quantity. An indefinite quantity contract is a contract for an indefinite amount of supplies or services to be furnished at specified times, or as ordered, that establishes unit prices of a fixed-price type. Generally, an estimated quantity based on the best information available as to quantity is stated in the solicitation. The contract may provide a minimum quantity the State is obligated to order and may also provide for a maximum quantity provision that limits the State's ability to order.

h) Leases. A lease is a contract for the use of supplies or real property under which title will not pass to the State at any time, except pursuant to an option to purchase.

i) Option Provisions. A solicitation may contain options for renewal, extension or purchase, and, if it does, the solicitation shall also include the requirements for exercising a given option, establish the term, and either establish the price or include the formula for establishing the price. Contracts based on a solicitation may include only those options included in the solicitation. Exercise of options shall be performed in accordance with the solicitation, the Code and other provisions of this Part.

j) State Produced Supplies and Services. Notwithstanding any provision in any contract, supplies or services available in-house or from State programs, such as the Correctional Industries Programs, may be ordered without violating any contract.

k) Energy Conservation. State agency procurements of energy conservation measures, including guaranteed energy savings contracts, shall be made in accordance with the Code and this Part, except as otherwise authorized by the Code.

Section 8.2060 Duration of Contracts − General

a) General. The duration of a construction or construction-related services contract, including potential renewals, may not exceed 10 years. unless a longer period is permitted by the Code

b) Subject to Appropriation. Each contract is contingent upon and subject to the availability of funds. The State, at its sole option, may terminate or suspend a contract, in whole or in part, without penalty or further payment being required, if the Illinois General Assembly or the federal funding source fails to make an appropriation sufficient to pay that obligation or if funds needed are insufficient for any reason. Each contract payable in whole or in part by any funds appropriated by the Illinois General Assembly shall recite that the contract is subject to termination and cancellation for lack of, or insufficiency in, funding. A vendor will be notified in writing by CDB of a failure to receive or a reduction or decrease in any appropriation affecting the contract. This provision applies to only those contracts that are funded in whole or in part by funds appropriated by the Illinois General Assembly or other governmental entity.

c) Conditions for Use of Multi-Year Contracts. A multi-year contract may be used when the period of performance exceeds a single year and when a multi-year contract will serve the best interest of the State by encouraging effective competition or otherwise promoting economies in State procurement.

d) Multi-Year Contract Procedure. The solicitation shall state:

1) the proposed term;

2) the amount of supplies or services required for the proposed contract period; and

3) how award will be determined.

e) Filing of Proposed Renewals and Extensions Exceeding $249,999. Prior to executing a renewal or extension with a cost estimated to exceed $249,999, the proposed renewal or extension must be submitted to PPB. PPB shall have up to 30 days to review and comment on the proposal. The Procurement Policy Board may object to the proposed extension or renewal within 30 dalendar days and require a hearing before the PPB prior to entering into the extension or reneal. If the PPB does not object within 30 calendar days or takes affirmative action to recommend the extension or renewal, the CPO may enter into the extension or

renewal of a contract. The SPO assigned the agency may request a waiver of the review for reasons set forth in Section 20-60(c) of the Code.

Section 8.2065 Cancellation of Contracts

a) In any of the following cases, the SPO shall have the right to terminate or rescind any contract entered into under this Part without penalty:

1) The successful vendor inexcusably fails to furnish a applicable insucance and bonds within the time specified.

2) The vendor inexcusably fails to make delivery at the place or within the time specified in the contract or as ordered by the purchasing agency.

3) Any supplies or services provided under the contract are rejected (for not meeting specification, not conforming to sample, or not being in good condition when delivered) and are not promptly replaced by the vendor. If there are repeated rejections of the vendor's supplies or services, this shall be grounds for termination or rescission, even though the vendor offers to replace the supplies or services promptly.

4) The vendor is guilty of misrepresentation in connection with another contract for the sale of supplies or services to the State such that the vendor cannot reasonably be depended upon to fulfill obligations as a responsible vendor under other contracts with the State.

5) The vendor should be adjudged bankrupt; enter into receivership or make a general assignment for the benefit of creditors due to insolvency; disregard laws, rules, or instructions of the SPO; or act in violation of any provision of the contract; or if the contract conflicts with any statutory or constitutional provision of the State of Illinois or of the United States.

6) Any other material breach of contract or other unlawful act by the vendor.

7) The contract was obtained by fraud, collusion, conspiracy or other unlawful means.

b) Damages. The damages for which the State may be compensated as provided in this Section or by a suit on the vendor's performance bond or by other legal remedy shall include, but are not limited to, the following:

1) the additional cost of supplies or services bought elsewhere;

2) cost of repeating the procurement procedure;

3) any expenses incurred because of delay in receipt of supplies or services; and

4) any other damages caused by the vendor's breach of contract or unlawful act.

c) Withholding Money to Compensate State for Damages. If a contract is terminated or rescinded under this Section, the State agency may deduct from whatever is owed the vendor on that or any other contract an amount sufficient to compensate the State agency for any damage resulting from termination or rescission.

SUBPART J: PROTESTS, DISPUTES AND CONTRACT CONTROVERSIES

Section 8.2075 Protests

a) Any person may submit a protest related to the notice of the procurement, the solicitation document, any pre-bid/proposal meeting or any decision to reject a late bid or proposal.

b) Any person who has submitted a bid or proposal may protest a decision to reject the party's bid or proposal or to award to another vendor.

c) The following procedures will govern the resolution of protests received by the CPO that are covered under this Subpart:

1) Protest Review Officer. The CPO may appoint one or more Protest Review Officers, who will not be CDB employees, to consider procurement related protests and make a recommendation to the CPO for resolution of a protest. The CPO may adopt the recommendations or take other action.

2) Subject of the Protest. A protest may be filed during any phase of the solicitation and award process for a particular contract.

A) The subject of the protest shall concern violation of the Illinois Procurement Code or other law, any associated rules, or the terms of the solicitation itself, including the fairness of the evaluation or award process.

B) Protest procedures of this Section do not apply to issues of prequalification, suspension or debarment.

C) Information relevant to a protest shall be made available to the protesting party for use in its protest. The PRO or CPO shall determine relevancy of the information.

3) Filing a Protest. All protests shall be in writing and filed with the Chief Procurement Officer within 14 days after the protester knows or should have known of the facts giving rise to the protest.

A) Any solicitation or addendum posted to the Bulletin or otherwise issued establishes the “known or should have known” date for the subject matter of the solicitation or addendum. A protest is considered filed when physically received by the Protest Review or CPO office. Protests filed after the 14 day period will not be considered.

B) The protest shall be contained in an envelope clearly labeled "Protest". The written protest shall include, at a minimum, the following requirements:

i) The name, address, e-mail if available, telephone and facsimile numbers of the protester.

ii) The identification of the procurement or solicitation that is the subject of the protest.

iii) All information establishing that the protester is an interested party.

iv) A detailed statement of the factual and legal grounds of the protest, including all relevant documents and exhibits that establish the basis for the protest.

v) All information establishing the timeliness of the protest.

vi) The signature of the protester.

vii) Specific relief sought.

4) Stay of Award during a Protest. When a protest has been filed and before an award has been made, the SPO will make no award of the contract until the protest has been resolved, unless the award of the contract without delay is necessary to protect the interests of the State.

5) Receipt of Protests. All protests received by the CPO office will be distributed to CDB as soon as practical.

6) Requested Information. The protesting party must supply any additional information requested by the Protest Review Officer within the time periods set in the request. If the protesting party fails to comply with the request, the CPO shall consider the protest on the basis of available information or may deny the protest.

7) At the discretion of the CPO, a hearing may be scheduled in accordance with Subpart T.

8) Decision. A decision on a protest will be made as expeditiously as possible after receiving all relevant information.

A) The protest will be sustained only if it is determined by the CPO that the protest conclusively demonstrates, by the preponderance of the relevant information submitted, a violation of the Code or other law, any associated rules or policies, or the solicitation itself, including the evaluation or award process.

B) If the protest is sustained, the remedies available are limited to cancellation or revision of the solicitation, advertisement of the

solicitation or award to the protesting party if the protesting party was originally denied award.

C) The decision of the CPO is final and conclusive unless clearly erroneous, arbitrary, capricious or contrary to law. (See Section 20-75 of the Code.)

9) Effect of Judicial Proceedings. If an action concerning the protest has commenced in a court or administrative body, the CPO may defer resolution of the protest pending the judicial or administrative determination.

Section 8.2076 Disputes and Contract Controversies

a) In the event of a contract dispute or controversies, CDB and the vendor will exercise good faith efforts to resolve the matter fairly, amicably and in a timely manner.

b) When efforts to resolve disputes and controversies are not successful, the parties to the dispute shall utilize alternative dispute resolution (ADR) methods required by the contract or bid documents. At the discretion of CDB, and under the authority of the CPO, all related or associated disputes can be combined into a single Alternative Dispute Resolution (ADR) process. At a minimum, ADR shall be a condition precedent to the filing of any court action valued in excess of $50,000.

1) Disputes less than $50,000 shal utilize an expedited process of ADR to conclude the dispute in 60 days or less.

2) Disputes greater than $50,000 require the parties to use the best efforts to expeditiously resolve the matter, but require an appointment of an independent mediator.

3) This Section shall not apply to mechanics lien actions, unless the parties to the lien consent, nor to contract terminations, CDB's right to carry out the work, and non-project matters such as suspension of prequalification. CDB shall immediately notify the CPO of any dispute. The CPO's approval shall be required to resolve a dispute resulting in payment to a party to the dispute or any other procurement action under a contract with

CDB. Dispute means any contested claim or matter growing out of the project or CDB's project contracts regarding payment or time for performance, but not including personal injury cases (including worker injuries), vehicle accidents, contractor-subcontractor matters in the nature of lien actions, or employment matters.

c) Effect of Judicial Proceedings. If an action concerning the protest has commenced in a court or administrative body, the CPO may defer resolution of the protest pending the judicial or administrative determination.

SUBPART K: PROCUREMENT FILES

Section 8.2080 Public Procurement File

a) *A procurement file shall be maintained for all contracts, regardless of the method of procurement. The procurement file shall contain the basis on which the award is made, all submitted bids and proposals, all evaluation materials, score sheets and all other documentation related to or prepared in conjunction with evaluation, negotiation and the award process. The procurement file shall contain a written determination, signed by the CPO or SPO, setting forth the reasoning for the contract award decision. The procurement file shall be open to public inspection within 7 days following award of contract.* [30 ILCS 500/20-155(b)]

b) The procurement file shall be maintained by CDB, under the jurisdiction of the CPO. CDB shall process and store the procurement file in its electronic files.

c) Documentation of Procurement Actions. CDB shall maintain an ongoing procurement file or associated contract file of all substantive documents and records of communications that pertain to the procurement and any resulting contract from the time of initiation of the procurement through the entire lifespan of the procurement. Unless otherwise indicated in this Section, all documents shall be included in the file within 3 days after finalization of the document. When applicable, this shall include, but is not limited to:

1) All determination memos showing approvals to proceed at all stages;

2) Procurement Bulletin Postings;

3) Solicitation document (e.g., IFB) and all amendments, clarifications and Best & Final Offer requests;

4) Vendors' responses, including clarifications and responses to Best & Final Offer requests;

5) Evaluation material (e.g., scoring guidelines and forms; completed score sheets for individual evaluators, including notes; evaluation committee's combined score sheets; evaluation committee's recommendation; and management's decision);

6) Protest and resolution;

7) Contract;

8) Change order, amendments, renewal or extension;

9) All communications and determinations made by PPB;

10) Contractor Performance reviews;

11) Any other documents, at the direction of the CPO.

12) All information from subsections (c)(1) through (c)(7), less information exempt from disclosure under the Freedom of Information Act, shall be prepared and available for inspection and copying, within 7 days after the award is posted to the Bulletin. All post-award procurement documents shall be added to the procurement file within 3 days after finalization.

Section 8.2084 Record Retention

a) Retention of Bulletin Information. Information published in the Bulletin shall be retained for a period of 3 years. Posted information can be placed in an archive located on the Bulletin and publicly available after 90 days.

b) Books and records that relate to a CDB procurement and contract, including subcontracts, and that support amounts charged shall be maintained:

1) by a vendor, for 3 years from the date of final payment under the prime contract; and for such longer period of time as is necessary to complete ongoing or announced audits or to comply with federal requirements.

2) by CDB according to the approved Record Retention plan or from the date of final payment under the prime contract; and for such longer period of time as is necessary to complete ongoing or announced audits, whichever is longer.

Section 8.2086 Filing with the Comptroller

a) *Filing with Comptroller*
Whenever a grant, defined pursuant to accounting standards established by the State *Comptroller, or a contract liability, except for contracts paid for from personal services or contracts between the State and its employees to defer compensation in accordance with Article 24 of the Illinois Pension Code, exceeding $20,000 is incurred by any State agency, a copy of the contract, purchase order, grant or lease shall be filed with the Comptroller within 30 days thereafter.* That filing shall, to the extent required by Section 20-80 of the Code, be done electronically in accordance with requirements of the State Comptroller. *For each State contract for goods, supplies, or services awarded on or after July 1, 2010, the contracting agency shall provide the applicable rate and unit of measurement of the goods, supplies, or services on the contract obligation document as required by the Comptroller. Any cancellation or modification to any such contract liability shall be filed with the Comptroller within 30 days* after *its execution.* [30 ILCS 500/20-80(b)]

b) *Late Filing Affidavits*
When a contract, purchase order, grant or lease required to be filed by this Section has not been filed within 30 days after execution, the Comptroller shall refuse to issue a warrant for payment thereunder until the agency files with the Comptroller the contract, purchase order, grant or lease and an affidavit, signed by the chief executive offer of the agency or his or her designee, setting forth an explanation of why the contract liability was not filed within 30 days after the execution. A copy of this affidavit shall be filed with the Auditor General and the CPO. [30 ILCS 500/20-80(c)]

c) *Timely Execution of Contracts*

1) *No voucher shall be submitted to the Comptroller for a warrant to be drawn for the payment of money from the State Treasury or from other funds held by the State Treasurer on account of any contract unless the contract is reduced to writing before the services are performed and filed with the Comptroller. Vendors shall not be paid for any goods that were received or services that were rendered before the contract was reduced to writing and signed by all necessary parties.* These prohibitions do not apply to an emergency purchase if notice of the emergency purchase is filed with the PPB and published in the Bulletin as required by the Code and this Part. [30 ILCS 500/20-80(d)]

2) The Comptroller and Treasurer may waive the requirement of this subsection (c) upon request of the CPO if the CPO submits to them a written statement setting forth the circumstances and reasons why the contract could not be reduced to writing before the supplies were received or services performed. The CPO will submit a waiver request only upon a request of the CDB that is supported by written justification that will fully apprise the CPO as well as the Comptroller and Treasurer of the circumstances and reasons the contract could not be reduced to writing in a timely manner. If the CPO agrees that the contract could not have been timely reduced to writing, the CPO will request the waiver from the Comptroller and Treasurer.

SUBPART L: WORKING CONDITIONS

Section 8.2560 Prevailing Wage

a) Vendors awarded contracts or subcontracts on public works projects shall comply with the requirements of the Prevailing Wage Act.

b) Prevailing wages, benefits and conditions will be determined by the Illinois Department of Labor.

c) This Section does not apply to services furnished under contracts for QBS, unless categories of work within that contract are identified as being covered by the prevailing wage rate established by the Illinois DOL; to professional or artistic services; to vocational programs of training for persons with physical or mental disabilities; or to qualified not-for-profit agencies for persons with severe disabilities.

CHIEF PROCUREMENT OFFICER FOR CAPITAL DEVELOPMENT BOARD

NOTICE OF PROPOSED RULES

SUBPART M: GENERAL PROVISIONS RELATED TO CONSTRUCTION

Section 8.3000 Notification of Procurement

As soon as practicable, but no later than 7 days, after the agency knows or should have known, notice of a need for procurement will be provided to the CPO.

Section 8.3005 Construction and Construction Related Professional Services

Construction Contracts. Unless an exception authorized by the Code applies, CDB contracts for construction shall be procured by competitive sealed bidding in accordance with Section 8.2010 of this Part and this Section. Solicitations for bids shall be in conformance with the Illinois Procurement Code, the rules of the CPO, as applicable, and with accepted business practices, including CPO Notices. Contracts shall be awarded in accordance with those authorities and with the provisions set forth in the SDC used by CDB unless otherwise specified in the advertisement for bids published in the Procurement Bulletin, or as authorized by law.

Section 8.3015 Method of Source Selection

a) Architect and Engineer Contracts. Solicitation for procurement of services of architects/engineers (A/Es), or related professionals, shall be in accordance with the Architectural, Engineering, and Land Surveying Qualifications Based Selection Act, the Illinois Procurement Code and this Part.

b) Construction Management Services. Procurement of a construction manager for project services, which may include, but are not limited to, scheduling, contractor coordination, and administration of pay requests, but not including design services, shall be made in accordance with Article 33 of the Code.

c) Illinois Correctional Industries. Procurement from Illinois Correctional Industries constitutes contracting between State governmental bodies, which is exempt from Code requirements, and shall be done in accordance with this Part. These procurements may utilize an annual master contract with agreed-upon unit prices for construction services, against which sub-orders may be placed for specific CDB projects. Specifications that require a vendor to obtain materials or services from another source shall identify at least three sources for the material or services, unless CDB requests, and the SPO approves, a specification with only one or two sources.

d) Single-Prime. In accordance with Section 30-30 of the Code and subject to prior approval by PPB, CDB may, on certain projects, retain one contractor to provide all subdivisions of the work necessary to complete the construction contract. Use of this method requires prior written approval of the CPO.

e) Design-Build. In accordance with Section 5 of the Design-Build Procurement Act, CDB may use the design-build delivery method for certain projects, provided it first makes a written determination that it is in the best interest of the State to enter into a design-build contract. This written determination must include a description of particular advantages and must be approved by the CPO in writing prior to the solicitation of a design-build contract.

Section 8.3025 Retention Trust

a) Contractors may elect to have retention deposited in a trust provided that:

1) The project is funded by direct appropriation to CDB;

2) the contract exceeds $300,000; and

3) the specified contract time is 360 calendar days or longer.

b) A retention trust agreement must be entered into before application by the contractor for the first payment. The agreement will include, but not be limited to, the following:

1) the amount to be deposited;

2) terms and conditions of payment in case of default by the contractor;

3) termination upon completion, default or other breach; and

4) the contractor's responsibility for obtaining the written consent of the bank trustee and for paying all costs and fees associated with the trust.

c) Only CDB's retention trust agreement form is acceptable. In the event the contractor fails to deliver the trust agreement duly executed by the contractor and the bank prior to, or at the time of, receipt of the first partial payment, CDB may

not execute the trust agreement. CDB may cancel the retention trust agreement for reason of non-performance and demand return of any deposits by the bank.

Section 8.3030 Construction Project Specifications

When design-bid-build delivery is utilized, except in single prime delivery, and the value of the construction contracts exceed $250,000, separate bidding will be specified for at least the five subdivisions of work enumerated by the Code: plumbing, heating, ventilating, electric and general. If appropriate to the project and advantageous to the State, CDB may add additional subdivisions, including sprinkler work, fire protection, or asbestos abatement, as may be specified in the bid. If, prior to bidding, the work in a particular subdivision is less than the small purchase threshold established in Section 20-20 of the Code, the work may be added to another subdivision.

Section 8.3035 Expenditure in Excess of Contract Price

a) All change orders, proceed orders and modifications shall be in writing and contain the appropriate authorizations from the agency, user agency and CPO. Documentation shall include a thorough description of the work to be performed, the reason for the change, and any allocation of liability for the increased/decreased cost.

b) Only work that is germane to the original contract shall be added by change order, proceed order or modification. Proposed change orders, proceed orders or modifications that are determined by CDB to not be germane to the original contract shall be procured in accordance with the Code and this Part.

c) Vendors shall not perform any changed work, such as a change order, proceed order or modification, without a signed and executed change document. CPO approval is indicated by a signed change document. Vendors shall be required to provide written explanations regarding why changed work was commenced prior to authorization.

d) Notice of approved and rejected change orders, proceed orders and modifications shall be published in the Bulletin.

e) Change orders, amendments, proceed orders and modifications are subject to Section 5-30 of the Code.

CHIEF PROCUREMENT OFFICER FOR CAPITAL DEVELOPMENT BOARD

NOTICE OF PROPOSED RULES

SUBPART N: SELECTION OF CONSTRUCTION-RELATED PROFESSIONAL SERVICES, CONSTRUCTION MANAGEMENT SERVICES AND DESIGN-BUILD ENTITIES

Section 8.3040 Purpose

CDB shall procure architectural, engineering and land surveying services in compliance with the QBS Act. CDB shall procure construction management services in compliance with Article 33 of the Code (Construction Management Services). CDB shall select DB services in compliance with the DB Act.

Section 8.3045 Written Determination

a) Before electing to use DB on a given project, CDB shall make a written determination, including a description as to the particular advantages of the DB procurement method for that project. The written determination shall be reviewed and approved by the CPO. The following factors shall be considered and addressed in that statement:

1) The probability that the DB procurement method will be in the best interest of the State by providing a material savings of time or cost over the design-bid-build or other delivery system. The best interest of the State justification will show the specific benefits of using the DB method, including documentation of the estimates or scheduling impacts must be provided as part of the analysis.

2) The type and size of the project and its suitability to the DB procurement method.

3) The ability of CDB to define and provide comprehensive scope and performance criteria for the project.

4) The project will comply with the disadvantaged business and equal employment practices of the State, as established in the BEMFD Act and Section 2-105 of the Illinois Human Rights Act.

5) Within 15 days after the initial determination, CDB will provide an advisory copy of the written determination to PPB, and shall maintain the full record of determination for 5 years.

6) Before electing to use CM on a given project, CDB shall make a written determination, including a description as to the particular advantages of the DB procurement method for that project. The written determination shall be reviewed and approved by the CPO.

Section 8.3050 Public Notice

a) With the exception of contracts with an estimated basic professional fee of less than $25,000, whenever CDB requires the services of an A/E or land surveyor, CDB shall submit to the CPO a notice of the need for services, also known as an RFP, for publication in the Bulletin. In addition, CDB may publish a list of projects whose contract values do not exceed $25,000. The CPO shall publish in the Bulletin any notice that meets the requirements of this Part.

b) When the services of a CM are required, CDB shall publish a request for proposals setting forth the nature of the projects.

c) The public notice shall include an abstract of the services required for each project, a description of each project, and the required expertise of the A/E or CM to be considered. The public notice shall also include the statement of qualifications form to be completed for each project, as well as the date and time by which submittal of the statement of qualifications will be accepted.

d) Notice shall be posted in CDB's Procurement Bulletin and may be published in the official State newspaper or otherwise made available in print. CDB may also publish the notice in related construction industry service publications.

e) In addition to the other requirements of this Section, a request for proposal for CM services will also be mailed to each vendor prequalified under Section 33-10 of the Code. When CDB establishes additional criteria for special projects under 44 Ill. Adm. Code 900.140 (Prequalification of Construction Managers), the notice shall be published at least 30 days before the date the special prequalification application or the statement of qualifications is due.

f) The public notice shall be published at least 14 days prior to the date for submittal of the statement of qualifications.

g) CM prequalification standards may be revised to be more closely related to the needs or environment of the special project, e.g., required vendor and/or personnel experience may be limited to a particular size of project or to experience in a particular environment, such as correctional facility work.

Section 8.3055 Design-Build Request for Proposal

a) Notice of intent to issue a design build RFP shall be provided 14 days prior to issuing the RFP.

b) CDB shall provide a copy of the request for proposal to any party requesting a copy.

c) An RFP shall be prepared by CDB for each project and will contain the following information:

1) The Capital Development Board as the issuing agency;

2) A preliminary schedule for the completion of the contract;

3) The proposed budget for the project, the source of funds, and the currently available funds at the time the RFP is submitted;

4) Prequalification criteria for DB entities wishing to submit proposals. The criteria shall include CDB's normal prequalification, licensing, registration, and other requirements and any additional criteria deemed necessary by CDB;

5) Material requirements of the contract, including the proposed terms and conditions, required performance and payment bonds, insurance, the entity's plan to comply with the utilization goals for business enterprises established in the BEMFD Act and with Section 2-105 of the Illinois Human Rights Act, and any other requirements deemed important by CDB;

6) The scope and performance criteria shall:

A) Be in sufficient detail and contain adequate information to reasonably apprise the qualified DB entities of CDB's overall

programmatic needs and goals, including criteria and preliminary design plans, general budget parameters, schedule and delivery requirements;

B) Include a description of the level of design to be provided in the proposals, including the scope and type of renderings, drawings and specifications that will be required by CDB to be produced by the DB entities;

7) The evaluation criteria for each phase of the solicitation, including relative importance or weighting factor of each item (see Sections 1030.170 (Phase 1 Evaluation) and 1030.190 (Phase 2 Evaluation);

8) The number of entities (no fewer than 2 and no more than 6) that will be considered for the technical and cost evaluation phase (Phase 2);

9) The submittal schedule:

A) For projects estimated to cost less than $10 million, at least 21 days shall be allowed to prepare and submit Phase 1 proposals after the date of the issuance of the RFP;

B) For projects estimated to cost more than $10 million, at least 28 days shall be allowed to prepare and submit Phase 1 proposals after the date of the issuance of the RFP;

C) For all projects, at least 30 days shall be allowed to prepare and submit Phase 2 proposals after the selection of entities from the Phase 1 evaluation is completed;

10) Any other relevant information that CDB chooses to supply.

d) The DB entity shall be entitled to rely upon the accuracy of information included in the RFP in the development of its proposal.

Section 8.3060 Preparation of Design-Build Scope and Performance Criteria

a) The scope and performance criteria shall be prepared by a design professional who is an employee of CDB, or CDB may contract with an independent design professional selected under the QBS Act to provide these services.

b) The design professional and/or officers of the design vendor that prepare the scope and performance criteria are prohibited from participating in any DB entity proposal for the project.

Section 8.3065 Submittal Requirements

a) A/E and CM

1) All A/Es submitting statements of qualifications for a specific project shall be prequalified with CDB prior to the date and time that the offers are due. All CMs submitting statements of qualifications for a specific project shall be prequalified with CDB as CMs prior to the date and time that the submittals are due. Failure to be prequalified will result in rejection of the submittals.

b) In order to be considered responsive, a submittal must include:

1) A letter of interest that contains a statement of qualifications (CDB Form 255);

2) The names of persons who will perform the services, including the designated staff of any listed consultant, and their project assignments or duties;

3) If a statement of qualifications is required:

A) the names of persons who will perform the services, including the designated staff of any listed consultant, and their project assignments or duties;

B) for each person listed, a resume describing the person's experience and expertise relevant to performance of the assignment;

4) A summary of the vendor's history and experience that would demonstrate its administrative ability to successfully carry out projects of the magnitude or complexity of the offered project.

c) If the offeror will use subcontractors to perform professional services, then the following shall be required:

1) Those subcontractors shall also be prequalified with CDB prior to the date and time that the submittals are due, or the offer shall be rejected; and

2) The offeror shall clearly indicate the anticipated percentage of the services that will be performed by each listed subcontractor and identify whether each consultant is certified as a MBE, FBE, VBE or SDVOB.

d) Failure to comply with the requirements of this Section regarding subcontractors shall result in rejection of the submittal.

e) If the offeror is a DB entity, the following shall be required:

1) Proposals must be properly identified and sealed.

2) Phase 1 proposals shall include a list of all design professionals and other entities, as defined in Section 30-30 of the Code, to which any work may be subcontracted during the performance of the contract.

3) Phase 1 proposals shall include a list of all entities that will perform any of the 5 subdivisions of work defined in Section 30-30 of the Code.

4) Phase 2 proposals shall include a bid bond and security in the format and amount designated in the RFPs.

5) Phase 2 proposals shall contain a separate sealed envelope with the cost information.

6) The drawings and specifications of the proposal shall remain the property of the DB entity.

7) Subject to approval by the CPO, proposals may be withdrawn prior to evaluation for any cause. After evaluation begins by CDB, proposals may

only be withdrawn if there is clear and convincing evidence of material error.

Section 8.3070 Selection Procedures

a) CDB shall select three A/Es or CMs qualified to provide the professional services for a specific project. These A/Es or CMs shall be ranked in order of qualifications. Board approval of these A/Es or CMs shall be final and binding.

b) In the event that fewer than three A/Es or CMs submit statements of qualifications for a specific project, if CDB determines that one or both are qualified to perform the services, CDB may proceed with the selection process.

Section 8.3075 Evaluation Committee

a) A/E or CM Evaluation Committee. The CDB Executive Director shall appoint an agency employee to serve as chair of the evaluation committee. Subject to approval by the CPO, the evaluation committee chairman shall appoint a committee to recommend to the Executive Director and the Board a list of A/Es or CMs qualified to perform the required services. This committee may be established for each selection and may be composed of standing members and rotating members from CDB staff. In addition to the CDB staff members, a representative from the user agency may be requested to be a member of the committee. A member of the public can be included in the committee.

b) DB Selection Committee

1) CDB shall establish a committee to evaluate and select the DB Entity.

2) The committee shall consist of 5 or 7 members and include at least one licensed design professional and 2 members of the public. Public members may not be employed by or associated with any vendor holding a contract with CDB.

A) One public member shall be nominated by associations representing the general design or construction industry and one member shall be nominated by associations that represent minority or female-owned design or construction industry businesses.

B) The licensed design professional may be an employee of CDB or a representative of the vendor that prepared the scope and performance criteria.

c) The selection committee may be designated for a set term or for the particular project, subject to the RFP.

d) The members of any selection committee must certify for each project that no conflict of interest exists between the members and any entities submitting proposals or statements of qualifications. If a conflict exists, the member must be replaced before any review of proposals or statements of qualifications.

Section 8.3080 Evaluation Procedures

a) In making its recommendations, the selection committee may consider, among other factors:

1) The A/E's or CM's qualifications.

2) The ability of professional personnel submitted by the A/E or CM.

3) The A/E's or CM's past record and experience.

4) The prior performance of the A/E or CM on CDB professional services agreements. For CMs, this shall be determined by review of the CM Performance Evaluations on previous CM projects, Performance Evaluations of the CM vendor on projects in which it participated as an A/E or contractor, and any other related material.

A) CDB *shall evaluate the performance of each firm upon completion of a contract. Evaluations shall be made available to the firm and the firm may submit a written response, with the evaluation and response retained solely by* CDB. *The evaluation and response shall not be made available to any other person or firm and is exempt from disclosure under the Freedom of Information Act* [5 ILCS 140]. *The evaluation shall be based on the terms identified in the construction manager's contract.* [30 ILCS 500/33-45]

B) In addition to subsection (a)(4)(A), CDB reserves the right to evaluate a firm during a project, when performance issues warrant that action.

C) Any firm receiving a negative evaluation at any time during a project shall be notified of such evaluation within seven days of its issuance.

5) The willingness of the vendor to meet time requirements.

6) The location of the project relative to the vendor's place of business.

7) The results of preliminary evaluations performed by CDB staff.

8) The current work load of the A/Es or CMs and their prior selections by CDB. The process of making this determination is subject to approval by the CPO and shall be in writing or as a procedure approved by the CPO.

9) Professional references for work performed on similar projects.

10) Interviews conducted with the A/Es or CMs conducted in accordance with a procedure approved by the CPO.

b) Before beginning review of a CM's statement of qualifications, the committee shall prepare a table of the factors on which the CMs will be rated and the weight to be assigned to each factor. The table of factors, and the scores of each reviewed submittal, will be kept on file for no less than 2 years from the date of the selection.

c) In no case shall the committee, prior to selecting an A/E or CM for negotiation, seek formal or informal submission of verbal or written estimates of costs or proposals in terms of dollars, hours required, percentage of construction cost, or any other measure of compensation. Submission of pricing information in a separate envelop to be opened at a later time shall not be allowed.

Section 8.3085 Preliminary Evaluations

CDB may appoint staff members to perform a preliminary evaluation (prescreening) to provide a preliminary ranking of the A/Es or CMs for the committee's consideration. This prescreening

shall consider, among other factors, the relevant project experience of the prospective A/Es or CMs and the expertise and experience of the vendor and its consultant staff to be assigned to the project if the vendor is selected.

Section 8.3090 Interviews

a) The evaluation committee shall conduct interviews when the estimated value of the basic services fee exceeds $300,000. The value is subject to modification by the CPO. The CDB Executive Director may choose to conduct interviews for smaller projects under special circumstances. A minimum of three vendors will be interviewed unless fewer than three submittals are received. The CDB Executive Director, in consultation with the Board and with approval of the CPO, may exempt any contract from requiring interviews.

b) CDB may choose to conduct interviews on DB projects when project complexity or other special circumstances warrant doing so. In these cases, all vendors on the Phase 2 shortlist will be interviewed. These circumstances, if known, will be included in CDB's initial written determination (see 44 Ill. Adm. Code 1030.120) and the interview requirement will be part of the original RFP. If circumstances become known later, CDB will amend its written determination and notify the Phase 2 shortlist entities by written amendment of the RFP.

Section 8.3095 Phase 1 Design-Build Evaluation

a) In Phase 1, CDB will evaluate and shortlist the DB entities based on qualifications submitted in response to the RFP.

b) Evaluation shall be based on the prequalification requirements, evaluation criteria and relative importance or weighting of evaluation criteria as set forth in the RFP.

c) Proposals shall not be reviewed until after the deadline for submission has passed.

d) Proposals must meet all material requirements of the RFP or they may be rejected as non-responsive.

e) CDB shall have the right to reject any and all proposals subject to CPO approval.

f) CDB shall maintain a record of the evaluation scoring to be disclosed in event of a protest regarding the solicitation.

g) Phase 1 evaluation criteria shall include:

1) experience of personnel;

2) successful experience with similar project types;

3) financial capability in relation to the size of the project;

4) timeliness of past performance;

5) experience with similarly sized projects;

6) successful reference checks of the firm;

7) commitment to assign personnel for the duration of the project;

8) qualifications of the entity's design consultants;

9) CDB prequalification in good standing of any subcontractor proposed to perform any of the 5 subdivisions of work defined in Section 30-30 of the Code;

10) Ability or past performance in meeting or exhausting good faith efforts to meet the utilization goals for business enterprises established in the BEMFD Act and with Section 2-105 of the Illinois Human Rights Act;

11) Other relevant criteria deemed necessary by CDB.

h) CDB will eliminate any DB entity from consideration for evaluation or award if the entity has any pecuniary interest in the project or has other relationships or circumstances, including, but not limited to, long-term leasehold, mutual performance, or development contracts with CDB, that may give the DB entity a financial or tangible advantage over other DB entities in the preparation, evaluation or performance of the DB contract or that create the appearance of impropriety.

i) CDB will not consider any proposal that does not include the entity's plan to comply with the requirements established in the BEMFD Act and with Section 2-105 of the Illinois Human Rights Act.

j) CDB will publish the names of all DB entities submitting Phase 1 proposals on CDB's volume of the Procurement Bulletin and in the next Professional Services Bulletin (within the CDB volume of the Procurement Bulletin) after the deadline for submission.

Section 8.3100 Design-Build Shortlist

a) Upon completion of the Phase 1 qualifications evaluation, CDB shall create a shortlist of no fewer than 2 and no more than 6 (or the maximum number noted in the RFP) of the most highly qualified DB entities.

b) At its discretion, and upon approval of the CPO, CDB may create a shortlist of fewer than the maximum number allowed by the RFP.

c) CDB shall notify in writing the entities selected for the shortlist.

1) The notification shall commence the period for preparation of Phase 2 submittals as listed in the RFP.

2) CDB may extend the period beyond that listed in the RFP, at its discretion, by including the new deadline in the written notification.

d) All DB entities selected for Phase 2 evaluation shall be published on CDB's volume of the Procurement Bulletin after that determination.

Section 8.3105 Phase 2 Design-Build Evaluation

a) In Phase 2, CDB will evaluate and rank the selected DB entities based on their technical and cost proposals.

b) Evaluation shall be based on the technical and cost submission components and relative importance or weighting of the technical and cost submission components as set forth in the RFP.

c) Proposals shall not be reviewed until after the deadline for submission has passed.

d) Proposals must meet all material requirements of the RFP or they may be rejected as non-responsive.

e) CDB shall have the right to reject any and all proposals subject to approval by the CPO.

f) CDB shall maintain a record of the evaluation scoring to be disclosed in event of a protest.

g) CDB shall include the following criteria in the Phase 2 technical evaluation of DB entities:

1) compliance with objectives of the project;

2) compliance of proposed services to the RFP requirements;

3) quality of products or materials proposed;

4) quality of design parameters;

5) design concepts;

6) innovation in meeting the scope and performance criteria;

7) constructability of the proposed project;

8) other relevant criteria deemed necessary by CDB.

h) CDB shall include the following criteria in every Phase 2 cost evaluation:

1) total project cost;

2) construction costs;

3) time of completion;

4) other relevant criteria deemed necessary by CDB;

5) a total project cost criteria weighting factor of 25% in accordance with 30 ILCS 537/30(c).

i) CDB shall directly employ or retain a licensed design professional to evaluate the technical and cost submissions to determine if the technical submissions are in accordance with generally accepted industry standards.

Section 8.3110 Delegation of Architect/Engineer Evaluations

a) CDB may delegate the evaluation of prospective A/Es to the user agency (school district, college, university, Illinois Community College Board or unit of local government). The user agency shall be required to comply with the QBS Act or the Local Government Professional Services Selection Act (LGPSS Act), as may be applicable, and the Rules of this Part.

b) Recommendations pursuant to the QBS Act for basic service fees of $25,000 or more shall state the three selected vendors ranked in order of qualifications.

c) Recommendations pursuant to the LGPSS Act for basic service fees of $25,000 or more shall state the three selected vendors ranked in order of qualifications, unless the selection is stated to be an exception under Section 5 of that Act.

d) CDB b shall be permitted to assign a member of its staff to be a voting member of the user agency's evaluation committee.

e) The user agency shall transmit its recommendations to CDB for review and approval of the Board.

f) CDB will provide a form for submitting the recommendations. Transmittal to CDB shall include a letter with a certification statement requiring an authorized signature verifying that the selections were made in accordance with the QBS Act and the LGPSS Act.

g) CDB may request the user agency make other recommendations if the vendors recommended are not acceptable to CDB.

Section 8.3115 Award of Design-Build Contract

a) CDB may award the DB contract to the highest overall ranked entity based on the Phase 2 submissions.

b) Notice of award shall be made in writing. Unsuccessful entities shall also be notified in writing.

c) CDB may not request a best and final offer after the receipt of proposals.

d) CDB may negotiate with the selected DB entity after award, but prior to contract execution, for the purpose of securing better terms than originally proposed, provided that the salient features of the RFP are not diminished.

Section 8.3120 Small Projects

a) For contracts whose estimated value is less than $25,000, CDB may select any prequalified A/E in accordance with Section 45 of the QBS Act.

b) For contracts whose value is less than $25,000, CDB may select any prequalified CM in accordance with Section 33-35 of the Code.

c) In any case in which the total overall cost of the project is estimated to be less than $10 million, CDB may combine the two-phase procedure for Design-Build submittals into one combined step, provided that all the requirements of evaluation are performed in accordance with this Part.

Section 8.3125 Emergency Projects

a) CDB may immediately select an A/E when it is in the best interest of the State or in emergencies to protect public health or safety in accordance with Section 50 of the QBS Act.

b) CDB may immediately select a CM when it is in the best interest of the State or in emergencies to protect public health or safety in accordance with Section 33-40 of the Code.

Section 8.3130 Construction Manager Procurement Limitations

a) A CM cannot participate in a selection process if it or a substantially affiliated vendor is under contract or in the process of contracting with CDB for other

goods or services required for the project and the CM's duties will involve or relate to those goods or services.

b) A CM selected to provide construction management services, or a substantially affiliated vendor, may not bid on or otherwise be awarded a construction contract for the project.

c) Notwithstanding the provisions of subsections (a) and (b), when it is determined in writing to be in the State's best interest, the CM may provide or perform, directly or through unrelated contractors, basic services for which reimbursement is provided in the general conditions of the CM contract, or any other goods or service that does not conflict with or give the appearance of conflicting with the CM's duties.

d) A vendor is considered to be "substantially affiliated" for the purpose of this Section if:

1) the affiliated firm shares more than 5% common ownership with the CM; or

2) the individuals with more than 5% ownership interest, any officer or director of the CM firm, or any individual authorized to sign bids, proposals or contracts for the CM firm has any of these same relationships with, or owns or controls more than 5% of, the affiliated firm or is an officer or director of, or is authorized to sign bids, proposal or contracts for, the affiliated firm.

Section 8.3135 Publication of Award

The names of the three recommended A/E, and CM firms and the respective projects shall be published in CDB's Procurement Bulletin within 3 days after the selection and prior to Board action on the selection. The contract award shall be posted no later than one day after the board selection. All other A/E and CM awards that do not require board action shall be posted no later than the next business day. The protest period shall not begin until such publication.

Section 8.3140 Design-Build Reports and Evaluations

a) CDB shall require each selected DB entity to submit a written report at the end of every 6 month period following the contract award, and again prior to final

contract payout and closure, detailing its efforts and success in implementing the entity's plan to comply with the utilization goals for business enterprises established in the BEMFD Act and Section 2-105 of the Illinois Human Rights Act.

b) If the entity's performance in implementing the plan falls short of the performance measures and outcomes set forth in the plans submitted by the entity during the proposal process, CDB shall require a detailed written report informing the General Assembly and the Governor whether and to what degree the DB entity promoted the utilization goals for business enterprises established in the BEMFD Act and Section 2-105 of the Illinois Human Rights Act.

Section 8.3145 Federal Requirements

CDB will comply with federal law and regulations and take all necessary steps to adapt the rules, policies and procedures to remain eligible for federal aid.

SUBPART O: PREFERENCES

Section 8.4505 Procurement Preferences

The procurement preferences identified in Article 45 of the Code must be considered in developing procurement documents, conducting evaluations and drafting contracts. Any preferences applicable to an individual procurement will be stated in the solicitation for that procurement.

Section 8.4510 Resident Vendor Preference

a) "Illinois resident vendor", as used in this Section, means a person, including a foreign corporation or other entity, that is authorized to transact business in this State and having a bona fide establishment for transacting business within this State at which it was actually transacting business on the date when a given competitive solicitation for a public contract was first advertised or announced.

b) In breaking a tie bid or proposal, as described in Section 8.2037, an Illinois resident vendor shall be given the award.

c) An Illinois resident vendor shall be allowed a preference over a non-resident vendor equal in amount to the preference, if any, given or required by the state of the non-resident vendor to its resident vendors.

d) If only non-resident bidders are bidding, the purchasing agency has the right to specify that Illinois labor and manufacturing locations be used as part of the manufacturing process. This specification may be negotiated as part of the solicitation process.

e) This Section does not apply to any contract for any project for which federal funds are available for expenditure when its provisions may be in conflict with federal law or federal regulation.

Section 8.4526 Environmentally Preferable Procurement

Construction shall be accomplished in accordance with the Green Buildings Act.

Section 8.4535 Qualified Not-for-Profit Agencies for Persons with Severe Disabilities

a) Use. The CPO shall distribute to each SPO and CDB a list of supplies and services available from qualified not-for-profit agencies for persons with severe disabilities (sheltered workshops). Purchases may be made from sheltered workshops without notice or competition.

b) Pricing Approval. Prior to contracting with a sheltered workshop, the State Use Committee (see Section 45-35(c) of the Code) must determine that the price is not substantially more than a competitively solicited price.

Section 8.4545 Small Business

a) Set-Aside. The CPO may set-aside a certain portion of construction contracts for small businesses.

b) Small Business List. The CPO may develop a list, or may use a list maintained by another State agency or another CPO, of vendors that meet the criteria of small business. As part of the prequalification process, vendors desiring to submit bids or proposals or otherwise to contract for items set aside for small businesses shall submit information as specified verifying that the vendor qualifies as a small business under this Part. A business that fits the definition of small on the day of

award or proposal opening will be considered small for the duration of the contract. The agency shall, through its prequalification program, identify contractors who meet the criteria for small businesses.

c) Any procurement set aside for small businesses shall be so identified in the Bulletin notice and the solicitation documents. Bids or proposals received from large businesses will be rejected.

d) Withdrawal of Set-Aside. If the SPO determines that acceptance of the best bid or proposal will result in the payment of an unreasonable price, the SPO may reject all bids or proposals and withdraw the designation of small business set-aside for the procurement in question. CDB may make a recommendation that the SPO consider rejection of a bid in such cases. When a small business set-aside is withdrawn, notification shall be published in the Bulletin with an explanation. After withdrawal of the small business set-aside, the procurement shall be conducted in accordance with this Part but without the small business designation.

e) Criteria for Small Business

1) Annual gross revenue of less than $10,000,000.

2) A small business "in Illinois" is one that meets the definition of a "resident bidder" in Section 45-10 of the Code and either has headquarters in Illinois or has the majority of its workforce as residents in Illinois.

3) A small business must not be dominant in its field of operations. This means the business does not exercise a controlling or major influence in a kind of business activity in which a number of business concerns are primarily engaged. In determining dominance, consideration shall be given to all appropriate factors, including volume of business, number of employees, financial resources, competitive status or position, ownership or control of materials, processes, patents, license agreements, facilities, sales territory, and reflective of the industry.

4) When computing the size status of a vendor, the number of employees and annual sales and receipts, as applicable, of the vendor and all affiliates shall be included. Concerns are affiliates when either one directly or indirectly controls or has the power to control the other, or when a third party or parties controls or has the power to control both. In determining

whether concerns are independently owned and operated and whether affiliation exists, consideration shall be given to all appropriate factors, including use of common facilities, common ownership and management, and contractual arrangements. However, a franchise relationship shall not affect small business status if the franchise has the right to profit commensurate with ownership and bears the risk of loss or failure.

5) Vendors certified as minority, female, veteran-owned or any other business certification, that also meet the criteria for a small business, can be recognized as a small business for the pupose of set-asides.

f) Small Business Specialist. The SPO may designate a small business specialist who shall have the duties set forth in Section 45-45(e) of the Code and who shall also act as coordinator of small business. The designated small business specialist shall compile statistics provided by the State agency needed to make the small business annual report to the General Assembly required under Section 45-45(f) of the Code.

Section 8.4557 Veterans

It is the goal of the State to promote and encourage the continued economic development of small businesses owned and controlled by qualified veterans and that qualified service-disabled veteran-owned small businesses (SDVOSB) and veteran-owned small businesses (VOSB) participate in the State's procurement process as both prime contractors and subcontractors. Not less than 3% of the total dollar amount of State contracts, as defined by the Director of Central Management Services, shall be established as the goal to be awarded to SDVOSB and VOSB. [30 ILCS 500/45-57]. CDB shall award contracts in compliance with the requirement to award contracts to SDVOSB and VOSB businesses.

Section 8.4570 Contracting with Businesses Owned and Controlled by Minorities, Females and Persons with Disabilities

a) Procurements made under the Code are subject to the requirements of the BEMFD Act.

b) Responsiveness of bidders or offeror determinations related to 30 ILCS 575 are subject to the review and approval of the CPO.

c) CDB shall develop Rules for compliance with 30 ILCS 575 to include:

1) Goal Setting;

2) Vendor Assistance;

3) Performance of Commercially Useful Functions.

Section 8.4590 Notice of Preferences

The Bulletin and solicitation document shall state whether a preference applies or may apply and the amount or type of preference.

Section 8.4599 Domestic Products

a) This Section applies to the procurement of "procured products" ("*assembled articles, materials or supplies"* [30 ILCS 517/5]) incorporated into construction projects unless:

1) the procurement is exempt from competitive solicitation requirements as in the case of a small, emergency or sole economically feasible source situation;

2) CDB determines that a specific project is too complex for the 5 major construction building trades to identify the numerous individually procured products required for the project;

3) CDB determines that procured products required for a specific project are too numerous or complex to be able to efficiently assess the sites where manufactured; or

4) One of the exemptions of Section 10 of the Procurement of Domestic Products Act applies.

b) This Section applies to supplies purchased by the State that have undergone some manufacturing process that changes the raw material or components into a different product. The following examples show how to interpret this Section:

1) If the State needs iron ore, this Section would not apply because the State would be asking for a raw material.

2) If the State needs a steel ingot, the purchase would be subject to this Section as the steel ingot was subject to a manufacturing process. The iron ore used in manufacturing the ingot would not be subject to any domestic restriction.

3) If the State needs a steel I-Beam, the I-Beam would be subject to this Section. The iron ore and steel used in creating the I-Beam would not be subject to any domestic restriction.

4) If the State needs a structure made of steel I-Beams, the assembly would have to be done domestically. The iron ore, steel and I-Beams used in building the structure would not be subject to any domestic restriction.

c) Specifications for manufactured supplies shall include a reference to the preference established in this Section. The preference shall be as follows:

1) The low bid shall be identified without regard to whether the product is a domestic product.

2) In the event of a tie bid, the vendor that certifies it will provide domestic supplies shall be given preference.

3) If the low bid or most advantageous proposal does not contain a certification that the supply items are domestic, then any responsive and responsible vendor that is within 2% of the identified vendor's bid price that has made that certification shall be evaluated as though its price was 2% lower, subject to a maximum dollar value of $50,000. Determinations of price shall reflect consideration of life cycle costs, including maintenance and repair costs.

4) The winning vendor will be determined after application of the preference.

5) Notwithstanding the preference outlined in this subsection (c), if the appropriate SPO determines that the price differential calculated using the preference is not acceptable given the particular procurement and the economic circumstances, the award may be conditioned on receipt of an acceptable price reduction. If the price cannot be reduced to an acceptable

level, the original low priced or most advantageous proposal may be selected for award.

d) CDB shall include in the procurement file documentation showing the application of any preference given and any determination that the supplies involved in the purchase were not subject to the Procurement of Domestic Products Act.

SUBPART P: ETHICS

Section 8.5002 Continuing Disclosure; False Certification

a) Multi-year contracts and subcontracts are subject to the annual recertification requirements of Section 50-2 of the Code. *Every person that has entered into a multi-year contract and every subcontractor with a multi-year subcontract shall certify, by July 1 of each fiscal year covered by the contract after the initial fiscal year, to the responsible* CPO *whether it continues to satisfy the requirements of* Article 50 of the Code *pertaining to eligibility for a contract award. If a contractor or subcontractor is not able to truthfully certify that it continues to meet all requirements, it shall provide with its certification a detailed explanation of the circumstances leading to the change in certification status. A contractor or subcontractor that makes a false statement material to any given certification required under* Article 50 of the Code *is, in addition to any other penalties or consequences prescribed by law, subject to liability under the Illinois False Claims Act for submission of a false claim.* [30 ILCS 500/50-2]

b) The CPO may prescribe a standard format and procedure for annual recertification and may include annual certifications as part of a registration or prequalification process.

c) Should a vendor be unable to certify that it continues to meet requirements of Section 50 of the Code, the relevant information detailing any changes shall be submitted by the vendor or the agency to the SPO for review and disposition.

Section 8.5005 Bribery

a) *Prohibition*
No person or business shall be awarded a contract or subcontract who:

1) *Has been convicted under the laws of Illinois or any other state of bribery or attempting to bribe an officer or employee of the State of Illinois or any other state* or branch of the federal government *in that officer's or employee's official capacity; or*

2) Has made an admission of guilt of the conduct described in subsection (a)(1) as a matter of record, but has not been prosecuted for that conduct.

b) *Businesses*
No business shall be barred from contracting with any unit of State or local government, or subcontracting under such a contract, as a result of a conviction described in subsection (a)(1) *of any employee or agent of the business if the employee or agent is no longer employed by the business and:*

1) *The business has been finally adjudicated not guilty; or*

2) *The business demonstrates to the governmental entity with which it seeks to contract or which is a signatory to the contract to which the subcontract relates, and that entity finds that the commission of the offense was not authorized, requested, commanded or performed by a director, officer or high managerial agent on behalf of the business, as provided in Section 5-4(a)(2) of the Criminal Code of 2012*.

c) *Conduct on Behalf of Business*
For purposes of this Section, when an official, agent or employee of a business commits the acts contained in subsection (a)(1) *on behalf of the business and in accordance with the direction or authorization of a responsible official of the* business, the business shall be chargeable, *for purposes of this Section,* with that conduct.

d) *Certification*
Every bid submitted to and contract executed by the State and every subcontract subject to Section 20-120 of this code shall contain a certification by the contractor or the subcontractor, respectively, that the contractor or subcontractor is not barred from being awarded a contract or subcontract under this Section, and acknowledges that the CPO may declare the related contract void if any certifications required by this Section are false. If the false certification is made by a subcontractor, then the contractor's submitted bid and the executed contract may not be declared void, unless the contractor refuses to terminate the

subcontract upon the State's request after a finding that the subcontract's certification was false. A contractor or subcontractor who makes a false statement, material to the certification, commits a Class 3 felony. [30 ILCS 500/50.5]

Section 8.5010 Felons

a) *Unless otherwise provided, no person or business convicted of a felony shall do business with the State of Illinois or any State agency, or enter into a subcontract subject to Section 120 of this code, from the date of conviction until 5 years after the date of completion of the sentence for that felony, unless no person held responsible by a prosecutorial office for the facts upon which the conviction was based continues to have any involvement with the business.*

b) *Every bid submitted to and contract executed by the State and every subcontract subject to this Part shall contain a certification by the bidder or contractor or subcontractor, respectively, that the bidder, contractor or subcontractor is not barred from being awarded a contract or subcontract under this Section and acknowledges the CPO may declare the related contract void if any of the certifications required by this Section are false. If the false certification is made by a subcontractor, then the contractor's submitted bid and the executed contract may not be declared void, unless the contractor refuses to terminate the subcontract upon the State's request after a finding that the subcontract's certification was false.* [30 ILCS 500/50-10]

Section 8.5011 Debt Delinquency

a) *No person shall submit a bid for or enter into a contract or subcontract if that person knows or should know that he or she or any affiliate is delinquent in the payment of any debt to the State, unless the person or affiliate has entered into a deferred payment plan to pay off the debt.* [30 ILCS 500/50-11(a)]. For purposes of this Section, terms shall have the meanings ascribed in Section 50-11 of the Code.

b) *Every bid submitted to and contract executed by the State and every subcontract shall contain a certification by the bidder, contractor or subcontractor, respectively, that the contractor or the subcontractor and its affiliate is not barred from being awarded a contract or subcontract under this Section and acknowledges that the* CPO *may declare a related contract void if any of the*

certifications completed pursuant to this subsection (b) are false. If the false certification is made by a subcontractor, then the contractor's submitted bid and the executed contract may not be declared void, unless the contractor refuses to terminate the subcontract upon the State's request after a finding that the subcontract's certification was false. [30 ILCS 500/50-11(b)]

Section 8.5012 Collection and Remittance of Illinois Use Tax

a) *No person shall enter into a contract with a State agency or enter into a subcontract unless the person and all affiliates of the person collect and remit Illinois Use Tax on all sales of tangible personal property into the State of Illinois in accordance with the provisions of the Illinois Use Tax Act, regardless of whether the person or affiliate is a "retailer maintaining a place of business within this State" as defined in Section 2 of the Use Tax Act.* [30 ILCS 500/50-12] For purposes of this Section, terms shall have the meanings ascribed in Section 50-12 of the Code.

b) *Every bid submitted and contract executed by the State and every subcontract shall contain a certification by the bidder, contractor or subcontractor, respectively, that the bidder, contractor or subcontractor is not barred from bidding for or entering into a contract under subsection (a) and acknowledges that the* CPO *may declare the related contract void if any of the certifications completed pursuant to this subsection (b) are false. If the false certification is made by a subcontractor, then the contractor's submitted bid and the executed contract may not be declared void, unless the contractor refuses to terminate the subcontract upon the State's request after a finding that the subcontract's certification was false.* [30 ILCS 500/50-12]

Section 8.5013 Conflicts of Interest Prohibited by the Code

These conflicts apply to the direct interest of specified State employee or officeholder.

a) Any bid, proposal, offer or proposed contract being recommended for award must be reviewed for conflicts of interest pursuant to Section 50-13 of the Code. If a conflict is found, and the CPO recommends not to award a contract, the vendor or user agency may request a waiver. No contract will be executed unless a waiver is granted under Section 50-20 of the Code by the Executive Ethics Commission.

1) Office or Employment. *It is unlawful for any person holding an elective*

office in this State, holding a seat in the General Assembly, or appointed to or employed in any of the offices or agencies of State government and who receives compensation for such employment in excess of 60% of the salary of the Governor of the State of Illinois, or who is an officer or employee of the Capital Development Board or the Illinois Toll Highway Authority, or who is the spouse or minor child of any such person, to have or acquire any contract, or any direct pecuniary interest in the contract therein, whether for stationery, printing, paper, or any services, materials, or supplies, that will be wholly or partially satisfied by the payment of funds appropriated by the General Assembly of the State of Illinois or in any contract of the Capital Development Board or the Illinois Toll Highway Authority. [30 ILCS 500/50-13(a)]

2) Financial Interests. *It is unlawful for any firm, partnership, association, or corporation, in which any person* as described *in subsection (a)*(1) *is entitled to receive more than 7½% of the total distributable income or an amount in excess of the salary of the Governor, to have or acquire any such contract or direct pecuniary interest therein.* [30 ILCS 500/50-13(b)]

3) Combined Financial Interests. *It is unlawful for any firm, partnership, association or corporation, in which any person listed in subsection (a)*(1) *together with his or her spouse or minor children is entitled to receive more than 15%, in the aggregate, of the total distributable income or an amount in excess of 2 times the salary of the Governor, to have or acquire any such contract or direct pecuniary interest therein.* [30 ILCS 500/50-13(c)]

b) For the purpose of this Part, an individual has a direct pecuniary interest in a contract when the individual is owed a payment or otherwise received a direct financial benefit in conjunction with performance of a contract, including finders fees and commission payments.

c) For the purpose of this Part, "distributable income" means the income of a company after payment of all expenses, including employee salary and bonus, and retained earnings, which is distributed to those entitled to receive a share of the income. In the case of a for-profit corporation, distributable income means "dividends". When calculating entitlement to distributable income the entitlement shall be determined at the end of the company's most recent fiscal year.

d) This Section applies to those elected or appointed to an office of Illinois State government. This Section does not apply to those elected to local government offices, including school districts, nor does it apply to those elected to Federal offices in this State.

e) Additional exemptions to the application of this Part are listed in Section 50-13(f) of the Code.

Section 8.5014 Environmental Protection Act Violations

a) *Unless otherwise provided, no person or business found by a court or the Pollution Control Board to have committed a willful or knowing violation of the Environmental Protection Act shall do business with the State of Illinois or any State agency or enter into a subcontract from the date of the order containing the finding of violation until 5 years after that date, unless the person or business can show that no person involved with the violation continues to have any involvement with the business.* [30 ILCS 500/50-14(a)]

b) *A person or business otherwise barred from doing business with the State of Illinois and any State agency or any subcontractors under the Code by subsection (a) may be allowed to do business with the State of Illinois or any State agency if it is shown that there is no practicable alternative to the State to contracting with that person or business.* [30 ILCS 500/50-14(b)]

c) Every bid submitted to and contract executed by the State and every subcontract shall contain a certification by the bidder, contractor and any subcontractor, respectively, that the bidder, contractor or subcontractor is not barred from being awarded a contract or subcontract under this Section and acknowledges that the CDB or CPO may declare the related contract void if any of the certifications completed pursuant to this subsection (c) are false.

Section 8.5015 Negotiations for Future Employment

a) *It is unlawful for any person employed in or on a continual contractual relationship with any of the offices or agencies of State government to participate in contract negotiations on behalf of that office or agency with any vendor, partnership, association or corporation with whom that person has a contract for future employment or is negotiating concerning possible future employment.* [30

ILCS 500/50-15(a)]

b) An individual who performs services pursuant to a contract and who meets the requirements of an "employee" as opposed to an "independent contractor" is in a "continual contractual relationship" from the effective date of the contract until such time as the contract is terminated.

c) An individual who performs services pursuant to a contract and who meets the requirements of an "independent contractor" as opposed to an "employee" is in a "continual contractual relationship" if the contract term is indefinite, is automatically renewed, is renewable at the individual's option, is renewable unless the State must act to terminate, or has a definite term of at least three months.

Section 8.5020 Exemptions

If an individual finds a conflict of interest under Section 50-13 of the Code with the vendor selected for award or contract negotiations, he or she shall forward to the CPO the name of the vendor and a description of the proposed contract and of the potential conflict, and shall state why an exemption should be granted. CDB shall determine and include documentation of the agency's position on the conflict. The CPO shall decide whether to disapprove the contract or request a exemption from the Executive Ethics Commission in accordance with Section 50-20 of the Code.

Section 8.5023 Other Conflicts of Interest

a) Except as otherwise specified in the Public Officer Prohibited Activities Act, no State officer shall be in any manner financially interested, directly or indirectly, in the name of any other person, association, trust or corporation in any contract or work in the making or letting of which the officer may be called upon to act or vote.

b) No contract shall be awarded to a State officer or employee or to a firm, partnership, association or corporation, the owner or principal owners or major officers or primary employees of which are officers or employees of the State agency, or to members of the immediate family of an officer of the State agency, unless the contract is deemed essential to State agency operations and is approved by the CDB Executive Director and the CPO. These approvals shall be filed with the contract and shall be made part of the procurement file.

c) If CDB has its owns policies regarding procurement conflict of interest relative to its own employees, CDB must provide notice of any potential conflict of interest to the SPO along with CDB's policy. This information may be used by the SPO when considering whether to award a contract.

Section 8.5030 Revolving Door Prohibition

a) *CPOs, SPOs, Procurement Compliance Monitors, their designees whose principal duties are directly related to State procurement, and executive officers confirmed by the Senate are expressly prohibited for a period of 2 years after terminating an affected position from engaging in any procurement activity relating to* CDB *for which they had oversight, in an affected position for a period of at least 6 months. The prohibition includes but is not limited to: lobbying the procurement process; specifying, bidding, proposing bid, proposal, or contract documents; on their own behalf or on behalf of any firm, partnership, association, or corporation. This prohibition applies to all persons who terminate an affected position on or after January 1, 1999.* [30 ILCS 500/50-30]

b) The CPO, in conjunction with the CDB ethics officer, shall identify in writing those designees whose job, or whose position description, is at least 51% directly related to procurement. Activities directly related to procurement include, but are not limited to, drafting specifications, preparing solicitations, evaluating offers, negotiating contracts, administering contracts and supervising any of the foregoing. This determination shall be communicated to the affected employees and maintained for a period of at least 2 years following the end or revocation of the designation.

Section 8.5035 Disclosure of Financial Interests and Potential Conflicts of Interest

a) For purposes of Section 50-35(a) of the Code, an "offer from responsive bidders or offerors" means any bid or offer. Disclosures shall be obtained when the award value exceeds $25,000 and for any subcontracts valued at more than $50,000.

b) For purposes of Section 50-35(b) of the Code, "parent entity" means an entity that owns 100% of the bidding entity.

c) Section 50-35(b)(1) of the Code, "contractual employment of services" means any contract to provide services to the State, whether as independent contractor or

employee, that is by and between the State and the named individual.

d) "Distributive income" means the income of a company after payment of all expenses, including employee salaries and bonuses, and retained earnings that is distributed to those entitled to receive a share of that income. In the case of a for-profit corporation, distributable income means dividends. When calculating entitlement to distributable income, the entitlement shall be calculated at the end of the company's most recent fiscal year or when distributed.

e) "Personal services" shall be any contract for services subject to the Code, including, by way of example, professional and artistic services, repair services, cleaning and guard services, but excludes contracts with employees who are exempt from the Code under Section 1-10(b)(4).

f) "Subject to federal 10K reporting" means subject to the reporting requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934. "10K disclosure" means a report required under section 13 or 15(d) of the Securities Exchange Act of 1934 (15 USC 78a et seq.).

g) 10K Disclosures

1) Any vendor subject to federal 10K reporting requirements may submit its 10K to the State in satisfaction of the disclosure requirement of Section 50-35(b) of the Code. The vendor may be required to identify the specific sections or parts in the 10K disclosure containing information, if any, pertaining to those who have an ownership interest or an interest in the distributive income of the vendor or its parent, or other information that the vendor knows or reasonably should know identifies a potential conflict of interest with the State. If the financial interest or conflict of interest information requested by the State is not in the 10K, or in a document that may be submitted to the SEC in conjunction with, or in lieu of, the 10K, then that additional documentation shall be provided.

2) 10K disclosures are available for public review. Any potential conflict of interest identified by the public and brought to the attention of CDB, the CPO or the SPO shall be investigated.

3) In circumstances in which a vendor may submit a 10K disclosure in lieu of the specific disclosure requirements of the Code, the SPO or designee may

consider information identified by the vendor in the 10K disclosure and any information disclosed pursuant to public review of the 10K disclosure in determining whether a potential conflict of interest exists.

h) Form of Disclosure
The form of disclosure shall be prescribed by the CPO.

i) Intent of Disclosure
The disclosure required in subsection (h) *is not intended to prohibit or prevent any contract. The disclosure is meant to fully and publicly disclose any potential conflict to the* CPO*, SPOs, their designees and executive officers so they may adequately discharge their duty to protect the State*. [30 ILCS 500/50-35(c)] A potential conflict of interest occurs in procurement when a person who, by reason of official State position or personal or financial relationship to person with official State position, has or may have the ability to influence the award of a State contract to his or her personal benefit.

1) Determination by Procurement Officer. When a potential conflict of interest is identified, discovered or reasonably suspected, it shall be reviewed by the CPO or his or her designee, who must determine whether the contract, subcontract, bid, offer or proposal should be awarded. Prior to making a final determination, the potential conflict shall be submitted to PPB for review in accordance with Section 50-35(d) of the Code. If PPB recommends to allow the contract or subcontract, the CPO or his or her designee may award the contract. If the PPB recommends the contract, bid or offer be voided, then the CPO, may determine to award the contract, considering whether the best interest of the State of Illinois will be served. Upon such determination, the EEC shall hold a public hearing. After the public hearing, the CPO may award the contract. The CPO may, at any juncture, determine to void the contract or award if to do so is determined to be in the best interest of the State. All written determinations and any documents relied upon or made part of any public hearing shall become a publicly available part of the procurement file.

2) Requirements for Reasonable Care and Diligence. *The* statutory *thresholds for disclosure do not relieve the CPO, SPO or their designees from reasonable care and diligence for any contract, bid, offer or proposal. The CPO, SPOs or their designees shall be responsible for using any reasonably known and publicly available information to*

discover any undisclosed potential conflict of interest and act to protect the best interest of the State of Illinois. [30 ILCS 500/50-35(e)]

3) Inadvertent or Accidental Failure to Fully Disclose. *Inadvertent or accidental failure to disclose shall render the contract, subcontract, bid, proposal or relationship voidable by the CPO if he or she deems it in the best interest of the State of Illinois and, at his or her discretion, may be cause for barring from future contracts, subcontracts, bids, proposals or relationships with the State for a period of up to 2 years.* [30 ILCS 500/50-35(f)]

4) Intentional, Willful or Material Failure to Disclose. *Intentional, willful or material failure to disclose shall render the contract, subcontract, bid, proposal or relationship voidable by the CPO if he or she deems it in the best interest of the State of Illinois and shall result in debarment from future contracts, subcontracts, bids, proposals or relationships with the State for a period of not less than 2 years and not more than 10 years. Reinstatement after 2 years and before 10 years must be reviewed and commented upon by the Governor or by an executive ethics board or commission he or she might designate. The comment must be returned to the* CPO, *who must rule in writing whether and when to reinstate.* [30 ILCS 500/50-35]

5) Other Procurements. *In addition, all disclosures shall note any other current or pending contracts, proposals, subcontracts, leases or other ongoing procurement relationships the bidding, proposing, offering or subcontracting entity has with any other unit of State government and shall clearly identify the unit and the contract, proposal, lease or other relationship.* [30 ILCS 500/50-35(h)] Absent any other requirements of the Code to the contrary (see Section 50-35(i) of the Code), new disclosures are not required for contract amendments.

6) Continuing Obligation. *The contractor or bidder has a continuing obligation to supplement the disclosure required by this Section throughout the bidding process or during the term of any contract.* [30 ILCS 500/50-35(i)]

j) Subcontractors
IFBs and RFPs shall include a provision to require each bidder or offeror to

identify, either in its bid or proposal or within 20 days after notice of award of contract, the identity of known subcontractors that will be used in the performance of the contract, as well as the amounts expected to be paid to each subcontractor. The vendor may be requested to provide copies of subcontracts for those subcontracts valued over $50,000, as well as disclosure forms and standard certifications, in such form as is approved by the CPO office.

k) Hearing
Any hearing conducted by the CPO/SPO and required under Section 50-35 of the Code shall be conducted in accordance with Subpart T .

Section 8.5037 Vendor Registration, Certification and Prohibition on Political Contributions

a) Introduction
Illinois statutes (10 ILCS 5/9-35 and 30 ILCS 500/20-160 and 50-37) restrict political contributions by vendors that are business entities and their affiliated entities and persons; require registration with the State Board of Elections (SBEL); require the CPO to verify that the business entity is required to register with SBEL and is in compliance with registration requirements as of the date bids or proposals are due; and require solicitation and contract certifications of the vendor relative to the requirements of these statutes. This Section supplements requirements found in those statutes and does not excuse compliance with any of those requirements.

b) General Registration Requirements

1) These requirements apply to contracts, bids and proposals that are subject to the Code:

A) Bids/proposals referenced in this Section are those submitted in response to a competitive solicitation that is posted to the Bulletin on or after January 1, 2009, regardless of the value assigned to the procurement.

B) Bids and proposals include pending bids and proposals.

C) These requirements generally apply to a vendor whose existing State contracts have an aggregate value in excess of $50,000, or

whose aggregate value of bids/proposals for State contracts exceeds $50,000, or whose aggregate value of State contracts and bids/proposals exceeds $50,000.

D) This value is calculated on a calendar-year basis.

2) On a calendar-year basis, each vendor or potential vendor must keep track of the value of contracts and bids/proposals. Vendors must register with SBEL when the vendor determines that the value of the contracts and bids/proposals meets the threshold for registration.

3) An "executive employee" means:

A) the President, Chairman of the Board, Chief Executive Officer and any other individuals who fulfill equivalent duties as the President, Chairman of the Board, or Chief Executive Officer; and

B) any employee whose compensation is determined directly, in whole or in part, by the award or payment of contracts by a State agency to the entity employing the employee, irrespective of the employee's title or status in the business entity. For the purposes of this subsection (b)(3)(B), compensation determined directly by award or payment of contracts means a payment over and above regular salary that would not be made if it were not for the award of the contract.

c) Bids and Proposals
A copy of the Financial Disclosures and Standard Certifications shall be submitted with bids/proposals. A copy of the State Board of Elections registration certificate may be requested.

d) Contracts

A copy of the Registration Certificate must be in the procurement file as set forth in this subsection (d), unless the vendor certifies it is not required to register.

1) For contract renewals and extensions, if registration is required, the vendor must be asked to provide the Registration Certificate and certify whether it is required to register.

2) For indefinite quantity/estimated value contracts, a vendor who is required to register shall register with SBEL when the maximum value of orders that may be placed pursuant to an indefinite/estimated value contract, plus all other contracts and bids/proposals, exceeds $50,000 annually.

3) For contract amendments, if the value of the amendment, by itself or in combination with the contract being renewed plus other contracts and bids/proposals exceeds $50,000 annually, the vendor must provide the Registration Certificate and make the appropriate contract certification, if it has not already done so.

4) Any contracts mistakenly executed in violation of this Section must be amended to include the contract certifications, and the vendor must supply the Registration Certificate. If any violation by the vendor is not cured within 5 business days after receipt of notification of the violation, the contract is voidable by the State without penalty.

5) Certification of the requirement to register with the State Board of Elections, required by 30 ILCS 20-160(a), shall be included in or added to each contract that must be filed with the State Comptroller pursuant to Section 20-80 of the Code and those written two-party contracts that need not be filed with the Comptroller. Agencies may require written confirmation of the certification at any time.

e) Voidable contracts
Every solicitation issued and contract executed by the State on or after January 2, 2009, shall contain a statement that the contract is voidable under Section 50-60 if the bidder, offeror or contractor fails to comply with Section 20-160 of the Code.

Section 8.5038 Lobbying Restrictions

a) *A person or business that is let or awarded a contract is not entitled to receive any payment, compensation or other remuneration from the State to compensate the person or business for any expenses related to travel, lodging, or meals that are paid by the person or business to any officer, agent, employee, consultant, independent contractor, director, partner, manager or shareholder.* [30 ILCS 500/50-38(a)]

b) Disclosure

1) *Any bidder or offeror on a State contract that hires a person required to register under the Lobbyist Registration Act to assist in obtaining a contract shall:*

A) *Disclose all costs, fees, compensation, reimbursement and other remunerations paid or to be paid to the lobbyist* and the purpose and nature of the lobbying on behalf of the vendor;

B) *Not bill or otherwise cause the State of Illinois to pay for any of the lobbyist's costs, fees, compensation, reimbursements or other remuneration;*

C) *Sign a verification certifying that none of the lobbyist's costs, fees, compensation, reimbursements or other remuneration were billed to the State.*

2) The information in subsection (b)(1)(A), *along with all supporting documents, shall be filed with the agency awarding the contract and with the Secretary of State. The* CPO *shall post this information, together with the contract award notice, on the Bulletin.* [30 ILCS 500/50-38(b)]

c) *No person or entity shall retain a person or entity required to register under the Lobbyist Registration Act to attempt to influence the outcome of a procurement decision for compensation contingent in whole or in part upon the decision or procurement. Any person who violates this subsection* (c) *is guilty of a business offense and shall be fined not more than $10,000.* [30 ILCS 500/50-38(c)]

Section 8.5039 Procurement Communication Reporting Requirement

a) Reporting Requirement
Any written or oral communication received by a State employee who, by nature of his or her duties, has the authority to participate personally and substantially in the decision to award a State contract and that imparts or requests material information or makes a material argument regarding potential action concerning an active procurement matter, including, but not limited to, an application, a contract or a project, shall be reported in accordance with rules of the Executive Ethics Commission (see 2 Ill. Adm. Code 1620).

b) Excepted Communications

1) The following are not communications requiring reporting under subsection (a):

A) statements made by a person publicly in a public forum;

B) statements regarding matters of procedure and practice, such as format, the number of copies required, the manner of filing, and the status of a matter;

C) statements made by the State employee of the agency to the agency head or other employees of that agency or to the employees of the Executive Ethics Commission, or to an employee of another State agency who, through the communication, is either:

i) exercising his or her experience or expertise in the subject matter of the particular procurement in the normal course of business, for official purposes, and at the initiation of the purchasing agency or the appropriate State purchasing officer; or

ii) exercising oversight, supervisory or management authority over the procurement in the normal course of business and as part of official responsibilities.

D) unsolicited communications providing general information about products, services or industry best practices before those products or services become involved in a procurement matter;

E) communications received in response to procurement solicitations, including, but not limited to, vendor responses to a request for information, request for proposal, request for qualifications, invitation for bid, or a small purchase, sole source or emergency solicitation, or questions and answers posted to the Illinois Procurement Bulletin to supplement the procurement action, provided that the communications are made in accordance with the

instructions contained in the procurement solicitation, procedures or guidelines;

F) communications that are privileged, protected or confidential under law; and

G) communications that are part of a formal procurement process as set out by statute, rule or the solicitation, guidelines or procedures, including, but not limited to, the posting of procurement opportunities, the process for approving a procurement business case or its equivalent, fiscal approval, submission of bids, the finalizing of contract terms and conditions with an awardee or apparent awardee, and similar formal procurement processes;

2) No trade secrets or other proprietary or confidential information shall be included in any communication reported to the Procurement Policy Board.

3) This Section shall not apply to communications regarding the administration and implementation of an existing contract, except communications regarding change orders or the renewal or extension of a contract.

A) *When an oral communication made by a person required to register under the Lobbyist Registration Act is received by a State employee that is covered under this Section, all individuals who initiate or participate in the oral communication shall submit a written report to that State employee that memorializes the communication and includes, but is not limited to, the items listed in* Section 50-39 of the Code. [30 ILCS 500/50-39(c)]

B) For purposes of this Section:

i) "Active Procurement Matter" − a procurement process beginning with requisition or determination of need by an agency and continuing through the publication of an award notice or other completion of a final procurement action, the notice or other completion of a final procurement action, the resolution of any protests, and the expiration of any protest or PPB review period, if applicable. "Active

procurement matter" also includes communications relating to change orders, renewals or extensions.

ii) "Material Information" − information that a reasonable person would deem important in determining his or her course of action and pertains to significant issues, including, but not limited to, price, quantity and terms of payment or performance.

iii) "Material Argument" – a communication that a reasonable person would believe was made for the purpose of influencing a decision relating to a procurement matter. "Material argument" does not include general information about products, services or industry best practices or a response to a communication initiated by an employee of the State for the purposes of providing information to evaluate new products, trends, services or technologies.

Section 8.5060 Prohibited Bidders and Contractors

a) *Unless otherwise provided, no business shall bid or enter into a contract or subcontract if the business or any officer, director, partner, or other managerial agent of the business has been convicted of a felony under the Sarbanes-Oxley Act of 2002* (PL 107-204) *or a Class 3 or Class 2 felony under the Illinois Securities Law of 1953 for a period of 5 years from the date of conviction.*

b) *Every bid submitted to and contract executed by the State and every subcontract subject to Section 20-120 of* the *Code shall contain a certification by the bidder, contractor, or subcontractor, respectively, that the bidder, contractor, or subcontractor is not barred from being awarded a contract or subcontract under this Section and acknowledges that the chief procurement officer shall declare the related contract void if any of the certifications pursuant to this subsection (b) are false.* [30 ILCS 500/50-10.5]

c) A person or business that contracts with a State agency to write specifications for a particular procurement may not submit a bid or proposal or receive a contract or subcontract for that procurement.

d) Bids determined to be non-responsive in accordance with this Section are subject

to the review and approval of the CPO.

SUBPART Q: COOPERATIVE PURCHASING

Section 8.5400 General

All cooperative/joint procurement activities and contracts must be approved by the CPO.

Section 8.5420 Governmental Joint Purchasing Act Contracts

State and other governmental units (including not-for-profit entities authorized by law to participate in joint purchasing) may agree to use each others' procurement contracts. This authority is governed by this Subpart and the Governmental Joint Purchasing Act.

Section 8.5440 Non-Governmental Joint Purchasing

a) The CPO may authorize one or more State agencies to enter into joint procurement agreements with non-governmental entities, including, without limitation, consortiums of government entities, not-for-profit entities and commercial entities.

b) If the authorized State agency acts as the lead agency, the procurement shall be conducted in accordance with the Code and this Part.

c) If the authorized State agency acts as a participant in an agreement in which a non-governmental entity acts as lead agency, the State agency shall provide supplementary advertising in the Bulletin, as required by the Code, and shall include in the solicitation by the lead agency Code requirements or, if not possible, these requirements shall be included in the resulting contract.

Section 8.5460 No Agency Relationship

In any cooperative/joint purchasing situation, each participant must issue its own purchase order, accept its own deliveries and make its own payments. No State agency shall have any obligation to the vendor for payment of orders placed by other participants.

SUBPART R: SUSPENSION AND DEBARMENT

Section 8.5560 Suspension and Debarment

a) This Part applies to all debarments or suspensions of vendors from consideration for award of contracts under the Code. For the purposes of this Part, all references to "vendors" includes subcontractors. This Part provides for general provisions for suspension and debarment recommendation by CDB and approval by the CPO as authorized by Sections 20-75 and 50-65 of the Code and under the jurisdiction of the CPO. A vendor may be suspended or debarred by the CPO due to acts or omissions that indicate that the vendor lacks integrity and honesty in the conduct of business or the performance of contracts. Acts or omissions that indicate the lack of business integrity and honesty include, but are not limited to:

1) fraud, bribery, embezzlement, theft, collusion, conspiracy, anti-competitive activity or other misconduct and offenses prohibited by law, whether or not the misconduct or offense is in connection with a CDB contract or subcontract;

2) making a material false statement in any procurement documents, including the application for prequalification or any forms or affidavits required as part of the procurement or prequalification process;

3) materially violating any rule or procurement procedure or making a material false statement in connection with any rules or procurement procedures of CDB;

4) making a material false statement, representation, claim or report respecting the character, quality, quantity or cost of any work performed or materials furnished in connection with a contract or subcontract administered or supervised by CDB;

5) doing business with a suspended contractor or subcontractor in connection with a contract or subcontract of CDB; or

6) being debarred or suspended by another agency of this State or the United States;

7) violation of the Code or this Part or failure to conform to specifications or terms of delivery;

b) CDB may recommend suspension or debarment of a vendor from doing business with CDB, or with respect to certain types of supplies or services. A suspension may be approved by the CPO upon a showing that adequate evidence supports a finding that the vendor has engaged in conduct proscribed by subsection (a).

c) When the CPO agrees cause exists for the suspension or debarment, a notice of suspension or debarment, including a copy of that determination, shall be sent to the vendor by CDB. Bids or proposals will not be accepted from the vendor and, if received, will not be considered during the period of suspension or debarment.

d) Upon receipt of notice of suspension or debarment, the vendor may submit a written request for a hearing. The hearing will be conducted by a Hearing Officer who will hear the evidence presented and make a written recommendation to the CPO.

e) The CPO shall issue the final written determination that results from any hearing regarding a suspension or debarment.

f) The CPO may suspend a vendor for a period of time commensurate with the seriousness of the offense, but for no more than 10 years. The suspension will be effective 7 calendar days after delivery of notice to the vendor of intent to suspend or debar, unless a request for hearing is filed. If a request for hearing is filed, suspension shall not become effective until the CPO issues a final written determination. In cases of emergency, suspension shall be effective immediately, subject to scheduling a hearing within 30 days.

g) The CPO may debar a vendor. Debarment is the permanent suspension of a vendor from doing business with the State. A debarment may only take place in those instances involving bribery or attempted bribery of a State of Illinois officer or employee, or as otherwise allowed or required by law. Bids or proposals received from the debarred vendor or proposing the use of a debarred subcontractor will not be considered. The debarment will be effective 7 calendar days after receipt of notice, unless a request for hearing is filed. If a request for hearing is filed, the debarment shall not become effective until the CPO makes a final written determination.

h) In the event of a suspension or debarment, the vendor's prequalification shall be rescinded.

i) The CPO shall determine, after consultation with CDB, whether to void any existing or pending contracts as a result of a suspension or debarment.

j) The CPO shall post the record of suspensions and debarments on his or her web page and on the Bulletin.

k) Suspension or debarment hearings shall be conducted in accordance with Subpart T.

l) CPO shall maintain all records related to this Part, including a master list of all suspensions and debarments. The master list shall retain information concerning suspensions and debarments as public records. These records will be maintained for a period of at least 3 years following the end of the suspension or debarment. This public information may be considered in determining responsibility.

SUBPART S: VIOLATION OF STATUTE OR RULE

Section 8.5620 Violation of Statute or Rule

a) Determination that Solicitation or Award Violates Statute or Rule
If CDB determines or suspects that the solicitation or proposed award is in violation of statute or rule, it shall report the circumstances to the CPO or SPO. If the CPO or the SPO finds that the solicitation or proposed award is in violation of statute or rule, he or she shall report the circumstances to CDB and the CPO or SPO may cancel the solicitation or proposed award, or make modifications to correct the violation, if the correction may be legally accomplished.

b) Determination that Contract Violates the Code or this Part

1) If any contract or amendment to a contract is entered into, or purchase or expenditure of funds is made, at any time in violation of this Part or any other law, the contract or amendment may be declared void by the CPO or may be ratified or affirmed, provided the CPO determines that ratification is in the best interest of the State. If the contract is ratified and affirmed, it shall be without prejudice to the State's right to any appropriate damages.

2) If, during the term of a contract, the SPO determines that the contractor is delinquent in the payment of debt as set forth in Section 50-11 of the

Code, the CPO may declare the contract void if it determines that voiding the contract is in the best interest of the State.

3) If, during the term of a contract, the CPO learns from an annual certification or otherwise determines that the contractor or subcontractor no longer qualifies to enter into State contracts, the CPO may declare the contract void if it determines that voiding the contract is in the best interest of the State. If the voiding is the result of an action taken by a subcontractor, the contract shall not be void as long as the contractor terminates the subcontract.

c) Effect of Declaring a Contract Null and Void
In all cases in which a contract is voided, the State agency shall endeavor to return those supplies delivered under the contract that have not been used or distributed. No further work shall be performed under the contract. Resolution of any outstanding invoices related to the contract are subject to approval by the CPO.

SUBPART T: HEARING PROCEDURES

Section 8.5700 General

Any hearing conducted by the CPO office, as required by the Code or offered in this Part, shall be conducted in accordance with the procedures within this Subpart.

Section 8.5710 Informal Process

The hearing is for the purpose of receiving information from interested persons in a reasonable manner. Formal rules of evidence will not apply, nor will the hearing be conducted in the manner of a trial. The Hearing Officer may record the hearing to aid in producing minutes or may use the recording as the minutes.

Section 8.5720 Hearing Officers

a) The CPO may appoint one or more Hearing Officers to conduct the hearing. If more than one Hearing Officer is assigned to conduct a hearing, one shall be designated as the Chief Hearing Officer.

b) The Hearing Officer may require that the SPO or authorized representative of CDB attend a hearing or be part of the hearing.

c) The Hearing Officer will hear and consider information presented by interested persons and make a recommendation to the CPO regarding the validity of the determination that is the subject matter of the hearing.

d) The Hearing Officer shall be responsible for the orderly conduct of the hearing by exercising discretion in:

1) Scheduling, starting and ending the hearing;

2) Setting the order of activities;

3) Setting reasonable time limits for oral statements;

4) Resolving any conflicts that may arise during the hearing.

e) The Hearing Officer may cancel a hearing at any time prior to commencing a hearing, including making an announcement at the scheduled hearing date, time and location, but shall give as much advance notice as possible under the circumstances. A notice confirming the cancellation and any reschedule information will be published in the Bulletin.

f) The Hearing Officer may change a scheduled hearing date, time or location prior to commencing a hearing by posting a notice outside the hearing room and by posting a notice to the Bulletin. The hearing should be continued to the next practicable date. In setting the next practicable hearing date, the Hearing Officer may take into consideration the schedules of the parties, the impact of delay upon the State and other parties, the hardship to witnesses or the general public, travel and logistical considerations and any other matters that would affect public participation in the hearing.

g) After commencing a hearing, the Hearing Officer may reconvene a hearing by announcing the new date and time at the hearing and posting the new date and time outside the hearing room. The hearing shall be continued to the next practicable date.

Section 8.5730 Notice of Hearing

a) Notice that a hearing will be held to receive testimony or written comments regarding the subject matter identified in the notice will be published in the Bulletin. The hearing notice shall be published in the Bulletin as soon as practicable and in accordance with any statutory requirements.

b) The hearing may be held as soon as the end of the notice period. The notice shall contain the following information and may describe more than one matter to be considered at the same hearing:

1) The name of the affected parties (e.g., State agency and vendor);

2) A description of the subject matter;

3) A justification for the action under review;

4) Requirements for testifying or submitting written comments;

5) Hearing contact information;

6) The date, time and location of the hearing;

7) A statement that all written comments and oral testimony shall be considered public record and open to review by the public;

8) A statement of, or reference to, this hearing procedure.

Section 8.5740 Written Comments and Oral Testimony

Interested parties wishing to comment may do so in writing alone, may testify in person and may submit written comments reflecting the oral testimony.

a) Written Comments

1) Submission of Written Comments
Written comments are requested by the hearing registration deadline, shown in the Bulletin notice, to aid the Hearing Officer in preparing for the hearing. However, all written comments received by the hearing date will be considered.

2) Incorporation of Written Comments
If the Hearing Officer has received any written comment, the name and affiliation of the person submitting the comment shall be stated for the record and the written comments shall be incorporated into the record. In addition, the Hearing Officer may read excerpts from or summarize the basic points of the written comments for the record.

b) Oral Testimony

1) Advance Registration
Any person who wishes to testify may register with the Hearing Officer by the hearing registration deadline shown in the Bulletin notice to ensure an opportunity to testify. The registration period begins on the date the notice is posted to the Bulletin. Registration information will be stated in the notice. Those who do not register by the hearing registration deadline shown in the Bulletin notice will be heard as time permits and may submit written comments. The Hearing Officer has discretion to limit testimony for the efficiency of the hearing.

2) Written Summary of Testimony Requested
When extensive or complex oral testimony is reasonably expected, a written summary reflecting proposed oral testimony can be requested by the hearing registration deadline shown in the Bulletin notice to allow the Hearing Officer time to prepare for the hearing. Failure to provide the written summary may result in precluding the testimony from being presented or considered. The Hearing Officer may request a written copy of the oral testimony.

3) Witness Slip Required
Each person providing oral testimony must complete a witness slip and provide it to the Hearing Officer as instructed.

4) Duration of Testimony
Each interested party shall have a reasonable period of time to present his or her position based on the complexity of the issue and the press of other business.

c) Sole Source and Emergency Contract Extensions − Supplemental Provisions

1) The notice, including attachments, as shown in the Bulletin represents the position of CDB and the initial position of the CPO. The Hearing Officer shall have the notice placed into the record. A copy of the notice will be posted outside the hearing room.

2) The SPO and a representative of CDB shall attend the hearing if any person registers in advance to testify to the sole source or emergency contract extension determination. Attendance may be by video or audio. The SPO and a representative of CDB or the user agency representative shall respond to questions of the Hearing Officer and shall be available for consultation after adjournment of the hearing.

3) The Hearing Officer may ask questions or request further written information in response to written comments or testimony or at the Hearing Officer's initiative. The Hearing Officer is not required to respond to substantive questions at the hearing nor make commitments regarding the content of his or her recommendation.

d) Suspension and Debarment – Supplemental Provisions

1) A party who receives notice of suspension or debarment may request a hearing to protest the suspension or debarment action. The hearing will be conducted in accordance with this Section and the following additional provisions shall apply.

A) The Hearing Officer may ask questions or request further written information in response to written comments or testimony or at the Hearing Officer's initiative. The Hearing Officer is not required to respond to substantive questions at the hearing or make commitments regarding the content of his or her recommendation.

B) Both the affected State agency and the vendor affected by a suspension of debarment may, at the discretion of the Hearing Officer, bring in witnesses to present testimony regarding the facts or circumstances that led to the determination to suspend or debar.

C) In addition to responding to questions of the Hearing Officer, the witnesses shall respond to questions by the affected vendor if, at the discretion of the Hearing Officer, the questions are allowed.

i) The Hearing Officer may allow questions when the subject matter of the question is relevant and the questioning will not unnecessarily delay the proceedings.

ii) The Hearing Officer may deny questions when the subject matter seeks only to unnecessarily embarrass the witness or delay the proceedings.

e) Recommendation
After conclusion of a hearing, the Hearing Officer shall review CDB's position, any information obtained from public comment (written or oral), the applicable Sections of the Procurement Code, other laws and associated rules and written policies and other information deemed relevant.

f) Decision of the CPO

1) The CPO shall, after considering the Hearing Officer's recommendation, make a decision in writing (which may be electronic) to uphold or overturn, in whole or in part, the original determination.

2) The CPO may request additional information from the Hearing Officer, or any other party, including supplemental comments or testimony from the interested parties, prior to making a decision.

3) The CPO may adopt the recommendation, in whole or in part, or may reject the recommendation, or may write a separate decision.

g) Notice of Decision
The decision of the CPO shall be posted to the Bulletin and issued in writing to the interested parties.

h) Maintenance of Records
A copy of the public notices, any documents presented, any written comments, the recommendation of the Hearing Officer, and any decision of the CPO shall be maintained in the procurement file. Any transcript or recording of a public hearing shall be available, pursuant to the Freedom of Information Act, upon request.

CHIEF PROCUREMENT OFFICER FOR CAPITAL DEVELOPMENT BOARD

NOTICE OF PROPOSED RULES

SUBPART U: MISCELLANEOUS PROVISIONS OF GENERAL APPLICABILITY

Section 8.7000 Severability

If any provision of this Part or any application of it to any person or circumstance is held invalid, that invalidity shall not affect other provisions or applications of this Part that can be given effect without the invalid provision or application and, to this end, the provisions of this Part are declared to be severable.

Section 8.7010 Government Furnished Property

If the State provides any property to the vendor in furtherance of the contract, the property shall remain the property of the State, but may be consumed by the vendor if necessary to complete the contract. Vendor will issue a receipt for the property and will be responsible for its safekeeping and for return of unconsumed property to the State.

Section 8.7015 Inspections

a) Inspection of Plant or Site
The CPO or a designee may enter a vendor's or subcontractor's plant or place of business, subject to any implementing contract provisions, to:

1) inspect supplies or services for acceptance by the State agency;

2) audit the books and records of the vendor or subcontractor;

3) investigate an action to debar or suspend a person from consideration for award of contracts pursuant to the Code;

4) determine whether the standards of responsibility have been met or are capable of being met;

5) determine if the contract is being performed in accordance with its terms; and

6) accomplish any other purpose permitted by law.

b) The presence or absence of an inspector shall not relieve the vendor or subcontractor from any requirements of the contract.

c) When an inspection is made in the plant or place of business of a vendor or subcontractor, the vendor or subcontractor shall provide without charge all reasonable facilities and assistance for the safety and convenience of the person performing the inspection or testing.

d) Inspection or testing of supplies and services performed at the plant or place of business of any vendor or subcontractor shall be performed so as to not unreasonably delay the work of the vendor or subcontractor.

e) Inspection of Construction Projects
On-site inspection of construction shall be performed in accordance with this Section and the terms of the contract.

SUBPART V: PREQUALIFICATION

Section 8.8001 Purpose

CDB contracts and agreements shall be awarded only to responsible A/E, contractors, construction managers and design-build entities comprised of vendors and are subject to the authority of the CPO. Prospective A/Es, contractors, construction managers and individual vendors that constitute design-build entities must affirmatively demonstrate responsibility, including, when necessary, the responsibility of proposed subcontractors and suppliers. In the absence of information clearly indicating that prospective A/Es, and contractors are responsible, CDB shall make a determination of non-responsibility. Only responsible A/Es, contractors, construction managers and individual vendors that constitute design-build entities shall be prequalified, and only those prequalified shall be permitted to bid on CDB projects. A determination of non-responsibility may be made at any time prior to or after award of a contract.

Section 8.8005 Policy

a) As a general proposition, except in instances of statutory exceptions, CDB shall award contracts in conformance with the Code. Construction contracts will be awarded to the lowest responsible and responsive bidder. However, award of a contract based on the lowest price alone can be false economy if there is subsequent default, late deliveries or other unsatisfactory performance resulting in additional contractual or administrative costs. While it is important that Government purchases be made at the lowest price, the best interest of the State

do not always require an award solely based on price.

b) Construction management services contracts will be awarded in compliance with Article 33 of the Code. A/E contracts will be awarded based on the requirements of the QBS Act. Design-build contracts will be awarded based on the Design-build Procurement Act.

Section 8.8015 Prequalification Required

Vendors shall be prequalified. For design-build entities consisting of more than one vendor, each vendor shall be prequalified by CDB. Vendors must be prequalified at least one day prior to any submittal of bids or offers for a specific project and prior to entering a contractual relationship with CDB. Prequalification shall be based upon a determination of responsibility from, but not limited to, the information supplied on a properly completed prequalification application. In special circumstances, including but not limited to small purchases, sole source and emergency procurements, CDB can award a contract to a non-prequalified vendor with approval of the SPO.

Section 8.8017 Special Projects

a) When CDB determines a construction project is so large or specialized that a special prequalification and responsibility determination is appropriate, CDB may set appropriate standards of acceptability different from those set out in this Part. Other provisions of this Part shall remain applicable.

b) Special Prequalification Provisions

1) A public notice will be posted on the CDB Procurement Bulletin and may be published in the CMS Procurement Bulletin and/or in the official State newspaper or may otherwise be made available in print describing the project and any special prequalification requirements.

2) The notice will be published at least 30 days before the date the special prequalification application or the statement of qualifications is due.

3) Prequalification standards may be revised to be more closely related to the needs or environment of the special project (e.g., required vendor and or personnel experience may be limited to a particular size of project, or to experience in a particular environment such as correctional facility work).

Section 8.8020 Confidentiality

Documents relating to responsibility determinations shall be maintained by CDB in a separate file and shall remain confidential as records pertaining to occupational registration, except that they shall be subject to complete disclosure to the vendor or design-build entity to which they relate and to units of federal, State or local government, including but not limited to, law enforcement agencies. Nothing in this Section shall be construed to mean that the name of any person or organization filing a complaint or providing information shall be disclosed when the complaint or information is used as the basis for further inquiry into the facts alleged. CDB or the CPO may release to anyone the vendor's prequalification status with CDB. Notwithstanding the foregoing, neither the Performance Evaluations nor the vendor's written responses to them shall be made available to any other person or vendor, except as authorized by Section 7(1)(b)(iii) of the Freedom of Information Act.

Section 8.8025 Sources for Determining Responsibility

As part of the prequalification process, CDB will make a responsibility determination in accordance with the standards of responsibility specified in Section 8.2046. CDB may utilize information obtained from one or more of the sources listed in this Section. In evaluating the information, greater consideration shall be given to the most recent projects and projects with CDB.

a) Prequalification and Renewal Application Forms

1) New applications shall, at a minimum, require:

A) Completed application form.

B) The name of each key person and that person's respective ownership.

D) Relevent work experience.

E) Evidence of any required bonding capacity meeting CDB criteria.

F) Adherence to statutory requirements.

G) Satisfactory work history and references. References obtained may

be verified and documented by the following methods:

i) Telephone reference checks.

ii) Reference questionnaire.

H) The applicant's e-mail address and phone and fax numbers.

2) Renewal applications shall, at a minimum, require:

A) The information set out in subsection (a)(1).

B) Adherence to all applicable rules and resolutions.

C) Satisfactory CDB work and performance history, which may be documented through evaluations prepared on both current and past CDB projects by the following:

i) CDB staff.

ii) Architects/engineers and consultants.

iii) Using agencies.

iv) Other contractors, subcontractors and suppliers.

3) Application Updates

Vendors shall have an affirmative duty to update significant changes to information within 10 days after occurrence. Failure to disclose as required may lead to action on prequalification. (See Section 8.8055(c).) Significant changes include, but are not limited to:

A) Changes in federal employee identification number, ownership or corporate structure, including sole owners and partnerships;

B) Change of name;

C) Change of address;

D) Change or loss of approved project personnel;

E) Change or initiation of hearing in licensure or registration status with the Department of Financial and Professional Regulation;

F) Change in minority/female owned vendor status;

G) Loss of SOS "goodstanding" status;

H) Suspension or debarment by another governmental agency;

I) Decrease by more than 25% in bonding capacity or filing of bankruptcy;

J) Filing of formal criminal charges against a vendor or its officers, owners or employees;

K) Contract terminations.

b) Other Government Entities
CDB may conduct history reference checks by contacting federal, State or local governmental entities.

c) Other Sources
CDB may conduct reference checks or gather relevant information from any other source in order to determine responsibility. Acceptable sources may include, but are not limited to:

1) Surety/bonding companies;

2) Financial institutions;

3) Periodicals;

4) Newspapers;

5) Court records;

6) Dun and Bradstreet reports;

7) Audited financial statements;

8) Any type of public record.

d) Previous Employment History

For any newly organized vendor or a vendor with a limited work history, CDB may conduct individual performance reference checks on any or all personnel.

e) Satisfactory CDB Performance History

1) CDB may review documentation of current and past work and performance history, including adherence to CDB's rules, resolutions and procedures. This documentation includes, but is not limited to, performance evaluations prepared by CDB, user agencies or contractors.

2) CDB shall evaluate the performance of each vendor and design-build entity upon completion of a contract. Evaluations shall be made available to the vendor and the vendor may submit a written response, with the evaluation and response retained solely by CDB. The evaluation and response shall not be made available to any other person or vendor and is exempt from disclosure under the Freedom of Information Act. The evaluation shall be based on the terms identified in the construction manager's contract.

f) Additional Information
CDB may request additional information at any time.

Section 8.8030 Licensing and Registration Actions

a) Prequalified vendors and design-build entities shall notify CDB in writing within 10 working days when the Department of Financial and Professional Regulation or any other State entity initiates proceedings to refuse to renew or to suspend or revoke a registration, license, certification or prequalification status of any individual or vendor, or to impose any other disciplinary sanction.

b) Upon notification, prequalification will be reviewed and appropriate action taken under Subpart R. In addition, if it is found that notice was not provided as required, CDB may take action under Subpart R.

Section 8.8035 Trade Codes and Profile Codes

a) Vendors shall indicate on the application form the specific trade or profile codes within the area of practice in which the vendor has specific areas of knowledge, expertise or experience. The applicant may indicate only those codes consistent with any licensing requirements.

b) This information may be used by CDB in the selection of vendors for projects. It does not relieve the vendor from providing the same or additional information in the statement of qualifications submitted for a specific project. CDB may request additional information during the prequalification process to verify that the vendor possesses the required knowledge, expertise or experience to be considered for work in any code. CDB may deny prequalification in a particular code during the prequalification process if the vendor fails to demonstrate its knowledge, expertise or experience to CDB's satisfaction.

c) Demonstration of knowledge, expertise or experience in a code may be required to be supported by licenses or certification issued by governmental agencies such as the Department of Public Health, Illinois Historic Preservation Agency, etc.

d) CDB's decisions regarding the types of codes granted shall not be subject to hearing procedures.

Section 8.8040 Prequalification by Office Locations

a) Vendors and design-build entities shall list all office locations on the prequalification application for which it seeks prequalification. These office locations may be business subsidiaries, divisions, branches, etc. CDB reserves the right to evaluate each office based on the criteria set forth in this Part. Any offices not listed on applications shall not be deemed prequalified.

b) Prequalification shall not apply to any other business location or entity solely because of an ownership relationship.

Section 8.8045 Processing of Prequalification and Responsibility and Renewal Applications

a) New bidders and offerors and bidder and offerors nearing the prequalification expiration date must complete a prequalification and responsibility application, including the Financial Disclosure and Potential Conflicts of Interest forms required under Section 50-35 of the Code.

b) Processing of prequalification and responsibility applications and renewals by CDB may require up to 45 days when the application information is complete and satisfactory and references are responsive.

c) Applications for renewal will be sent approximately 60 days before the expiration of current prequalification and are available electronically on CDB's internet site at www.cdb.state.il.us. Vendors who do not receive an application are responsible for obtaining one at least 45 days prior to expiration. Vendors will be notified when information is incomplete or unsatisfactory.

d) Unless otherwise specified in writing by CDB, the term of prequalification shall be three years for contractors and 2 years for A/Es and construction managers. A shorter term of prequalification can be granted. When prequalification is granted, the vendor will be notified in writing of the expiration date, which will also be entered on CDB's electronic program. CDB may grant a shorter term of prequalification by agreement with the vendor when a determination is made that a shorter period is justified. CDB may, in its discretion, grant a longer period of prequalification when deemed appropriate in light of recent and relevant satisfactory project performance. Updated or new information, including the term of prequalification, will be entered on CDB's electronic program weekly. The electronic program will be capable of, among other things, sorting contractors by trade to produce lists of vendors in various trades. At the beginning of each month, a list of vendors whose prequalification expires in approximately 60 days will be generated.

e) Applications may be sent to CDB electronically.

f) CDB shall review and evaluate each application received, which may include one or more of the following actions:

1) Reviewing to determine whether the application is filled out in accordance with the instructions provided and is accurate and complete.

2) Contacting references or any other possible sources of pertinent information.

3) Requesting additional information from the applicant.

4) Reviewing CDB contractor performance evaluations.

5) Reviewing Financial Disclosures and Potential Conflicts of Interest and State Board of Elections Registration.

6) Meeting with the applicant at the request of CDB or the applicant.

g) CDB shall deny prequalification to any vendor that has not affirmatively demonstrated its responsibility. CDB's determination of responsibility for prequalification shall be final.

SUBPART W: SUSPENSION, DEBARMENT, MODIFICATION OF ABILITY TO BID, AND CONDITIONAL PREQUALIFICATION

Section 8.8050 Actions Affecting Prequalification

At any time, the CPO may consider whether action should be taken concerning prequalification. Actions that may be taken include one or more of the following:

a) Interim or Emergency Suspension or Modification
The CPO may summarily suspend or modify a vendor's prequalification, [20 ILCS 3105/16]. A hearing, if requested by the vendor, shall be held within 30 days.

b) Debarment
The CPO may debar a vendor to exclude it from bidding for CDB contracts as authorized in this Part or by statute. The period of debarment shall be not less than 5 years and may be permanent when warranted or as authorized by law. The debarment will be effective 7 calendar days after receipt of notice unless a request for hearing is filed. If a request for hearing is filed, suspension shall not become effective until the CPO makes a final written determination.

c) Modification of Ability to Submit a Bid or Offer
The CPO may modify or limit a prequalification as appropriate, including, but not

limited to, one or more of the following:

1) Limiting the dollar amount or project size for which a bid or offer can be submitted for a specified period of time, or until a current contract is substantially or fully complete.

2) Limiting the number of CDB contracts a vendor may enter into for a specified period of time, or until a current contract is substantially or fully complete.

3) Limiting the aggregate dollar amount of contracts the vendor may enter into, considering both public and private contracts.

4) Imposing limits set forth in this subsection (c) pending performance on the vendor's next CDB contracts, in instances in which the vendor has no current CDB contracts.

d) Conditional Prequalification
The CPO may condition prequalification (which may be otherwise limited) on the vendor's successful utilization of a management plan, evaluations, conferences or other methods designed to achieve satisfactory performance or compliance with contract requirements.

e) Suspension
The CPO may suspend or disqualify a vendor temporarily from contracting with CDB, for a period of time up to 5 years. The contractor vendor's failure to timely pursue administrative action, as provided by this Part, shall constitute consent of the vendor to the CPO's action. The suspension will be effective 7 calendar days after receipt of notice unless a request for hearing is filed. If a request for hearing is filed, suspension shall not become effective until the CPO makes a final written determination.

Section 8.8055 Causes for Suspension, Debarment, Modification of Ability to Bid or Offer, or Conditional Prequalification

The CPO may determine a vendor is not responsible and suspend, debar or otherwise modify or issue a conditional prequalification based upon one or more of the following:

a) Failure to satisfactorily perform work on CDB contracts, private contracts, or

other governmental contracts.

b) Breach of the terms of a CDB contracts, private contract, or other governmental contract.

c) Making false or misleading statements, or failing to disclose or update significant information in connection with CDB procedures or documents, including but not limited to the prequalification application.

d) Violation of civil or criminal federal or State statutes or administrative rules and regulations. In the case of criminal violations, indictment or filing of formal charges by information (complaint) shall constitute adequate evidence for a determination of non-responsibility.

e) Financial instability, which may be evidenced by bankruptcy, failure to timely pay subcontractors, difficulty in obtaining acceptable bonding, attempts to assign contract proceeds, or other indications of serious business management deficiencies.

f) Failure to understand, accept or utilize CDB procedures and standards, or abuse of CDB procedures and standards.

g) Commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, receiving stolen property, or conduct indicating a lack of business integrity or business honesty that seriously and directly affects the present responsibility of a vendor, construction manager or design-build entity.

h) Suspension, debarment, or limits on bidding or offering on contracts by any other CPO or other governmental body.

i) Failure to be properly licensed or registered with the Department of Financial and Professional Regulation (DFPR) or any other State licensing, certification or registration entity, being the subject of discliplinary sanctions by such an entity, or the subject of initiation of proceedings by such an entity in order to refuse to renew, suspend or revoke the registration or license, or to impose any other disciplinary sanction.

j) Excessive requests for bid withdrawals on CDB projects.

k) Any other cause of so serious or compelling a nature that it affects the responsibility of a contractor.

l) For Design-Build Entities
Any action the CPO or CDB takes with regard to suspension, debarment, modification of prequalification, or conditional prequalification of a vendor in regard to its actions as a design-build entity or as a design consultant or subcontractor to a design-build entity may also apply to its prequalification to do other (non-design-build) work with CDB, unless CDB specifically restricts its action to apply to the entity's prequalification to participate in design-build projects, in accordance with Section 8.8070.

Section 8.8057 Failure to Satisfactorily Perform Work on, or Breach of the Terms of, CDB Contracts, Private Contracts or Other Governmental Contracts

CDB may request the CPO take action upon prequalification for the vendor's failure to satisfactorily perform work on, or breach of the terms of, CDB contracts, private contracts or other governmental contracts, such as, but not limited to, one or more of the following:

a) For Contractors:

1) Failure to timely submit proper post-award documents, such as, but not limited to, bonds, certificates of insurance and MBE/FBE subcontractor/supplier certifications.

2) Failure to attend or to be properly prepared for pre-construction meetings, pay/progress meetings, or other required meetings set by the project A/E, CDB or the coordinating contractor.

3) Failure to timely provide schedule submittals or shop drawings.

4) Failure to meet the project schedule for any reason reasonably within the control of the contractor.

5) Failure to provide an acceptable quality of supervision.

6) Failure to provide a supervisor authorized to make timely field decisions on behalf of the vendor.

7) Failure to provide sufficient manpower.

8) Failure to timely provide acceptable quality equipment, labor, materials, installation, subcontractors or suppliers, including the failure to provide licensed personnel when necessary.

9) Failure to keep updated as-builts in the field.

10) Failure to follow directives provided by the project A/E or CDB within the scope of the contract documents.

11) Failure to cooperate with other parties to the project to timely resolve project problems that arise.

12) Failure to understand, accept or utilize CDB procedures and standards, or abuse of CDB procedures and standards.

13) Failure to provide timely and appropriate pay request documents, including, but not limited to, the Contractor's Schedule of Values form (Development), Contractor's Affidavit and Sworn Statement form (CASS), and lien waivers.

14) Failure to timely submit Requests for Proposals and Change Order documents (RFP/CO), including, but not limited to, adequate documentation of actual direct costs and pricing within conventional industry parameters for public contracts.

15) Failure to timely complete punch list items or contract close-out documents.

16) Failure to demonstrate good faith efforts to meet Fair Employment Practices (FEP) requirements and MBE/FBE goals.

b) For A/Es, Construction Management Companies and Design-Build Entitites:

1) Failure to timely submit post-award documents, such as, but not limited to, bonds, certificates of insurance and MBE/FBE certifications.

2) Failure to timely submit required documents and drawings, including record drawings, according to the project schedule, causing a delay in the commencement, completion or close out of a project.

3) Failure to adequately or timely respond to technical review comments and directions.

4) Failure to adhere to contractual document requirements.

5) Failure to adequately or timely notify CDB of project problems or failure to cooperate with other parties to the project to timely resolve problems.

6) Failure to timely or adequately resolve design issues.

7) Failure to timely or adequately submit budget and estimating documents.

8) Failure to meet quality standards of the applicable profession or required codes and standards for a particular type of construction.

9) Failure to provide proper field administration and observer services.

10) Failure to provide proper personnel or proper and timely responses to requests for information in the field.

11) Failure to provide timely and adequate record drawings.

12) Failure to meet contractual design schedule dates.

13) Failure to timely process change orders and contractor pay requests.

14) Failure to follow directives from CDB within the scope of the contract documents.

15) Failure to cooperate with other parties to the project to timely resolve project problems.

16) Failure to meet the project schedule for any reason reasonably within its control.

17) Failure to attend or to be properly prepared for project meetings.

18) Failure to understand, accept or utilize CDB procedures and standards, or abuse of CDB procedures and standards that results in paper delays, project delays, or the extraordinary expenditure of CDB resources.

19) Failure to submit proper pay or modification requests, in accordance with the contractual provisions, with adequate documentation of costs and pricing within conventional industry parameters for public contracts.

20) Violation of the Illinois Procurement Code.

21) Failure to conform with the requirements of a design-build agreement.

22) Any other cause of so serious or compelling a nature that it affects the vendor's responsibility.

Section 8.8060 Interim or Emergency Suspension or Modification Pursuant to Section 16 of the Capital Development Board Act

a) CDB may suspend or modify a vendor's prequalification without a prior hearing, or administrative procedure, for one or more of the following causes:

1) The public interest, safety or welfare requires the suspension or modification.

2) An event or series of events, including, but not limited to:

A) The filing of an indictment or of formal charges by information (complaint) charging the vendor or a key person with the vendor with a crime.

B) Suspension or modification of a license or prequalification by another State agency, federal agency or other branch of government after hearing or by agreement.

C) Failure to comply with applicable laws, including, but not limited to, the BEMFD Act, the Prevailing Wage Act, the Steel Products Procurement Act, and requirements relating to occupational

licensing.

D) Material breach of a contract, including, but not limited to, one or more of the causes set forth in Section 8.8057.

E) Failure to satisfactorily perform work on, or breach of, a CDB contract, including, but not limited to, one or more of the causes set forth in Section 8.8057, when:

i) The issue has been brought to the attention of vendor management in writing;

ii) CDB construction administration has met with vendor representatives and discussed the issue;

iii) CDB conveys to the vendor what action or nonaction is necessary and in accordance with the contract documents;

iv) CDB has initiated contractual remedies as may be appropriate, such as, but not limited to, stopping the work, rejecting the work, carrying out the work, or ordering acceleration of the work; and

v) The vendor willfully and unreasonably refuses to comply or to obtain subcontractors, personnel or other resources that would enable it to comply.

b) When prequalification is suspended or modified pursuant to this Section, the CPO and the vendor will be notified in writing and, within 30 days after the notice, CDB will commence administrative procedures under Subpart T.

c) When prequalification is suspended or modified pursuant to subsection (a)(2)(E), if the vendor cures the situation within 30 days after the notice, the suspension or modification may be rescinded by written notice.

Section 8.8065 Denial of Prequalification

a) This Section is applicable to vendors who are one of the following:

1) First-time applicants for CDB prequalification.

2) Vendors who sent a renewal application that arrived at CDB after the prequalification expiration date or could not reasonably be processed before the expiration date.

3) Vendors who sent a renewal application that was incomplete or insufficient, so that CDB could not reasonably process the application before the expiration date.

b) Vendors categorized in subsection (a) will be considered to be new applicants to CDB. In the event that CDB denies prequalification or grants a conditional or modified prequalification, the vendor may request administrative procedures under Subpart T, but the vendor shall not be entitled to an administrative hearing.

SUBPART X: APPLICATION OF CDB ACTION

Section 8.8070 General

a) Suspension, debarment, nullification of prequalification, modification of prequalification, issuance of conditional prequalification, or denial of prequalification by CDB or the CPO is applicable to a vendor's direct contracts with CDB and to subcontracts on CDB projects, unless otherwise determined under Section 8.8090.

b) Suspension, debarment, nullification of prequalification, modification of prequalification, issuance of conditional prequalification, or denial of prequalification by CDB or the CPO is also applicable to a design-build entity's separate prequalification as an A/E or contractor with CDB, unless the circumstances are directly related to the design-build process and not to the type of performance provided as an A/E or contractor. In these instances, CDB will issue a written determination supporting the action.

Section 8.8072 Violation of CDB Order

When a vendor works as a subcontractor on a CDB project in violation of any provisions of this Part and, continues to submit bids or offers on CDB projects when prohibited, or otherwise violates terms or conditions imposed by CDB, the CPO may extend the term of suspension, debarment, nullification, modification, or conditional prequalification, or otherwise suspend,

limit or condition the ability to submit bids or offers on contracts with CDB. If a vendor subject to a CPO order suspending or debarring the vendor, or nullifying or modifying prequalification, or making prequalification conditional, or denying prequalification and the vendor violates the order in any manner, including, but not limited to, continuing to make submittals on CDB projects, the CPO may extend the term of suspension, debarment, nullification, modification or conditional prequalification or otherwise limit or condition the ability to make submittals on contracts with CDB.

Section 8.8075 Nullification of Prequalification

When CDB determines that a contractor has knowingly made a material misrepresentation in its application for prequalification, the contractor may not re-apply to CDB for a period of 3 years.

a) When the contractor has not previously applied to CDB, or failed to reapply, the 3 year period shall begin on the date of the submittal of the application.

b) When the contractor has been determined to be responsible in error, the 3 year period shall begin on the date the current responsibility determination was made.

c) The CPO will notify the contractor of the nullity. The contractor may, within 30 days after notification, submit a written explanation with supporting documentation for the CPO's review.

d) The CPO may cancel awards or terminate any contracts awarded that were based upon the application with misrepresentations.

e) A material misrepresentation is made by knowingly submitting any untrue, misleading or deceptive information, or document containing such information, or by the concealment, suppression or omission of any information, in or from an application, that causes CDB to act differently than it would have if it had known the undisclosed or true information.

Section 8.8080 Denial of Award of Contract

Notwithstanding any other provisions of this Part, if the CPO finds a vendor non-responsible due to one or more causes set out in Section 8.8055, the CPO may deny the vendor the award of a contract.

Section 8.8082 Debarment

The CPO may debar a vendor to exclude it from bidding on CDB projects as provided in this Part or provided by statute. The CPO will consider debarment in cases so serious and egregious in nature that a loss in excess of 5 years up to a permanent loss of bidding privileges may be warranted. In addition to the causes listed in Section 8.8055, causes for debarment may include, but are not limited to, multiple or repetitive criminal convictions or multiple non-responsibility determinations. Actions to debar a vendor shall not prevent CDB or the CPO from taking any other action under this Part. Following a period of debarment, when a vendor submits a prequalification application to CDB, the application shall be deemed to be a first-time application rather than one for renewal.

Section 8.8085 Reapplication for Prequalification

When a vendor submits a prequalification application to CDB following a denial, or during or following a period of debarment, suspension, nullification, modification of ability to bid, or conditional prequalification, the vendor must affirmatively demonstrate its responsibility, including demonstrating that the reason for the denial, or imposition of suspension, debarment, nullification, modification or condition, has been remedied.

Section 8.8090 Extension of CPO Action

The effect of action imposed by the CPO will extend to all affiliates, branches, subsidiaries, divisions or parent vendors of the vendor, and to any vendor in which the contractor or its key persons have a legal or beneficial interest, unless the CPO determines otherwise in writing.

Section 8.8092 Effect on Current Contracts

Current CDB contracts may be terminated when a contractor is determined to be non-responsible and it is in the public interest to do so, whether or not the non-responsibility has a direct connection with the current contract. Contracts may be terminated with or without further action on the vendor's prequalification.

Section 8.8095 Basis of Decisions

The CPO shall make determinations, as appropriate, concerning the substance of a vendor's business as opposed to its form, and base its decisions on the substance. When a vendor attempts to evade the effects of a possible or actual finding of non-responsibility by changes of address, multiple addresses, changes in personnel or their titles, formation of new companies, or other devices, the CPO may take action pursuant to Section 8.8050 and Subpart R.

Section 8.8098 Settlement

Notwithstanding any provision of this Part, the parties to any contested matter concerning contractor prequalification may, at any time, enter into an agreement to resolve prequalification issues by settlement.

DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES

NOTICE OF PROPOSED AMENDMENT

1) Heading of the Part: Medical Assistance Programs

2) Code Citation: 89 Ill. Adm. Code 120

3) Section Number: 120.324 — Proposed Action: Amendment

4) Statutory Authority: Section 12-13 of the Illinois Public Aid Code [305 ILCS 5/12-13]

5) Complete Description of the Subjects and Issues Involved: The rulemaking will amend the cost effective ratio for determining recipient eligibility for the Health Insurance Premium Payment program from more than twice the premium cost for a period to at least two and a half times the premium cost so that the language will mirror the Department's procedures.

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 affect units of local government.

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

Jeanette Badrov
General Counsel
Illinois Department of Healthcare and Family Services
201 South Grand Avenue E., 3rd Floor
Springfield IL 62763-0002

DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES

NOTICE OF PROPOSED AMENDMENT

217/782-1233
HFS.Rules@illinois.gov

The Department requests the submission of written comments within 45 days after the publication of this Notice. The Department will consider all written comments it receives during the first notice period as required by Section 5-40 of the Illinois Administrative Procedure Act [5 ILCS 100/5-40].

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 2013

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

DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES

NOTICE OF PROPOSED AMENDMENT

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 FamilyCare Assist
120.34 FamilyCare Share and FamilyCare Premium Level 1 (Repealed)
120.40 Exceptions To Use Of MANG Income Standard (Repealed)
120.50 AMI Income Standard (Repealed)

SUBPART C: FINANCIAL ELIGIBILITY DETERMINATION

Section
120.60 Community Cases
120.61 Long Term Care
120.62 Department of Mental Health and Developmental Disabilities (DMHDD) Approved Home and Community Based Residential Settings Under 89 Ill. Adm. Code 140.643 (Repealed)
120.63 Department of Mental Health and Developmental Disabilities (DMHDD) Approved Home and Community Based Residential Settings (Repealed)
120.64 MANG(P) Cases
120.65 Department of Mental Health and Developmental Disabilities (DMHDD)

DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES

NOTICE OF PROPOSED AMENDMENT

Licensed Community – Integrated Living Arrangements (Repealed)

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 Payment of Medicare Part B Premiums for Specified Low-Income Medicare Beneficiaries (SLIBs) and Qualified Individuals-1 (QI-1)
120.74 Qualified Medicare Beneficiary (QMB) Income Standard
120.75 Specified Low-Income Medicare Beneficiaries (SLIBs) and Qualified Individuals-1 (QI-1) 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)

DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES

NOTICE OF PROPOSED AMENDMENT

120.230 Unearned Income (Repealed)
120.235 Exempt Unearned Income (Repealed)
120.236 Education Benefits (Repealed)
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 (MANG) ELIGIBILITY FACTORS

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

DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES

NOTICE OF PROPOSED AMENDMENT

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 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
120.328	Compliance with Employment and Work Activity Requirements (Suspended; Repealed)
120.329	Compliance with Non-Economic Eligibility Requirements of Article IV (Suspended; Repealed)
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 and Annuities
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

DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES

NOTICE OF PROPOSED AMENDMENT

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 Resources
120.381 Exempt Resources
120.382 Resource Disregard
120.383 Deferral of Consideration of Assets
120.384 Spenddown of Resources
120.385 Factors Affecting Eligibility for Long Term Care Services
120.386 Property Transfers Occurring On or Before August 10, 1993
120.387 Property Transfers Occurring On or After August 11, 1993 and Before January 1, 2007
120.388 Property Transfers Occurring On or After January 1, 2007
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
120.550 Asylum Applicants and Torture Victims

120.TABLE A Value of a Life Estate and Remainder Interest
120.TABLE B Life Expectancy (Repealed)

DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES

NOTICE OF PROPOSED AMENDMENT

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] and implementing the federal Deficit Reduction Act of 2005.

SOURCE: Filed effective December 30, 1977; peremptory amendment at 2 Ill. Reg. 17, p. 117, effective February 1, 1978; amended at 2 Ill. Reg. 31, p. 134, effective August 5, 1978; emergency amendment at 2 Ill. Reg. 37, p. 4, effective August 30, 1978, for a maximum of 150 days; peremptory amendment at 2 Ill. Reg. 46, p. 44, effective November 1, 1978; peremptory amendment at 2 Ill. Reg. 46, p. 56, effective November 1, 1978; emergency amendment at 3 Ill. Reg. 16, p. 41, effective April 9, 1979, for a maximum of 150 days; emergency amendment at 3 Ill. Reg. 28, p. 182, effective July 1, 1979, for a maximum of 150 days; amended at 3 Ill. Reg. 33, p. 399, effective August 18, 1979; amended at 3 Ill. Reg. 33, p. 415, effective August 18, 1979; amended at 3 Ill. Reg. 38, p. 243, effective September 21, 1979; peremptory amendment at 3 Ill. Reg. 38, p. 321, effective September 7, 1979; amended at 3 Ill. Reg. 40, p. 140, effective October 6, 1979; amended at 3 Ill. Reg. 46, p. 36, effective November 2, 1979; amended at 3 Ill. Reg. 47, p. 96, effective November 13, 1979; amended at 3 Ill. Reg. 48, p. 1, effective November 15, 1979; peremptory amendment at 4 Ill. Reg. 9, p. 259, effective February 22, 1980; amended at 4 Ill. Reg. 10, p. 258, effective February 25, 1980; amended at 4 Ill. Reg. 12, p. 551, effective 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; peremptory 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; peremptory amendment at 5 Ill. Reg. 8106, effective August 1, 1981; peremptory amendment at 5 Ill. Reg. 10062, effective October 1, 1981; peremptory amendment at 5 Ill. Reg. 10079, effective October 1, 1981; peremptory amendment at 5 Ill. Reg. 10095, effective October 1, 1981; peremptory amendment at 5 Ill. Reg. 10113, effective October 1, 1981; peremptory amendment at 5 Ill. Reg. 10124, effective October 1, 1981; peremptory 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; peremptory amendment at 5 Ill. Reg. 11647, effective October 16, 1981; peremptory 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; peremptory amendment at 6 Ill. Reg. 2452, effective February 11, 1982; peremptory amendment at 6 Ill. Reg. 6475, effective May 18, 1982; peremptory 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, l983; amended at 7 Ill. Reg. 8264, effective July 5, l983; 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; peremptory amendment at 8 Ill. Reg. 20706, effective October 3, 1984; amended at 8 Ill. Reg. 25053, effective December 12, 1984; emergency amendment at 9 Ill. Reg. 830, effective January 3, 1985, for a maximum of 150 days; amended at 9 Ill. Reg. 4515, effective March 25, 1985; amended at 9 Ill. Reg. 5346, effective April 11, 1985; amended at 9 Ill. Reg. 7153, effective May 6, 1985; amended at 9 Ill. Reg. 11346, effective July 8, 1985; amended at 9 Ill. Reg. 12298, effective July 25, 1985; amended at 9 Ill. Reg. 12823, effective August 9, 1985; amended at 9 Ill. Reg. 15903, effective October 4, 1985; amended at 9 Ill. Reg. 16300, effective October 10, 1985; amended at 9 Ill. Reg. 16906, effective October 18, 1985; amended at 10 Ill. Reg. 1192, effective January 10, 1986; amended at 10 Ill. Reg. 3033, effective January 23, 1986; amended at 10 Ill. Reg. 4907, effective March 7, 1986; amended at 10 Ill. Reg. 6966, effective April 16, 1986; amended at 10 Ill. Reg. 10688, effective June 3, 1986; amended at 10 Ill. Reg. 12672, effective July 14, 1986; amended at 10 Ill. Reg. 15649, effective September 19, 1986; amended at 11 Ill. Reg. 3992, effective February 23, 1987; amended at 11 Ill. Reg. 7652, effective April 15, 1987; amended at 11 Ill. Reg. 8735, effective April 20, 1987; emergency amendment at 11 Ill. Reg. 12458, effective July 10, 1987, for a maximum of 150 days; amended at 11 Ill. Reg. 14034, effective August 14, 1987; amended at 11 Ill. Reg. 14763, effective August 26, 1987; amended at 11 Ill. Reg. 20142, effective January 1, 1988; amended at 11 Ill. Reg. 20898, effective December 14, 1987; amended at 12 Ill. Reg. 904, effective January 1, 1988; amended at 12 Ill. Reg. 3516, effective January 22, 1988; amended at 12 Ill. Reg. 6234, effective March 22, 1988; amended at 12 Ill. Reg. 8672, effective May 13, 1988; amended at 12 Ill. Reg. 9132, effective May 20, 1988; amended at 12 Ill. Reg. 11483, effective June 30, 1988; emergency amendment at 12 Ill. Reg. 11632, effective July 1, 1988, for a maximum of 150 days; emergency amendment at 12 Ill. Reg. 11839, effective July 1, 1988, for a maximum of 150 days; amended at 12 Ill. Reg. 12835, effective July 22, 1988; emergency amendment at 12 Ill. Reg. 13243, effective July 29, 1988, for a maximum of 150 days; amended at 12 Ill. Reg. 17867, effective October 30, 1988; amended at 12 Ill. Reg. 19704, effective November 15, 1988;

amended at 12 Ill. Reg. 20188, effective November 23, 1988; amended at 13 Ill. Reg. 116, effective January 1, 1989; amended at 13 Ill. Reg. 2081, effective February 3, 1989; amended at 13 Ill. Reg. 3908, effective March 10, 1989; emergency amendment at 13 Ill. Reg. 11929, effective June 27, 1989, for a maximum of 150 days; emergency expired November 25, 1989; emergency amendment at 13 Ill. Reg. 12137, effective July 1, 1989, for a maximum of 150 days; amended at 13 Ill. Reg. 15404, effective October 6, 1989; emergency amendment at 13 Ill. Reg. 16586, effective October 2, 1989, for a maximum of 150 days; emergency expired March 1, 1990; amended at 13 Ill. Reg. 17483, effective October 31, 1989; amended at 13 Ill. Reg. 17838, effective November 8, 1989; amended at 13 Ill. Reg. 18872, effective November 17, 1989; amended at 14 Ill. Reg. 760, effective January 1, 1990; emergency amendment at 14 Ill. Reg. 1494, effective January 2, 1990, for a maximum of 150 days; amended at 14 Ill. Reg. 4233, effective March 5, 1990; emergency amendment at 14 Ill. Reg. 5839, effective April 3, 1990, for a maximum of 150 days; amended at 14 Ill. Reg. 6372, effective April 16, 1990; amended at 14 Ill. Reg. 7637, effective May 10, 1990; amended at 14 Ill. Reg. 10396, effective June 20, 1990; amended at 14 Ill. Reg. 13227, effective August 6, 1990; amended at 14 Ill. Reg. 14814, effective September 3, 1990; amended at 14 Ill. Reg. 17004, effective September 30, 1990; emergency amendment at 15 Ill. Reg. 348, effective January 1, 1991, for a maximum of 150 days; amended at 15 Ill. Reg. 5302, effective April 1, 1991; amended at 15 Ill. Reg. 10101, effective June 24, 1991; amended at 15 Ill. Reg. 11973, effective August 12, 1991; amended at 15 Ill. Reg. 12747, effective August 16, 1991; amended at 15 Ill. Reg. 14105, effective 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 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; emergency amendment at 31 Ill. Reg. 7323, effective May 1, 2007, for a maximum of 150 days; amended at 31 Ill. Reg. 11667, effective August 1, 2007; amended at 31 Ill. Reg. 12756, effective August 27, 2007; emergency amendment at 31 Ill. Reg. 15854, effective November 7, 2007, for a maximum of 150 days; emergency rule suspended at 31 Ill. Reg. 16060, effective November 13, 2007; emergency rule repealed, effective May 10, 2008; peremptory amendment at 32 Ill. Reg. 7212, effective April 21, 2008; peremptory amendment suspended at 32 Ill. Reg. 8450, effective May 20, 2008; peremptory amendment repealed under Section 5-125 of the Illinois Administrative Procedure Act, effective November 16, 2008; amended at 32 Ill. Reg. 17428, effective November 1, 2008; peremptory amendment at 32 Ill. Reg. 18889, effective November 18, 2008; peremptory amendment suspended at 32 Ill. Reg. 18906, effective November 19, 2008; suspension withdrawn by the Joint Committee on Administrative Rules at 33 Ill. Reg. 6551, effective April 28, 2009; peremptory amendment repealed by emergency

rulemaking at 33 Ill. Reg. 6712, effective April 28, 2009, for a maximum of 150 days; amended at 33 Ill. Reg. 1681, effective February 1, 2009; amended at 33 Ill. Reg. 2289, effective March 1, 2009; emergency amendment at 33 Ill. Reg. 5802, effective April 2, 2009, for a maximum of 150 days; emergency expired August 29, 2009; emergency amendment at 33 Ill. Reg. 10785, effective June 30, 2009, for a maximum of 150 days; amended at 33 Ill. Reg. 12703, effective September 7, 2009; amended at 33 Ill. Reg. 15707, effective November 2, 2009; amended at 33 Ill. Reg. 17070, effective December 2, 2009; amended at 34 Ill. Reg. 889, effective December 30, 2009; emergency rulemaking at 34 Ill. Reg. 13538, effective September 1, 2010, for a maximum of 150 days; amended at 35 Ill. Reg. 379, effective December 27, 2010; amended at 35 Ill. Reg. 979, effective January 1, 2011; amended at 35 Ill. Reg. 18645, effective January 1, 2012; amended at 36 Ill. Reg. 4133, effective March 1, 2012; amended at 36 Ill. Reg. 9095, effective June 11, 2012; emergency amendment at 36 Ill. Reg. 10253, effective July 1, 2012 through June 30, 2013; amended at 36 Ill. Reg. 17044, effective November 26, 2012; emergency amendment at 36 Ill. Reg. 17549, effective December 3, 2012 through June 30, 2013; amended at 37 Ill. Reg. 10208, effective June 27, 2013; amended at 37 Ill. Reg. _____, effective _____.

SUBPART H: MEDICAL ASSISTANCE – NO GRANT (MANG) ELIGIBILITY FACTORS

Section 120.324 Health Insurance Premium Payment (HIPP) Program

a) This program provides health insurance coverage for recipients who have health insurance available and have high cost medical expenses. Authorization for the Health Insurance Premium Payment Program (HIPP) was established by section~~Section~~ 4402 of OBRA 1990, which added section~~Section~~ 1906 to the Social Security Act.

b) Program Provisions

1) The HIPP Program shall provide for the mandatory enrollment of eligible persons in available cost effective group or individual health plans as a condition of medical assistance eligibility. A group health plan is "any plan of, or contributed to by, an employer (including a self insured plan) to provide health care to the employer's employees, former employees, or families of such employees or former employees." An individual health plan is a contract for health insurance coverage between an individual and an insurance company.

2) The Department shall pay health insurance premiums for eligible medical

assistance recipients whenever it is likely to be cost effective.

c) Program Standards

1) The HIPP program shall be limited to persons otherwise eligible for medical assistance (excluding spenddown and long term care clients) who have high cost medical conditions such as, but not limited to:

A) Severe arthritis;

B) Cancer;

C) Heart ailment or defect;

D) Liver disease or dysfunction;

E) Kidney disease or dysfunction;

F) Brain disease or disorder;

G) Neurological disease or disorder;

H) Diabetes;

I) Acquired Immune Deficiency Syndrome (AIDS);

J) Organ transplant; and

K) Any other medical condition requiring high cost ongoing medical treatment.

2) To be eligible for medical assistance, a client with a high cost medical condition who can enroll in a group or individual health plan must supply information about the health plan. The client must enroll (or re-enroll) if:

A) the client can enroll on his or her own behalf;~~,~~ and

B) the plan covers the client's high cost medical condition;~~,~~ and

C) the plan is determined by the Department to be cost effective.

3) A client that fails to enroll in a cost effective health plan~~,~~ is ineligible for medical assistance until the next enrollment period and proof of enrollment is provided.

4) Determination of the cost effectiveness shall be made by the Department on a case-by-case basis using prior medical history.

5) Cost effective means the average cost of medical services for the period of time covered by the health insurance premium is at least two and a half times~~greater than twice~~ the premium cost for the period.

6) The Department will notify the client that enrollment is necessary because the plan is cost effective. The client will have the right to appeal this determination according to ~~the rules in~~ 89 Ill. Adm. Code 102.80.

7) When the policy covers other family members only, the client's share of the premium will be paid by HIPP unless retention of the policy is contingent upon paying premiums for other medical assistance eligible recipients.

8) Payment of premium for a non-eligible family member may be made if necessary to enroll the HIPP participant. A non-eligible family member may reside in another household. Deductibles and co-insurance shall not be paid for the non-eligible family members. Premiums shall not be paid if the non-eligible family member is required to enroll dependents ~~dependent(s)~~ through a divorce order or order for medical support.

9) Health insurance premiums may be paid directly to employers, unions or insurance companies.

10) Clients paying their own premiums shall be reimbursed only if premium payments are made through payroll deduction or the client has already paid the premium. Reimbursement of premium shall only be made after client accumulates a minimum of $50.00 in payments and submits proof of payment.

11) HIPP shall pay deductibles and co-payments based on the Department's

medical payment standards.

12) Medical assistance payments shall be made for items and services covered under the Medical Assistance Program that~~which~~ are not covered by the health plan.

13) Premium payments may be made prior to case approval or certification only when it appears likely that the case will be approved or certified and timely payment or enrollment is crucial to the retention of coverage.

14) Assignment of medical support rights provisions shall apply to any health insurance premium for which the Department pays or reimburses the client. If the client receives a return of premium, for any reason, from the insurance carrier, the returned premium must immediately be turned over to the Department~~,~~ or be subject to recovery.

15) Insurance payments for medical services shall be assigned to the medical provider at the time the services are requested. In the event a client receives an insurance payment for medical services that~~which~~ were also paid by the Department, the client must immediately turn the payment over to the Department~~,~~ or be subject to recovery.

(Source: Amended at 37 Ill. Reg. _____, effective _____)

DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES

NOTICE OF PROPOSED AMENDMENTS

1) Heading of the Part: Medical Payment

2) Code Citation: 89 Ill. Adm. Code 140

3)

Section Numbers:	Proposed Action:
140.492	Amendment
140.493	Amendment

4) Statutory Authority: Section 12-13 of the Illinois Public Aid Code [305 ILCS 5/12-13]

5) Complete Description of the Subjects and Issues Involved: This rulemaking increases reimbursement rates for ambulance services.

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? Yes

Section Numbers:	Proposed Action:	Ill. Reg. Citation:
140.491	Amendment	36 Ill. Reg. 18105; December 28, 2012
140.24	Amendment	37 Ill. Reg. 3362; March 22, 2013
140.28	Amendment	37 Ill. Reg. 3362; March 22, 2013
140.481	Amendment	37 Ill. Reg. 5243; April 26, 2013
140.55	Amendment	37 Ill. Reg. 7078; May 24, 2013
140.80	Amendment	37 Ill. Reg. 10941; July 19, 2013

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

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

DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES

NOTICE OF PROPOSED AMENDMENTS

Jeanette Badrov
General Counsel
Illinois Department of Healthcare and Family Services
201 South Grand Avenue E., 3rd Floor
Springfield IL 62763-0002

217/782-1233
HFS.Rules@illinois.gov

The Department requests the submission of written comments within 45 days after the publication of this Notice. The Department will consider all written comments it receives during the first notice period as required by Section 5-40 of the Illinois Administrative Procedure Act [5 ILCS 100/5-40].

13) Initial Regulatory Flexibility Analysis:

A) Types of small businesses, small municipalities and not-for-profit corporations affected: Medicaid funded transportation providers

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 2013

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

DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES

NOTICE OF PROPOSED AMENDMENTS

TITLE 89: SOCIAL SERVICES
CHAPTER I: DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES
SUBCHAPTER d: MEDICAL PROGRAMS

PART 140
MEDICAL PAYMENT

SUBPART A: GENERAL PROVISIONS

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

SUBPART B: MEDICAL PROVIDER PARTICIPATION

Section
140.11 Enrollment Conditions for Medical Providers
140.12 Participation Requirements for Medical Providers
140.13 Definitions
140.14 Denial of Application to Participate in the Medical Assistance Program
140.15 Suspension and Denial of Payment, Recovery of Money and Penalties
140.16 Termination, Suspension or Exclusion of a Vendor's Eligibility to Participate in the Medical Assistance Program
140.17 Suspension of a Vendor's Eligibility to Participate in the Medical Assistance Program
140.18 Effect of Termination, Suspension, Exclusion or Revocation on Persons Associated with Vendor

DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES

NOTICE OF PROPOSED AMENDMENTS

140.19 Application to Participate or for Reinstatement Subsequent to Termination, Suspension, Exclusion or Barring
140.20 Submittal of Claims
140.21 Reimbursement for QMB Eligible Medical Assistance Recipients and QMB Eligible Only Recipients and Individuals Who Are Entitled to Medicare Part A or Part B and Are Eligible for Some Form of Medicaid Benefits
140.22 Magnetic Tape Billings (Repealed)
140.23 Payment of Claims
140.24 Payment Procedures
140.25 Overpayment or Underpayment of Claims
140.26 Payment to Factors Prohibited
140.27 Assignment of Vendor Payments
140.28 Record Requirements for Medical Providers
140.30 Audits
140.31 Emergency Services Audits
140.32 Prohibition on Participation, and Special Permission for Participation
140.33 Publication of List of Sanctioned Entities
140.35 False Reporting and Other Fraudulent Activities
140.40 Prior Approval for Medical Services or Items
140.41 Prior Approval in Cases of Emergency
140.42 Limitation on Prior Approval
140.43 Post Approval for Items or Services When Prior Approval Cannot Be Obtained
140.44 Withholding of Payments Due to Fraud or Misrepresentation
140.45 Withholding of Payments Upon Provider Audit, Quality of Care Review, Credible Allegation of Fraud or Failure to Cooperate
140.55 Recipient Eligibility Verification (REV) System
140.71 Reimbursement for Medical Services Through the Use of a C-13 Invoice Voucher Advance Payment and Expedited Payments
140.72 Drug Manual (Recodified)
140.73 Drug Manual Updates (Recodified)

SUBPART C: PROVIDER ASSESSMENTS

Section
140.80 Hospital Provider Fund
140.82 Developmentally Disabled Care Provider Fund
140.84 Long Term Care Provider Fund
140.94 Medicaid Developmentally Disabled Provider Participation Fee Trust Fund/Medicaid Long Term Care Provider Participation Fee Trust Fund
140.95 Hospital Services Trust Fund

DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES

NOTICE OF PROPOSED AMENDMENTS

140.96	General Requirements (Recodified)
140.97	Special Requirements (Recodified)
140.98	Covered Hospital Services (Recodified)
140.99	Hospital Services Not Covered (Recodified)
140.100	Limitation On Hospital Services (Recodified)
140.101	Transplants (Recodified)
140.102	Heart Transplants (Recodified)
140.103	Liver Transplants (Recodified)
140.104	Bone Marrow Transplants (Recodified)
140.110	Disproportionate Share Hospital Adjustments (Recodified)
140.116	Payment for Inpatient Services for GA (Recodified)
140.117	Hospital Outpatient and Clinic Services (Recodified)
140.200	Payment for Hospital Services During Fiscal Year 1982 (Recodified)
140.201	Payment for Hospital Services After June 30, 1982 (Repealed)
140.202	Payment for Hospital Services During Fiscal Year 1983 (Recodified)
140.203	Limits on Length of Stay by Diagnosis (Recodified)
140.300	Payment for Pre-operative Days and Services Which Can Be Performed in an Outpatient Setting (Recodified)
140.350	Copayments (Recodified)
140.360	Payment Methodology (Recodified)
140.361	Non-Participating Hospitals (Recodified)
140.362	Pre July 1, 1989 Services (Recodified)
140.363	Post June 30, 1989 Services (Recodified)
140.364	Prepayment Review (Recodified)
140.365	Base Year Costs (Recodified)
140.366	Restructuring Adjustment (Recodified)
140.367	Inflation Adjustment (Recodified)
140.368	Volume Adjustment (Repealed)
140.369	Groupings (Recodified)
140.370	Rate Calculation (Recodified)
140.371	Payment (Recodified)
140.372	Review Procedure (Recodified)
140.373	Utilization (Repealed)
140.374	Alternatives (Recodified)
140.375	Exemptions (Recodified)
140.376	Utilization, Case-Mix and Discretionary Funds (Repealed)
140.390	Subacute Alcoholism and Substance Abuse Services (Recodified)
140.391	Definitions (Recodified)
140.392	Types of Subacute Alcoholism and Substance Abuse Services (Recodified)
140.394	Payment for Subacute Alcoholism and Substance Abuse Services (Recodified)

DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES

NOTICE OF PROPOSED AMENDMENTS

140.396 Rate Appeals for Subacute Alcoholism and Substance Abuse Services (Recodified)
140.398 Hearings (Recodified)

SUBPART D: PAYMENT FOR NON-INSTITUTIONAL SERVICES

Section
140.400 Payment to Practitioners
140.402 Copayments for Noninstitutional Medical Services
140.403 Telehealth Services
140.405 Non-Institutional Rate Reductions
140.410 Physicians' Services
140.411 Covered Services By Physicians
140.412 Services Not Covered By Physicians
140.413 Limitation on Physician Services
140.414 Requirements for Prescriptions and Dispensing of Pharmacy Items – Prescribers
140.416 Optometric Services and Materials
140.417 Limitations on Optometric Services
140.418 Department of Corrections Laboratory
140.420 Dental Services
140.421 Limitations on Dental Services
140.422 Requirements for Prescriptions and Dispensing Items of Pharmacy Items – Dentists (Repealed)
140.425 Podiatry Services
140.426 Limitations on Podiatry Services
140.427 Requirement for Prescriptions and Dispensing of Pharmacy Items – Podiatry (Repealed)
140.428 Chiropractic Services
140.429 Limitations on Chiropractic Services (Repealed)
140.430 Independent Clinical Laboratory Services
140.431 Services Not Covered by Independent Clinical Laboratories
140.432 Limitations on Independent Clinical Laboratory Services
140.433 Payment for Clinical Laboratory Services
140.434 Record Requirements for Independent Clinical Laboratories
140.435 Advanced Practice Nurse Services
140.436 Limitations on Advanced Practice Nurse Services
140.438 Diagnostic Imaging Services
140.440 Pharmacy Services
140.441 Pharmacy Services Not Covered
140.442 Prior Approval of Prescriptions

DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES

NOTICE OF PROPOSED AMENDMENTS

140.443 Filling of Prescriptions
140.444 Compounded Prescriptions
140.445 Legend Prescription Items (Not Compounded)
140.446 Over-the-Counter Items
140.447 Reimbursement
140.448 Returned Pharmacy Items
140.449 Payment of Pharmacy Items
140.450 Record Requirements for Pharmacies
140.451 Prospective Drug Review and Patient Counseling
140.452 Mental Health Services
140.453 Definitions
140.454 Types of Mental Health Services
140.455 Payment for Mental Health Services
140.456 Hearings
140.457 Therapy Services
140.458 Prior Approval for Therapy Services
140.459 Payment for Therapy Services
140.460 Clinic Services
140.461 Clinic Participation, Data and Certification Requirements
140.462 Covered Services in Clinics
140.463 Clinic Service Payment
140.464 Hospital-Based and Encounter Rate Clinic Payments
140.465 Speech and Hearing Clinics (Repealed)
140.466 Rural Health Clinics (Repealed)
140.467 Independent Clinics
140.469 Hospice
140.470 Eligible Home Health Care, Nursing and Public Health Providers
140.471 Description of Home Health Care Services
140.472 Types of Home Health Care Services
140.473 Prior Approval for Home Health Care Services
140.474 Payment for Home Health Care Services
140.475 Medical Equipment, Supplies, Prosthetic Devices and Orthotic Devices
140.476 Medical Equipment, Supplies, Prosthetic Devices and Orthotic Devices for Which Payment Will Not Be Made
140.477 Limitations on Equipment, Prosthetic Devices and Orthotic Devices
140.478 Prior Approval for Medical Equipment, Supplies, Prosthetic Devices and Orthotic Devices
140.479 Limitations, Medical Supplies
140.480 Equipment Rental Limitations
140.481 Payment for Medical Equipment, Supplies, Prosthetic Devices and Hearing Aids

DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES

NOTICE OF PROPOSED AMENDMENTS

140.482 Family Planning Services
140.483 Limitations on Family Planning Services
140.484 Payment for Family Planning Services
140.485 Healthy Kids Program
140.486 Illinois Healthy Women
140.487 Healthy Kids Program Timeliness Standards
140.488 Periodicity Schedules, Immunizations and Diagnostic Laboratory Procedures
140.490 Medical Transportation
140.491 Limitations on Medical Transportation
140.492 Payment for Medical Transportation
140.493 Payment for Helicopter Transportation
140.494 Record Requirements for Medical Transportation Services
140.495 Psychological Services
140.496 Payment for Psychological Services
140.497 Hearing Aids
140.498 Fingerprint-Based Criminal Background Checks

SUBPART E: GROUP CARE

Section
140.500 Long Term Care Services
140.502 Cessation of Payment at Federal Direction
140.503 Cessation of Payment for Improper Level of Care
140.504 Cessation of Payment Because of Termination of Facility
140.505 Informal Hearing Process for Denial of Payment for New ICF/MR
140.506 Provider Voluntary Withdrawal
140.507 Continuation of Provider Agreement
140.510 Determination of Need for Group Care
140.511 Long Term Care Services Covered By Department Payment
140.512 Utilization Control
140.513 Notification of Change in Resident Status
140.514 Certifications and Recertifications of Care (Repealed)
140.515 Management of Recipient Funds – Personal Allowance Funds
140.516 Recipient Management of Funds
140.517 Correspondent Management of Funds
140.518 Facility Management of Funds
140.519 Use or Accumulation of Funds
140.520 Management of Recipient Funds – Local Office Responsibility
140.521 Room and Board Accounts
140.522 Reconciliation of Recipient Funds

140.523 Bed Reserves
140.524 Cessation of Payment Due to Loss of License
140.525 Quality Incentive Program (QUIP) Payment Levels
140.526 County Contribution to Medicaid Reimbursement (Repealed)
140.527 Quality Incentive Survey (Repealed)
140.528 Payment of Quality Incentive (Repealed)
140.529 Reviews (Repealed)
140.530 Basis of Payment for Long Term Care Services
140.531 General Service Costs
140.532 Health Care Costs
140.533 General Administration Costs
140.534 Ownership Costs
140.535 Costs for Interest, Taxes and Rent
140.536 Organization and Pre-Operating Costs
140.537 Payments to Related Organizations
140.538 Special Costs
140.539 Reimbursement for Basic Nursing Assistant, Developmental Disabilities Aide, Basic Child Care Aide and Habilitation Aide Training and Nursing Assistant Competency Evaluation
140.540 Costs Associated With Nursing Home Care Reform Act and Implementing Regulations
140.541 Salaries Paid to Owners or Related Parties
140.542 Cost Reports – Filing Requirements
140.543 Time Standards for Filing Cost Reports
140.544 Access to Cost Reports (Repealed)
140.545 Penalty for Failure to File Cost Reports
140.550 Update of Operating Costs
140.551 General Service Costs Updates
140.552 Nursing and Program Costs
140.553 General Administrative Costs Updates
140.554 Component Inflation Index (Repealed)
140.555 Minimum Wage
140.560 Components of the Base Rate Determination
140.561 Support Costs Components
140.562 Nursing Costs
140.563 Capital Costs
140.565 Kosher Kitchen Reimbursement
140.566 Out-of-State Placement
140.567 Level II Incentive Payments (Repealed)
140.568 Duration of Incentive Payments (Repealed)

DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES

NOTICE OF PROPOSED AMENDMENTS

140.569 Clients With Exceptional Care Needs
140.570 Capital Rate Component Determination
140.571 Capital Rate Calculation
140.572 Total Capital Rate
140.573 Other Capital Provisions
140.574 Capital Rates for Rented Facilities
140.575 Newly Constructed Facilities (Repealed)
140.576 Renovations (Repealed)
140.577 Capital Costs for Rented Facilities (Renumbered)
140.578 Property Taxes
140.579 Specialized Living Centers
140.580 Mandated Capital Improvements (Repealed)
140.581 Qualifying as Mandated Capital Improvement (Repealed)
140.582 Cost Adjustments
140.583 Campus Facilities
140.584 Illinois Municipal Retirement Fund (IMRF)
140.590 Audit and Record Requirements
140.642 Screening Assessment for Nursing Facility and Alternative Residential Settings and Services
140.643 In-Home Care Program
140.645 Home and Community Based Services Waivers for Medically Fragile, Technology Dependent, Disabled Persons Under Age 21 (Repealed)
140.646 Reimbursement for Developmental Training (DT) Services for Individuals With Developmental Disabilities Who Reside in Long Term Care (ICF and SNF) and Residential (ICF/MR) Facilities
140.647 Description of Developmental Training (DT) Services
140.648 Determination of the Amount of Reimbursement for Developmental Training (DT) Programs
140.649 Effective Dates of Reimbursement for Developmental Training (DT) Programs
140.650 Certification of Developmental Training (DT) Programs
140.651 Decertification of Day Programs
140.652 Terms of Assurances and Contracts
140.680 Effective Date Of Payment Rate
140.700 Discharge of Long Term Care Residents
140.830 Appeals of Rate Determinations
140.835 Determination of Cap on Payments for Long Term Care (Repealed)

SUBPART F: FEDERAL CLAIMING FOR STATE AND LOCAL GOVERNMENTAL ENTITIES

DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES

NOTICE OF PROPOSED AMENDMENTS

Section
140.850 Reimbursement of Administrative Expenditures
140.855 Administrative Claim Review and Reconsideration Procedure
140.860 County Owned or Operated Nursing Facilities
140.865 Sponsor Qualifications (Repealed)
140.870 Sponsor Responsibilities (Repealed)
140.875 Department Responsibilities (Repealed)
140.880 Provider Qualifications (Repealed)
140.885 Provider Responsibilities (Repealed)
140.890 Payment Methodology (Repealed)
140.895 Contract Monitoring (Repealed)
140.896 Reimbursement For Program Costs (Active Treatment) For Clients in Long Term Care Facilities For the Developmentally Disabled (Recodified)
140.900 Reimbursement For Nursing Costs For Geriatric Residents in Group Care Facilities (Recodified)
140.901 Functional Areas of Needs (Recodified)
140.902 Service Needs (Recodified)
140.903 Definitions (Recodified)
140.904 Times and Staff Levels (Repealed)
140.905 Statewide Rates (Repealed)
140.906 Reconsiderations (Recodified)
140.907 Midnight Census Report (Recodified)
140.908 Times and Staff Levels (Recodified)
140.909 Statewide Rates (Recodified)
140.910 Referrals (Recodified)
140.911 Basic Rehabilitation Aide Training Program (Recodified)
140.912 Interim Nursing Rates (Recodified)

SUBPART G: MATERNAL AND CHILD HEALTH PROGRAM

Section
140.920 General Description
140.922 Covered Services
140.924 Maternal and Child Health Provider Participation Requirements
140.926 Client Eligibility (Repealed)
140.928 Client Enrollment and Program Components (Repealed)
140.930 Reimbursement
140.932 Payment Authorization for Referrals (Repealed)

SUBPART H: ILLINOIS COMPETITIVE ACCESS AND

DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES

NOTICE OF PROPOSED AMENDMENTS

REIMBURSEMENT EQUITY (ICARE) PROGRAM

Section
140.940 Illinois Competitive Access and Reimbursement Equity (ICARE) Program (Recodified)
140.942 Definition of Terms (Recodified)
140.944 Notification of Negotiations (Recodified)
140.946 Hospital Participation in ICARE Program Negotiations (Recodified)
140.948 Negotiation Procedures (Recodified)
140.950 Factors Considered in Awarding ICARE Contracts (Recodified)
140.952 Closing an ICARE Area (Recodified)
140.954 Administrative Review (Recodified)
140.956 Payments to Contracting Hospitals (Recodified)
140.958 Admitting and Clinical Privileges (Recodified)
140.960 Inpatient Hospital Care or Services by Non-Contracting Hospitals Eligible for Payment (Recodified)
140.962 Payment to Hospitals for Inpatient Services or Care not Provided under the ICARE Program (Recodified)
140.964 Contract Monitoring (Recodified)
140.966 Transfer of Recipients (Recodified)
140.968 Validity of Contracts (Recodified)
140.970 Termination of ICARE Contracts (Recodified)
140.972 Hospital Services Procurement Advisory Board (Recodified)
140.980 Elimination Of Aid To The Medically Indigent (AMI) Program (Emergency Expired)
140.982 Elimination Of Hospital Services For Persons Age Eighteen (18) And Older And Persons Married And Living With Spouse, Regardless Of Age (Emergency Expired)

SUBPART I: PRIMARY CARE CASE MANAGEMENT PROGRAM

Section
140.990 Primary Care Case Management Program
140.991 Primary Care Provider Participation Requirements
140.992 Populations Eligible to Participate in the Primary Care Case Management Program
140.993 Care Management Fees
140.994 Panel Size and Affiliated Providers
140.995 Mandatory Enrollment
140.996 Access to Health Care Services

DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES

NOTICE OF PROPOSED AMENDMENTS

140.997 Payment for Services

SUBPART J: ALTERNATE PAYEE PARTICIPATION

Section
140.1001 Registration Conditions for Alternate Payees
140.1002 Participation Requirements for Alternate Payees
140.1003 Recovery of Money for Alternate Payees
140.1004 Conditional Registration for Alternate Payees
140.1005 Revocation of an Alternate Payee

SUBPART K: MANDATORY MCO ENROLLMENT

140.1010 Mandatory Enrollment in MCOs

SUBPART L: UNAUTHORIZED USE OF MEDICAL ASSISTANCE

Section
140.1300 Definitions
140.1310 Recovery of Money
140.1320 Penalties
140.1330 Enforcement

140.TABLE A Criteria for Non-Emergency Ambulance Transportation
140.TABLE B Geographic Areas
140.TABLE C Capital Cost Areas
140.TABLE D Schedule of Dental Procedures
140.TABLE E Time Limits for Processing of Prior Approval Requests
140.TABLE F Podiatry Service Schedule (Repealed)
140.TABLE G Travel Distance Standards
140.TABLE H Areas of Major Life Activity
140.TABLE I Staff Time and Allocation for Training Programs (Recodified)
140.TABLE J HSA Grouping (Repealed)
140.TABLE K Services Qualifying for 10% Add-On (Repealed)
140.TABLE L Services Qualifying for 10% Add-On to Surgical Incentive Add-On (Repealed)
140.TABLE M Enhanced Rates for Maternal and Child Health Provider Services

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

DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES

NOTICE OF PROPOSED AMENDMENTS

SOURCE: Adopted at 3 Ill. Reg. 24, p. 166, effective June 10, 1979; rule repealed and new rule adopted at 6 Ill. Reg. 8374, effective July 6, 1982; emergency amendment at 6 Ill. Reg. 8508, effective July 6, 1982, for a maximum of 150 days; amended at 7 Ill. Reg. 681, effective December 30, 1982; amended at 7 Ill. Reg. 7956, effective July 1, 1983; amended at 7 Ill. Reg. 8308, effective July 1, 1983; amended at 7 Ill. Reg. 8271, effective July 5, 1983; emergency amendment at 7 Ill. Reg. 8354, effective July 5, 1983, for a maximum of 150 days; amended at 7 Ill. Reg. 8540, effective July 15, 1983; amended at 7 Ill. Reg. 9382, effective July 22, 1983; amended at 7 Ill. Reg. 12868, effective September 20, 1983; peremptory amendment at 7 Ill. Reg. 15047, effective October 31, 1983; amended at 7 Ill. Reg. 17358, effective December 21, 1983; amended at 8 Ill. Reg. 254, effective December 21, 1983; emergency amendment at 8 Ill. Reg. 580, effective January 1, 1984, for a maximum of 150 days; codified at 8 Ill. Reg. 2483; amended at 8 Ill. Reg. 3012, effective February 22, 1984; amended at 8 Ill. Reg. 5262, effective April 9, 1984; amended at 8 Ill. Reg. 6785, effective April 27, 1984; amended at 8 Ill. Reg. 6983, effective May 9, 1984; amended at 8 Ill. Reg. 7258, effective May 16, 1984; emergency amendment at 8 Ill. Reg. 7910, effective May 22, 1984, for a maximum of 150 days; amended at 8 Ill. Reg. 7910, effective June 1, 1984; amended at 8 Ill. Reg. 10032, effective June 18, 1984; emergency amendment at 8 Ill. Reg. 10062, effective June 20, 1984, for a maximum of 150 days; amended at 8 Ill. Reg. 13343, effective July 17, 1984; amended at 8 Ill. Reg. 13779, effective July 24, 1984; Sections 140.72 and 140.73 recodified to 89 Ill. Adm. Code 141 at 8 Ill. Reg. 16354; amended (by adding sections being codified with no substantive change) at 8 Ill. Reg. 17899; peremptory amendment at 8 Ill. Reg. 18151, effective September 18, 1984; amended at 8 Ill. Reg. 21629, effective October 19, 1984; peremptory amendment at 8 Ill. Reg. 21677, effective October 24, 1984; amended at 8 Ill. Reg. 22097, effective October 24, 1984; peremptory amendment at 8 Ill. Reg. 22155, effective October 29, 1984; amended at 8 Ill. Reg. 23218, effective November 20, 1984; emergency amendment at 8 Ill. Reg. 23721, effective November 21, 1984, for a maximum of 150 days; amended at 8 Ill. Reg. 25067, effective December 19, 1984; emergency amendment at 9 Ill. Reg. 407, effective January 1, 1985, for a maximum of 150 days; amended at 9 Ill. Reg. 2697, effective February 22, 1985; amended at 9 Ill. Reg. 6235, effective April 19, 1985; amended at 9 Ill. Reg. 8677, effective May 28, 1985; amended at 9 Ill. Reg. 9564, effective June 5, 1985; amended at 9 Ill. Reg. 10025, effective June 26, 1985; emergency amendment at 9 Ill. Reg. 11403, effective June 27, 1985, for a maximum of 150 days; amended at 9 Ill. Reg. 11357, effective June 28, 1985; amended at 9 Ill. Reg. 12000, effective July 24, 1985; amended at 9 Ill. Reg. 12306, effective August 5, 1985; amended at 9 Ill. Reg. 13998, effective September 3, 1985; amended at 9 Ill. Reg. 14684, effective September 13, 1985; amended at 9 Ill. Reg. 15503, effective October 4, 1985; amended at 9 Ill. Reg. 16312, effective October 11, 1985; amended at 9 Ill. Reg. 19138, effective December 2, 1985; amended at 9 Ill. Reg. 19737, effective December 9, 1985; amended at 10 Ill. Reg. 238, effective December 27, 1985; emergency amendment at 10 Ill. Reg. 798, effective January 1, 1986, for a maximum of 150 days; amended at 10 Ill. Reg. 672, effective January 6, 1986; amended at 10 Ill.

Reg. 1206, effective January 13, 1986; amended at 10 Ill. Reg. 3041, effective January 24, 1986; amended at 10 Ill. Reg. 6981, effective April 16, 1986; amended at 10 Ill. Reg. 7825, effective April 30, 1986; amended at 10 Ill. Reg. 8128, effective May 7, 1986; emergency amendment at 10 Ill. Reg. 8912, effective May 13, 1986, for a maximum of 150 days; amended at 10 Ill. Reg. 11440, effective June 20, 1986; amended at 10 Ill. Reg. 14714, effective August 27, 1986; amended at 10 Ill. Reg. 15211, effective September 12, 1986; emergency amendment at 10 Ill. Reg. 16729, effective September 18, 1986, for a maximum of 150 days; amended at 10 Ill. Reg. 18808, effective October 24, 1986; amended at 10 Ill. Reg. 19742, effective November 12, 1986; amended at 10 Ill. Reg. 21784, effective December 15, 1986; amended at 11 Ill. Reg. 698, effective December 19, 1986; amended at 11 Ill. Reg. 1418, effective December 31, 1986; amended at 11 Ill. Reg. 2323, effective January 16, 1987; amended at 11 Ill. Reg. 4002, effective February 25, 1987; Section 140.71 recodified to 89 Ill. Adm. Code 141 at 11 Ill. Reg. 4302; amended at 11 Ill. Reg. 4303, effective March 6, 1987; amended at 11 Ill. Reg. 7664, effective April 15, 1987; emergency amendment at 11 Ill. Reg. 9342, effective April 20, 1987, for a maximum of 150 days; amended at 11 Ill. Reg. 9169, effective April 28, 1987; amended at 11 Ill. Reg. 10903, effective June 1, 1987; amended at 11 Ill. Reg. 11528, effective June 22, 1987; amended at 11 Ill. Reg. 12011, effective June 30, 1987; amended at 11 Ill. Reg. 12290, effective July 6, 1987; amended at 11 Ill. Reg. 14048, effective August 14, 1987; amended at 11 Ill. Reg. 14771, effective August 25, 1987; amended at 11 Ill. Reg. 16758, effective September 28, 1987; amended at 11 Ill. Reg. 17295, effective September 30, 1987; amended at 11 Ill. Reg. 18696, effective October 27, 1987; amended at 11 Ill. Reg. 20909, effective December 14, 1987; amended at 12 Ill. Reg. 916, effective January 1, 1988; emergency amendment at 12 Ill. Reg. 1960, effective January 1, 1988, for a maximum of 150 days; amended at 12 Ill. Reg. 5427, effective March 15, 1988; amended at 12 Ill. Reg. 6246, effective March 16, 1988; amended at 12 Ill. Reg. 6728, effective March 22, 1988; Sections 140.900 thru 140.912 and 140.Table H and 140.Table I recodified to 89 Ill. Adm. Code 147.5 thru 147.205 and 147.Table A and 147.Table B at 12 Ill. Reg. 6956; amended at 12 Ill. Reg. 6927, effective April 5, 1988; Sections 140.940 thru 140.972 recodified to 89 Ill. Adm. Code 149.5 thru 149.325 at 12 Ill. Reg. 7401; amended at 12 Ill. Reg. 7695, effective April 21, 1988; amended at 12 Ill. Reg. 10497, effective June 3, 1988; amended at 12 Ill. Reg. 10717, effective June 14, 1988; emergency amendment at 12 Ill. Reg. 11868, effective July 1, 1988, for a maximum of 150 days; amended at 12 Ill. Reg. 12509, effective July 15, 1988; amended at 12 Ill. Reg. 14271, effective August 29, 1988; emergency amendment at 12 Ill. Reg. 16921, effective September 28, 1988, for a maximum of 150 days; amended at 12 Ill. Reg. 16738, effective October 5, 1988; amended at 12 Ill. Reg. 17879, effective October 24, 1988; amended at 12 Ill. Reg. 18198, effective November 4, 1988; amended at 12 Ill. Reg. 19396, effective November 6, 1988; amended at 12 Ill. Reg. 19734, effective November 15, 1988; amended at 13 Ill. Reg. 125, effective January 1, 1989; amended at 13 Ill. Reg. 2475, effective February 14, 1989; amended at 13 Ill. Reg. 3069, effective February 28, 1989; amended at 13 Ill. Reg. 3351, effective March 6, 1989; amended at 13 Ill. Reg. 3917, effective March 17, 1989; amended at 13 Ill. Reg. 5115, effective April 3, 1989;

amended at 13 Ill. Reg. 5718, effective April 10, 1989; amended at 13 Ill. Reg. 7025, effective April 24, 1989; Sections 140.850 thru 140.896 recodified to 89 Ill. Adm. Code 146.5 thru 146.225 at 13 Ill. Reg. 7040; amended at 13 Ill. Reg. 7786, effective May 20, 1989; Sections 140.94 thru 140.398 recodified to 89 Ill. Adm. Code 148.10 thru 148.390 at 13 Ill. Reg. 9572; emergency amendment at 13 Ill. Reg. 10977, effective July 1, 1989, for a maximum of 150 days; emergency expired November 28, 1989; amended at 13 Ill. Reg. 11516, effective July 3, 1989; amended at 13 Ill. Reg. 12119, effective July 7, 1989; Section 140.110 recodified to 89 Ill. Adm. Code 148.120 at 13 Ill. Reg. 12118; amended at 13 Ill. Reg. 12562, effective July 17, 1989; amended at 13 Ill. Reg. 14391, effective August 31, 1989; emergency amendment at 13 Ill. Reg. 15473, effective September 12, 1989, for a maximum of 150 days; amended at 13 Ill. Reg. 16992, effective October 16, 1989; amended at 14 Ill. Reg. 190, effective December 21, 1989; amended at 14 Ill. Reg. 2564, effective February 9, 1990; emergency amendment at 14 Ill. Reg. 3241, effective February 14, 1990, for a maximum of 150 days; emergency expired July 14, 1990; amended at 14 Ill. Reg. 4543, effective March 12, 1990; emergency amendment at 14 Ill. Reg. 4577, effective March 6, 1990, for a maximum of 150 days; emergency expired August 3, 1990; emergency amendment at 14 Ill. Reg. 5575, effective April 1, 1990, for a maximum of 150 days; emergency expired August 29, 1990; emergency amendment at 14 Ill. Reg. 5865, effective April 3, 1990, for a maximum of 150 days; amended at 14 Ill. Reg. 7141, effective April 27, 1990; emergency amendment at 14 Ill. Reg. 7249, effective April 27, 1990, for a maximum of 150 days; amended at 14 Ill. Reg. 10062, effective June 12, 1990; amended at 14 Ill. Reg. 10409, effective June 19, 1990; emergency amendment at 14 Ill. Reg. 12082, effective July 5, 1990, for a maximum of 150 days; amended at 14 Ill. Reg. 13262, effective August 6, 1990; emergency amendment at 14 Ill. Reg. 14184, effective August 16, 1990, for a maximum of 150 days; emergency amendment at 14 Ill. Reg. 14570, effective August 22, 1990, for a maximum of 150 days; amended at 14 Ill. Reg. 14826, effective August 31, 1990; amended at 14 Ill. Reg. 15366, effective September 12, 1990; amended at 14 Ill. Reg. 15981, effective September 21, 1990; amended at 14 Ill. Reg. 17279, effective October 12, 1990; amended at 14 Ill. Reg. 18057, effective October 22, 1990; amended at 14 Ill. Reg. 18508, effective October 30, 1990; amended at 14 Ill. Reg. 18813, effective November 6, 1990; Notice of Corrections to Adopted Amendment at 15 Ill. Reg. 1174; amended at 14 Ill. Reg. 20478, effective December 7, 1990; amended at 14 Ill. Reg. 20729, effective December 12, 1990; amended at 15 Ill. Reg. 298, effective December 28, 1990; emergency amendment at 15 Ill. Reg. 592, effective January 1, 1991, for a maximum of 150 days; amended at 15 Ill. Reg. 1051, effective January 18, 1991; amended at 15 Ill. Reg. 6220, effective April 18, 1991; amended at 15 Ill. Reg. 6534, effective April 30, 1991; amended at 15 Ill. Reg. 8264, effective May 23, 1991; amended at 15 Ill. Reg. 8972, effective June 17, 1991; amended at 15 Ill. Reg. 10114, effective June 21, 1991; amended at 15 Ill. Reg. 10468, effective July 1, 1991; amended at 15 Ill. Reg. 11176, effective August 1, 1991; emergency amendment at 15 Ill. Reg. 11515, effective July 25, 1991, for a maximum of 150 days; emergency expired December 22, 1991; emergency amendment at 15 Ill. Reg. 12919, effective August 15, 1991, for a maximum of 150 days; emergency expired January 12, 1992;

emergency amendment at 15 Ill. Reg. 16366, effective October 22, 1991, for a maximum of 150 days; amended at 15 Ill. Reg. 17318, effective November 18, 1991; amended at 15 Ill. Reg. 17733, effective November 22, 1991; emergency amendment at 16 Ill. Reg. 300, effective December 20, 1991, for a maximum of 150 days; amended at 16 Ill. Reg. 174, effective December 24, 1991; amended at 16 Ill. Reg. 1877, effective January 24, 1992; amended at 16 Ill. Reg. 3552, effective February 28, 1992; amended at 16 Ill. Reg. 4006, effective March 6, 1992; amended at 16 Ill. Reg. 6408, effective March 20, 1992; expedited correction at 16 Ill. Reg. 11348, effective March 20, 1992; amended at 16 Ill. Reg. 6849, effective April 7, 1992; amended at 16 Ill. Reg. 7017, effective April 17, 1992; amended at 16 Ill. Reg. 10050, effective June 5, 1992; amended at 16 Ill. Reg. 11174, effective June 26, 1992; emergency amendment at 16 Ill. Reg. 11947, effective July 10, 1992, for a maximum of 150 days; amended at 16 Ill. Reg. 12186, effective July 24, 1992; emergency amendment at 16 Ill. Reg. 13337, effective August 14, 1992, for a maximum of 150 days; emergency amendment at 16 Ill. Reg. 15109, effective September 21, 1992, for a maximum of 150 days; amended at 16 Ill. Reg. 15561, effective September 30, 1992; amended at 16 Ill. Reg. 17302, effective November 2, 1992; emergency amendment at 16 Ill. Reg. 18097, effective November 17, 1992, for a maximum of 150 days; amended at 16 Ill. Reg. 19146, effective December 1, 1992; expedited correction at 17 Ill. Reg. 7078, effective December 1, 1992; amended at 16 Ill. Reg. 19879, effective December 7, 1992; amended at 17 Ill. Reg. 837, effective January 11, 1993; amended at 17 Ill. Reg. 1112, effective January 15, 1993; amended at 17 Ill. Reg. 2290, effective February 15, 1993; amended at 17 Ill. Reg. 2951, effective February 17, 1993; amended at 17 Ill. Reg. 3421, effective February 19, 1993; amended at 17 Ill. Reg. 6196, effective April 5, 1993; amended at 17 Ill. Reg. 6839, effective April 21, 1993; amended at 17 Ill. Reg. 7004, effective May 17, 1993; emergency amendment at 17 Ill. Reg. 11201, effective July 1, 1993, for a maximum of 150 days; emergency amendment at 17 Ill. Reg. 15162, effective September 2, 1993, for a maximum of 150 days; emergency amendment suspended at 17 Ill. Reg. 18902, effective October 12, 1993; emergency amendment at 17 Ill. Reg. 18152, effective October 1, 1993, for a maximum of 150 days; amended at 17 Ill. Reg. 18571, effective October 8, 1993; emergency amendment at 17 Ill. Reg. 18611, effective October 1, 1993, for a maximum of 150 days; amended at 17 Ill. Reg. 20999, effective November 24, 1993; emergency amendment repealed at 17 Ill. Reg. 22583, effective December 20, 1993; amended at 18 Ill. Reg. 3620, effective February 28, 1994; amended at 18 Ill. Reg. 4250, effective March 4, 1994; amended at 18 Ill. Reg. 5951, effective April 1, 1994; emergency amendment at 18 Ill. Reg. 10922, effective July 1, 1994, for a maximum of 150 days; emergency amendment suspended at 18 Ill. Reg. 17286, effective November 15, 1994; emergency amendment repealed at 19 Ill. Reg. 5839, effective April 4, 1995; amended at 18 Ill. Reg. 11244, effective July 1, 1994; amended at 18 Ill. Reg. 14126, effective August 29, 1994; amended at 18 Ill. Reg. 16675, effective November 1, 1994; amended at 18 Ill. Reg. 18059, effective December 19, 1994; amended at 19 Ill. Reg. 1082, effective January 20, 1995; amended at 19 Ill. Reg. 2933, effective March 1, 1995; emergency amendment at 19 Ill. Reg. 3529, effective March 1, 1995, for a maximum of 150 days; amended at 19 Ill. Reg. 5663, effective April 1, 1995;

amended at 19 Ill. Reg. 7919, effective June 5, 1995; emergency amendment at 19 Ill. Reg. 8455, effective June 9, 1995, for a maximum of 150 days; emergency amendment at 19 Ill. Reg. 9297, effective July 1, 1995, for a maximum of 150 days; emergency amendment at 19 Ill. Reg. 10252, effective July 1, 1995, for a maximum of 150 days; amended at 19 Ill. Reg. 13019, effective September 5, 1995; amended at 19 Ill. Reg. 14440, effective September 29, 1995; emergency amendment at 19 Ill. Reg. 14833, effective October 6, 1995, for a maximum of 150 days; amended at 19 Ill. Reg. 15441, effective October 26, 1995; amended at 19 Ill. Reg. 15692, effective November 6, 1995; amended at 19 Ill. Reg. 16677, effective November 28, 1995; amended at 20 Ill. Reg. 1210, effective December 29, 1995; amended at 20 Ill. Reg. 4345, effective March 4, 1996; amended at 20 Ill. Reg. 5858, effective April 5, 1996; amended at 20 Ill. Reg. 6929, effective May 6, 1996; amended at 20 Ill. Reg. 7922, effective May 31, 1996; amended at 20 Ill. Reg. 9081, effective June 28, 1996; emergency amendment at 20 Ill. Reg. 9312, effective July 1, 1996, for a maximum of 150 days; amended at 20 Ill. Reg. 11332, effective August 1, 1996; amended at 20 Ill. Reg. 14845, effective October 31, 1996; emergency amendment at 21 Ill. Reg. 705, effective December 31, 1996, for a maximum of 150 days; emergency amendment at 21 Ill. Reg. 3734, effective March 5, 1997, for a maximum of 150 days; amended at 21 Ill. Reg. 4777, effective April 2, 1997; amended at 21 Ill. Reg. 6899, effective May 23, 1997; amended at 21 Ill. Reg. 9763, effective July 15, 1997; amended at 21 Ill. Reg. 11569, effective August 1, 1997; emergency amendment at 21 Ill. Reg. 13857, effective October 1, 1997, for a maximum of 150 days; amended at 22 Ill. Reg. 1416, effective December 29, 1997; amended at 22 Ill. Reg. 4412, effective February 27, 1998; amended at 22 Ill. Reg. 7024, effective April 1, 1998; amended at 22 Ill. Reg. 10606, effective June 1, 1998; emergency amendment at 22 Ill. Reg. 13117, effective July 1, 1998, for a maximum of 150 days; amended at 22 Ill. Reg. 16302, effective August 28, 1998; amended at 22 Ill. Reg. 18979, effective September 30, 1998; amended at 22 Ill. Reg. 19898, effective October 30, 1998; emergency amendment at 22 Ill. Reg. 22108, effective December 1, 1998, for a maximum of 150 days; emergency expired April 29, 1999; amended at 23 Ill. Reg. 5796, effective April 30, 1999; amended at 23 Ill. Reg. 7122, effective June 1, 1999; emergency amendment at 23 Ill. Reg. 8236, effective July 1, 1999, for a maximum of 150 days; amended at 23 Ill. Reg. 9874, effective August 3, 1999; amended at 23 Ill. Reg. 12697, effective October 1, 1999; amended at 23 Ill. Reg. 13646, effective November 1, 1999; amended at 23 Ill. Reg. 14567, effective December 1, 1999; amended at 24 Ill. Reg. 661, effective January 3, 2000; amended at 24 Ill. Reg. 10277, effective July 1, 2000; emergency amendment at 24 Ill. Reg. 10436, effective July 1, 2000, for a maximum of 150 days; amended at 24 Ill. Reg. 15086, effective October 1, 2000; amended at 24 Ill. Reg. 18320, effective December 1, 2000; emergency amendment at 24 Ill. Reg. 19344, effective December 15, 2000, for a maximum of 150 days; amended at 25 Ill. Reg. 3897, effective March 1, 2001; amended at 25 Ill. Reg. 6665, effective May 11, 2001; amended at 25 Ill. Reg. 8793, effective July 1, 2001; emergency amendment at 25 Ill. Reg. 8850, effective July 1, 2001, for a maximum of 150 days; amended at 25 Ill. Reg. 11880, effective September 1, 2001; amended at 25 Ill. Reg. 12820, effective October 8, 2001; amended at 25 Ill. Reg. 14957,

effective November 1, 2001; emergency amendment at 25 Ill. Reg. 16127, effective November 28, 2001, for a maximum of 150 days; emergency amendment at 25 Ill. Reg. 16292, effective December 3, 2001, for a maximum of 150 days; emergency amendment at 26 Ill. Reg. 514, effective January 1, 2002, for a maximum of 150 days; amended at 26 Ill. Reg. 663, effective January 7, 2002; amended at 26 Ill. Reg. 4781, effective March 15, 2002; emergency amendment at 26 Ill. Reg. 5984, effective April 15, 2002, for a maximum of 150 days; amended at 26 Ill. Reg. 7285, effective April 29, 2002; emergency amendment at 26 Ill. Reg. 8594, effective June 1, 2002, for a maximum of 150 days; emergency amendment at 26 Ill. Reg. 11259, effective July 1, 2002, for a maximum of 150 days; emergency amendment at 26 Ill. Reg. 12461, effective July 29, 2002, for a maximum of 150 days; emergency amendment repealed at 26 Ill. Reg. 16593, effective October 22, 2002; emergency amendment at 26 Ill. Reg. 12772, effective August 12, 2002, for a maximum of 150 days; amended at 26 Ill. Reg. 13641, effective September 3, 2002; amended at 26 Ill. Reg. 14789, effective September 26, 2002; emergency amendment at 26 Ill. Reg. 15076, effective October 1, 2002, for a maximum of 150 days; amended at 26 Ill. Reg. 16303, effective October 25, 2002; amended at 26 Ill. Reg. 17751, effective November 27, 2002; amended at 27 Ill. Reg. 768, effective January 3, 2003; amended at 27 Ill. Reg. 3041, effective February 10, 2003; amended at 27 Ill. Reg. 4364, effective February 24, 2003; amended at 27 Ill. Reg. 7823, effective May 1, 2003; amended at 27 Ill. Reg. 9157, effective June 2, 2003; emergency amendment at 27 Ill. Reg. 10813, effective July 1, 2003, for a maximum of 150 days; amended at 27 Ill. Reg. 13784, effective August 1, 2003; amended at 27 Ill. Reg. 14799, effective September 5, 2003; emergency amendment at 27 Ill. Reg. 15584, effective September 20, 2003, for a maximum of 150 days; emergency amendment at 27 Ill. Reg. 16161, effective October 1, 2003, for a maximum of 150 days; amended at 27 Ill. Reg. 18629, effective November 26, 2003; amended at 28 Ill. Reg. 2744, effective February 1, 2004; amended at 28 Ill. Reg. 4958, effective March 3, 2004; emergency amendment at 28 Ill. Reg. 6622, effective April 19, 2004, for a maximum of 150 days; amended at 28 Ill. Reg. 7081, effective May 3, 2004; emergency amendment at 28 Ill. Reg. 8108, effective June 1, 2004, for a maximum of 150 days; amended at 28 Ill. Reg. 9640, effective July 1, 2004; emergency amendment at 28 Ill. Reg. 10135, effective July 1, 2004, for a maximum of 150 days; amended at 28 Ill. Reg. 11161, effective August 1, 2004; emergency amendment at 28 Ill. Reg. 12198, effective August 11, 2004, for a maximum of 150 days; amended at 28 Ill. Reg. 13775, effective October 1, 2004; amended at 28 Ill. Reg. 14804, effective October 27, 2004; amended at 28 Ill. Reg. 15513, effective November 24, 2004; amended at 29 Ill. Reg. 831, effective January 1, 2005; amended at 29 Ill. Reg. 6945, effective May 1, 2005; emergency amendment at 29 Ill. Reg. 8509, effective June 1, 2005, for a maximum of 150 days; emergency amendment at 29 Ill. Reg. 12534, effective August 1, 2005, for a maximum of 150 days; amended at 29 Ill. Reg. 14957, effective September 30, 2005; emergency amendment at 29 Ill. Reg. 15064, effective October 1, 2005, for a maximum of 150 days; emergency amendment repealed by emergency rulemaking at 29 Ill. Reg. 15985, effective October 5, 2005, for the remainder of the maximum 150 days; emergency amendment at 29 Ill. Reg. 15610, effective October 1, 2005, for a maximum of 150 days;

emergency amendment at 29 Ill. Reg. 16515, effective October 5, 2005, for a maximum of 150 days; amended at 30 Ill. Reg. 349, effective December 28, 2005; emergency amendment at 30 Ill. Reg. 573, effective January 1, 2006, for a maximum of 150 days; amended at 30 Ill. Reg. 796, effective January 1, 2006; amended at 30 Ill. Reg. 2802, effective February 24, 2006; amended at 30 Ill. Reg. 10370, effective May 26, 2006; emergency amendment at 30 Ill. Reg. 12376, effective July 1, 2006, for a maximum of 150 days; emergency amendment at 30 Ill. Reg. 13909, effective August 2, 2006, for a maximum of 150 days; amended at 30 Ill. Reg. 14280, effective August 18, 2006; expedited correction at 31 Ill. Reg. 1745, effective August 18, 2006; emergency amendment at 30 Ill. Reg. 17970, effective November 1, 2006, for a maximum of 150 days; amended at 30 Ill. Reg. 18648, effective November 27, 2006; emergency amendment at 30 Ill. Reg. 19400, effective December 1, 2006, for a maximum of 150 days; amended at 31 Ill. Reg. 388, effective December 29, 2006; emergency amendment at 31 Ill. Reg. 1580, effective January 1, 2007, for a maximum of 150 days; amended at 31 Ill. Reg. 2413, effective January 19, 2007; amended at 31 Ill. Reg. 5561, effective March 30, 2007; amended at 31 Ill. Reg. 6930, effective April 29, 2007; amended at 31 Ill. Reg. 8485, effective May 30, 2007; emergency amendment at 31 Ill. Reg. 10115, effective June 30, 2007, for a maximum of 150 days; amended at 31 Ill. Reg. 14749, effective October 22, 2007; emergency amendment at 32 Ill. Reg. 383, effective January 1, 2008, for a maximum of 150 days; peremptory amendment at 32 Ill. Reg. 6743, effective April 1, 2008; peremptory amendment suspended at 32 Ill. Reg. 8449, effective May 21, 2008; suspension withdrawn by the Joint Committee on Administrative Rules at 32 Ill. Reg. 18323, effective November 12, 2008; peremptory amendment repealed by emergency rulemaking at 32 Ill. Reg. 18422, effective November 12, 2008, for a maximum of 150 days; emergency expired April 10, 2009; peremptory amendment repealed at 33 Ill. Reg. 6667, effective April 29, 2009; amended at 32 Ill. Reg. 7727, effective May 5, 2008; emergency amendment at 32 Ill. Reg. 10480, effective July 1, 2008, for a maximum of 150 days; emergency expired November 27, 2008; amended at 32 Ill. Reg. 17133, effective October 15, 2008; amended at 33 Ill. Reg. 209, effective December 29, 2008; amended at 33 Ill. Reg. 9048, effective June 15, 2009; emergency amendment at 33 Ill. Reg. 10800, effective June 30, 2009, for a maximum of 150 days; amended at 33 Ill. Reg. 11287, effective July 14, 2009; amended at 33 Ill. Reg. 11938, effective August 17, 2009; amended at 33 Ill. Reg. 12227, effective October 1, 2009; emergency amendment at 33 Ill. Reg. 14324, effective October 1, 2009, for a maximum of 150 days; emergency expired February 27, 2010; amended at 33 Ill. Reg. 16573, effective November 16, 2009; amended at 34 Ill. Reg. 516, effective January 1, 2010; amended at 34 Ill. Reg. 903, effective January 29, 2010; amended at 34 Ill. Reg. 3761, effective March 14, 2010; amended at 34 Ill. Reg. 5215, effective March 25, 2010; amended at 34 Ill. Reg. 19517, effective December 6, 2010; amended at 35 Ill. Reg. 394, effective December 27, 2010; amended at 35 Ill. Reg. 7648, effective May 1, 2011; amended at 35 Ill. Reg. 7962, effective May 1, 2011; amended at 35 Ill. Reg. 10000, effective June 15, 2011; amended at 35 Ill. Reg. 12909, effective July 25, 2011; amended at 36 Ill. Reg. 2271, effective February 1, 2012; amended at 36 Ill. Reg. 7010, effective April 27, 2012; amended at 36 Ill. Reg. 7545, effective May 7, 2012; amended at

36 Ill. Reg. 9113, effective June 11, 2012; emergency amendment at 36 Ill. Reg. 11329, effective July 1, 2012 through June 30, 2013; emergency amendment to Section 140.442(e)(4) suspended at 36 Ill. Reg. 13736, effective August 15, 2012; suspension withdrawn from Section 140.442(e)(4) at 36 Ill. Reg. 14529, September 11, 2012; emergency amendment in response to Joint Committee on Administrative Rules action on Section 140.442(e)(4) at 36 Ill. Reg. 14820, effective September 21, 2012 through June 30, 2013; emergency amendment to Section 140.491 suspended at 36 Ill. Reg. 13738, effective August 15, 2012; suspension withdrawn by the Joint Committee on Administrative Rules from Section 140.491 at 37 Ill. Reg. 890, January 8, 2013; emergency amendment in response to Joint Committee on Administrative Rules action on Section 140.491 at 37 Ill. Reg. 1330, effective January 15, 2013 through June 30, 2013; amended at 36 Ill. Reg. 15361, effective October 15, 2012; emergency amendment at 37 Ill. Reg. 253, effective January 1, 2013 through June 30, 2013; emergency amendment at 37 Ill. Reg. 846, effective January 9, 2013 through June 30, 2013; emergency amendment at 37 Ill. Reg. 1774, effective January 28, 2013 through June 30, 2013; emergency amendment at 37 Ill. Reg. 2348, effective February 1, 2013 through June 30, 2013; amended at 37 Ill. Reg. 3831, effective March 13, 2013; emergency amendment at 37 Ill. Reg. 5058, effective April 1, 2013 through June 30, 2013; emergency amendment at 37 Ill. Reg. 5170, effective April 8, 2013 through June 30, 2013; amended at 37 Ill. Reg. 6196, effective April 29, 2013; amended at 37 Ill. Reg. 7985, effective May 29, 2013; amended at 37 Ill. Reg. 10282, effective June 27, 2013; amended at 37 Ill. Reg. _____, effective _____.

SUBPART D: PAYMENT FOR NON-INSTITUTIONAL SERVICES

Section 140.492 Payment for Medical Transportation

Notwithstanding the provisions set forth in subsections (a) through (h)~~ of this Section~~, beginning July 1, 2002, the reimbursement rates paid for medical transportation services shall be the lesser of the provider's usual and customary charge to the general public or 94 percent of the fiscal year 2002 rate otherwise determined by the Department under this Section. Notwithstanding Section 140.405, beginning with date of service July 1, 2013 and thereafter, the Department's established maximum rate for ambulance services shall be equivalent to 100% of the rate in effect on June 30, 2012, as reflected on the Department's Fee Schedule, except when a rate that is higher than the rate in effect on June 30, 2012 is specified in subsection (h). Payment for medical transportation services shall be made in accordance with the methodologies outlined in this Section. Base rate reimbursement is determined by the county in which the vehicle is, or the vehicles are, based. In no case shall rates exceed the Medicare allowable, where applicable, or the rates charged to the general public.

a) For dates of service prior to July 1, 2006, medicar providers~~medicars~~ shall be paid a base rate, which includes the first ten miles (20 miles round trip), a mileage rate

and a fixed amount for an employee or non-employee attendant. Loaded miles, i.e., those miles for which the provider is actually transporting an individual, after ten miles (20 miles round trip) shall be reimbursed.

b) For dates of service prior to July 1, 2006, service car providers~~cars~~ shall be paid a base rate, which includes the first ten miles (20 miles round trip), a mileage rate and a fixed amount for a non-employee attendant. Loaded miles, i.e., those miles for which the provider is actually transporting an individual, after ten miles (20 miles round trip) shall be reimbursed.

c) For dates of service on or after July 1, 2006, medicar providers~~medicars~~ and service car providers~~cars~~ shall be paid at a base rate, a mileage rate and a fixed amount for an attendant. Payment for an attendant is subject to the requirements~~, as allowed~~ in Section 140.490(e)(5). Mileage reimbursement is made for loaded miles, i.e., those miles for which the provider is actually transporting an individual. Mileage for multiple passengers is reimbursed pursuant to Section 140.490(d).

d) Private auto providers~~autos~~ shall be paid for loaded miles at a mileage rate.

e) Payment for transportation services provided by common carrier, such as commercial airplanes, buses and trains, shall be at the usual community rate.

f) Taxicabs in an area regulated by a municipality or township shall be reimbursed at the community rate and a fixed amount for an attendant. Payment for an attendant is subject to the requirements~~, as allowed~~ in Section 140.490(e).

g) Taxicabs in non-regulated areas shall be reimbursed at a rate as determined by the Department and a fixed amount for an attendant. Payment for an attendant is subject to the requirements~~, as allowed~~ in Section 140.490(e). The Department rate shall be reviewed on an annual basis each July.

h) The Department shall pay for medically necessary ambulance services provided in accordance with Section 140.490 at a base, mileage rate (loaded miles) and a rate for oxygen, as appropriate. Payment shall also be made for Advanced Life Support (ALS) at an all inclusive rate, which includes the base rate, supplies, and all other services, excluding mileage. However, for ALS services provided on or after July 1, 1993, separate reimbursement shall be made for oxygen when used and appropriately billed. Loaded miles for ALS trips shall be reimbursed at the per mile rate. Payment shall also be made for Specialty Care Transport (SCT).

Rates shall be reviewed beginning November 1, 1986, and each November thereafter, according to the methodology set forth in subsections (g)(1) through (4)~~ of this Section~~. Revised rates pursuant to this methodology shall be effective with services provided on or after July 1 of the succeeding year.

1) Payment shall be made at a basic rate for Basic Life Support (BLS) services that is provider specific. The basic rate shall be the lesser of the provider's usual and customary charge to the general public, as reflected on the provider's claim form, or 80 percent of the 50th percentile of the Medicare prevailing charge for Basic Life Support for the designated Medicare Locality, except that any basic rate previously approved by the Department that exceeds these parameters shall remain in force. The rate of annual increase shall not exceed five percent. Beginning with dates of service July 1, 2013 and thereafter, the Department's established maximum rate for BLS services shall be equivalent to the sum of 100% of the rate in effect on June 30, 2012 plus $14.65, as reflected on the Department's Fee Schedule.

2) Payment for loaded miles shall be at a rate per mile. If a natural disaster, weather or other conditions necessitate the use of a route other than the most direct route, reimbursement will be based on the actual distance traveled. The rate per mile shall be 50 percent of the 50th percentile of the Medicare prevailing mileage charge for Medicare Locality 16. The annual rate of increase shall not exceed five percent. Beginning with dates of service July 1, 2013 and thereafter, regardless of the county in which the vehicle is based, loaded miles shall be paid at the lesser of the provider's usual and customary charge to the general public, as reflected on the provider's claim, or the Department's established rate of $5.00 per mile, as reflected on the Department's Fee Schedule.

3) Payment for oxygen shall be made at a flat rate statewide. The rate shall be 50 percent of the 50th percentile of the Medicare prevailing charge for Medicare Locality 16. The annual rate of increase shall not exceed five percent.

4) Payment for Advanced Life Support (ALS) services shall be at the lesser of the provider's usual charge, or a maximum allowable rate statewide. The maximum rate shall be 80 percent of the difference between the Medicare 50th percentile prevailing charge for Basic Life Support services and Advanced Life Support services for Medicare Locality 16. The

annual rate of increase shall not exceed five percent. Beginning with dates of service July 1, 2013 and thereafter, the Department's established maximum rate for ALS services shall be equivalent to the sum of 100% of the rate in effect on June 30, 2012 plus $14.65, as reflected on the Department's Fee Schedule.

5) Beginning with dates of service July 1, 2013 and thereafter, payment for SCT shall be made at the lesser of the provider's usual and customary charge to the general public, as reflected on the provider's claim, or the Department's establish rate, which is equivalent to the sum of 100% of the ALS rate in effect on June 30, 2012 plus $75.00, as reflected on the Department's Fee Schedule.

i) Payment for medical transportation services provided by individuals, including those currently receiving public assistance, legally responsible relatives or household members, will be made at a loaded mileage rate.

j) The Department may adjust reimbursement for medical transportation services in a county when such adjustment is necessary to ensure the availability of transportation to medical services.

(Source: Amended at 37 Ill. Reg. _____, effective _____)

Section 140.493 Payment for Helicopter Transportation

Notwithstanding the provisions set forth in this Section, beginning July 1, 2002, the reimbursement rates paid for helicopter transportation services shall be the lesser of the provider's usual and customary charge to the general public or 94 percent of the fiscal year 2002 rate otherwise determined by the Department under this Section. Notwithstanding Section 140.405, beginning with dates of service July 1, 2013 and thereafter, the Department's established maximum rate for helicopter transportation services shall be equivalent to 100% of the rate in effect on June 30, 2012, as reflected on the Department's Fee Schedule. Payment for helicopter transportation services shall be made in accordance with the methodologies outlined in this Section. In no case shall rates exceed the Medicare allowable, where applicable, or the rates charged to the general public. The Department shall pay for medically necessary helicopter transportation services provided in accordance with Section 140.491(b)(3)~~140.491(b)(4)~~ at an all inclusive rate that includes base rate, mileage, supplies and all other services.

a) Helicopter transportation providers will be reimbursed a maximum rate per trip or the usual and customary charges, whichever is less.

b) If a hospital provides the transport team but does not own the helicopter, the Department will equally divide the established reimbursement rate or the usual and customary charges of the provider, whichever is less, between the hospital and the helicopter provider.

c) Hospitals that own their own helicopter and report its costs on their cost reports will not be paid for helicopter transportation services.

d) The Department shall not cover the services of helicopter transportation providers that have entered into payment agreements with receiving facilities.

e) Helicopter transportation claims that are denied because the patient does not meet the medically necessary criteria (see Section 140.491(b)(3)~~(1)~~), but does meet emergency ground transportation criteria, will be reimbursed by the Department at the appropriate ground rate.

(Source: Amended at 37 Ill. Reg. _____, effective _____)

DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES

NOTICE OF PROPOSED AMENDMENTS

1) Heading of the Part: Child Support Services

2) Code Citation: 89 Ill. Adm. Code 160

3)

Section Numbers:	Proposed Action:
160.60	Amendment
160.61	Amendment
160.65	Amendment

4) Statutory Authority: Section 12-13 of the Illinois Public Aid Code [305 ILCS 5/12-13]

5) Complete Description of the Subjects and Issues Involved: This rulemaking clarifies that life insurance premiums are a deductible expense when calculating a responsible relative's net income for child support purposes, if a court has ordered the responsible relative to have life insurance coverage to secure payment of ordered child support in the event of the responsible relative's death. These payments are deductible for child support purposes only, not to cover maintenance (alimony). Clarification is made to the definition "services" to eliminate any confusion or misinterpretation that only counties with a population of less than 2,000,000 must comply. Further, establishes that when paternity is established by HFS via the administrative paternity order that information shall be placed on a birth certificate through Vital Records at the Department of Public Health. Also clarifies exactly when the Department is allowed to modify an "arrears only administrative order" that is an administrative order entered when only past due support is still owed.

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 affect units of local government.

DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES

NOTICE OF PROPOSED AMENDMENTS

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

Jeanette Badrov
General Counsel
Illinois Department of Healthcare and Family Services
201 South Grand Avenue E., 3rd Floor
Springfield IL 62763-0002

217/782-1233
HFS.Rules@illinois.gov.

The Department requests the submission of written comments within 45 days after the publication of this Notice. The Department will consider all written comments it receives during the first notice period as required by Section 5-40 of the Illinois Administrative Procedure Act [5 ILCS 100/5-40].

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 2013

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

DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES

NOTICE OF PROPOSED AMENDMENTS

TITLE 89: SOCIAL SERVICES
CHAPTER I: DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES
SUBCHAPTER f: COLLECTIONS

PART 160
CHILD SUPPORT SERVICES

SUBPART A: GENERAL PROVISIONS

Section
160.1 Incorporation by Reference
160.5 Definitions
160.10 Child Support Enforcement Program
160.12 Administrative Accountability Process
160.15 Fees for IV-D Non-TANF Cases
160.20 Assignment of Rights to Support
160.25 Recoupment

SUBPART B: COOPERATION WITH CHILD SUPPORT ENFORCEMENT

Section
160.30 Cooperation With Support Enforcement Program
160.35 Good Cause for Failure to Cooperate with Support Enforcement
160.40 Proof of Good Cause For Failure to Cooperate With Support Enforcement
160.45 Suspension of Child Support Enforcement Upon a Claim of Good Cause

SUBPART C: ESTABLISHMENT AND MODIFICATION OF
CHILD SUPPORT ORDERS

Section
160.60 Establishment of Support Obligations
160.61 Uncontested and Contested Administrative Paternity and Support Establishment
160.62 Cooperation with Paternity Establishment and Continued Eligibility Demonstration Program (Repealed)
160.64 Compromise of Assigned Obligations
160.65 Modification of Support Obligations

SUBPART D: ENFORCEMENT OF CHILD SUPPORT ORDERS

DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES

NOTICE OF PROPOSED AMENDMENTS

Section
160.70 Enforcement of Support Orders
160.71 Credit for Payments Made Directly to the Title IV-D Client
160.75 Withholding of Income to Secure Payment of Support
160.77 Certifying Past-Due Support Information or Failure to Comply with a Subpoena or Warrant to State Licensing Agencies (Repealed)
160.80 Amnesty – 20% Charge (Repealed)
160.85 Diligent Efforts to Serve Process
160.88 State Case Registry
160.89 Interest

SUBPART E: EARMARKING CHILD SUPPORT PAYMENTS

Section
160.90 Earmarking Child Support Payments

SUBPART F: DISTRIBUTION OF SUPPORT COLLECTIONS

Section
160.95 State Disbursement Unit
160.100 Distribution of Child Support for TANF Recipients
160.110 Distribution of Child Support for Former AFDC or TANF Recipients Who Continue to Receive Child Support Services
160.120 Distribution of Child Support Collected While the Client Was an AFDC or TANF Recipient, But Not Yet Distributed at the Time the AFDC or TANF Case Is Cancelled
160.130 Distribution of Intercepted Federal Income Tax Refunds
160.132 Distribution of Child Support for Non-TANF Clients
160.134 Distribution of Child Support for Intergovernmental Cases
160.136 Distribution of Support Collected in IV-E Foster Care Maintenance Cases
160.138 Distribution of Child Support for Medical Assistance No Grant Cases

SUBPART G: STATEMENT OF CHILD SUPPORT ACCOUNT ACTIVITY

Section
160.140 Quarterly Notice of Child Support Account Activity

SUBPART H: DEPARTMENT REVIEW OF DISTRIBUTION OF CHILD SUPPORT

Section

DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES

NOTICE OF PROPOSED AMENDMENTS

160.150 Department Review of Distribution of Child Support for TANF Recipients
160.160 Department Review of Distribution of Child Support for Former AFDC or TANF Recipients

SUBPART I: INTERGOVERNMENTAL IV-D CASES

Section
160.200 Provision of Services in Intergovernmental IV-D Cases

AUTHORITY: Implementing and authorized by Sections 4-1.7, Art. X, 12-4.3, and 12-13 of the Illinois Public Aid Code [305 ILCS 5/4-1.7, Art. X, 12-4.3 and 12-13].

SOURCE: Recodified from 89 Ill. Adm. Code 112.78 through 112.86 and 112.88 at 10 Ill. Reg. 11928; amended at 10 Ill. Reg. 19990, effective November 14, 1986; emergency amendment at 11 Ill. Reg. 4800, effective March 5, 1987, for a maximum of 150 days; amended at 11 Ill. Reg. 9129, effective April 30, 1987; amended at 11 Ill. Reg. 15208, effective August 31, 1987; emergency amendment at 11 Ill. Reg. 1563, effective December 31, 1987, for a maximum of 150 days; amended at 12 Ill. Reg. 9065, effective May 16, 1988; amended at 12 Ill. Reg. 18185, effective November 4, 1988; emergency amendment at 12 Ill. Reg. 20835, effective December 2, 1988, for a maximum of 150 days; amended at 12 Ill. Reg. 22278, effective January 1, 1989; amended at 13 Ill. Reg. 4268, effective March 21, 1989; amended at 13 Ill. Reg. 7761, effective May 22, 1989; amended at 13 Ill. Reg. 14385, effective September 1, 1989; amended at 13 Ill. Reg. 16768, effective October 12, 1989; amended at 14 Ill. Reg. 18759, effective November 9, 1990; amended at 15 Ill. Reg. 1034, effective January 21, 1991; amended at 16 Ill. Reg. 1852, effective January 20, 1992; amended at 16 Ill. Reg. 9997, effective June 15, 1992; amended at 17 Ill. Reg. 2272, effective February 11, 1993; amended at 17 Ill. Reg. 18844, effective October 18, 1993; amended at 18 Ill. Reg. 697, effective January 10, 1994; amended at 18 Ill. Reg. 12052, effective July 25, 1994; amended at 18 Ill. Reg. 15083, effective September 23, 1994; amended at 18 Ill. Reg. 17886, effective November 30, 1994; amended at 19 Ill. Reg. 1314, effective January 30, 1995; amended at 19 Ill. Reg. 8298, effective June 15, 1995; amended at 19 Ill. Reg. 12675, effective August 31, 1995; emergency amendment at 19 Ill. Reg. 15492, effective October 30, 1995, for a maximum of 150 days; amended at 20 Ill. Reg. 1195, effective January 5, 1996; amended at 20 Ill. Reg. 5659, effective March 28, 1996; emergency amendment at 20 Ill. Reg. 14002, effective October 15, 1996, for a maximum of 150 days; amended at 21 Ill. Reg. 1189, effective January 10, 1997; amended at 21 Ill. Reg. 3922, effective March 13, 1997; emergency amendment at 21 Ill. Reg. 8594, effective July 1, 1997, for a maximum of 150 days; emergency amendment at 21 Ill. Reg. 9220, effective July 1, 1997, for a maximum of 150 days; amended at 21 Ill. Reg. 12197, effective August 22, 1997; amended at 21 Ill. Reg. 16050, effective November 26, 1997; amended at 22 Ill. Reg. 14895, effective August 1, 1998;

emergency amendment at 22 Ill. Reg. 17046, effective September 10, 1998, for a maximum of 150 days; amended at 23 Ill. Reg. 2313, effective January 22, 1999; emergency amendment at 23 Ill. Reg. 11715, effective September 1, 1999, for a maximum of 150 days; emergency amendment at 23 Ill. Reg. 12737, effective October 1, 1999, for a maximum of 150 days; amended at 23 Ill. Reg. 14560, effective December 1, 1999; amended at 24 Ill. Reg. 2380, effective January 27, 2000; amended at 24 Ill. Reg. 3808, effective February 25, 2000; emergency amendment at 26 Ill. Reg. 11092, effective July 1, 2002, for a maximum of 150 days; amended at 26 Ill. Reg. 17822, effective November 27, 2002; amended at 27 Ill. Reg. 4732, effective February 25, 2003; amended at 27 Ill. Reg. 7842, effective May 1, 2003; emergency amendment at 27 Ill. Reg. 12139, effective July 11, 2003, for a maximum of 150 days; amended at 27 Ill. Reg. 18891, effective November 26, 2003; amended at 28 Ill. Reg. 4712, effective March 1, 2004; emergency amendment at 28 Ill. Reg. 10225, effective July 1, 2004, for a maximum of 150 days; amended at 28 Ill. Reg. 15591, effective November 24, 2004; emergency amendment at 29 Ill. Reg. 2743, effective February 7, 2005, for a maximum of 150 days; amended at 29 Ill. Reg. 10211, effective June 30, 2005; amended at 29 Ill. Reg. 14995, effective September 30, 2005; emergency amendment at 30 Ill. Reg. 5426, effective March 1, 2006, for a maximum of 150 days; amended at 30 Ill. Reg. 8897, effective May 1, 2006; amended at 30 Ill. Reg. 13393, effective July 28, 2006; amended at 31 Ill. Reg. 12771, effective August 27, 2007; emergency amendment at 32 Ill. Reg. 543, effective January 1, 2008, for a maximum of 150 days; amended at 32 Ill. Reg. 6511, effective March 31, 2008; amended at 32 Ill. Reg. 16805, effective October 6, 2008; amended at 33 Ill. Reg. 591, effective January 5, 2009; amended at 33 Ill. Reg. 9077, effective June 15, 2009; amended at 33 Ill. Reg. 12732, effective September 7, 2009; amended at 34 Ill. Reg. 6809, effective May 1, 2010; amended at 34 Ill. Reg. 15406, effective September 27, 2010; amended at 35 Ill. Reg. 2043, effective January 21, 2011; amended at 35 Ill. Reg. 4513, effective March 1, 2011; amended at 36 Ill. Reg. 1531, effective January 23, 2012; amended at 36 Ill. Reg. 9140, effective June 11, 2012; amended at 37 Ill. Reg. 8017, effective May 28, 2013; amended at 37 Ill. Reg. _____, effective _____.

SUBPART C: ESTABLISHMENT AND MODIFICATION OF CHILD SUPPORT ORDERS

Section 160.60 Establishment of Support Obligations

a) Definitions

1) "CSS" means any Child Support Specialist performing assigned duties, his or her supervisory staff and any other person assigned responsibility by the Director of the Department.

2) "Service" or "Served" means notice given:

A) by personal service, substitute service at the individual's usual place of abode with some family member or a person residing there who is at least 13 years old, certified mail (with or without return receipt requested) or restricted delivery,

B) *by a person who is licensed or registered as a private detective under the Private Detective, Private Alarm, Private Security, and Locksmith Act of 2004* [225 ILCS 447] *or by a registered employee of a private detective agency certified under that Act,* or

C) ~~*in counties with a population of less than 2,000,000* [305 ILCS 5/10-4],~~ by any method provided by law for service of summons. (See Sections 2-202, 2-203 and 2-206 of the Code of Civil Procedure [735 ILCS 5/2-202, 2-203 and 2-206] and Sections 10-4 and 10-11 of the Public Aid Code [305 ILCS 5/10-4 and 10-11].)

3) "Support Statutes" means the following:

A) Article X of the Illinois Public Aid Code [305 ILCS 5/Art. X];

B) The Illinois Marriage and Dissolution of Marriage Act [750 ILCS 5];

C) The Non-Support Punishment Act [750 ILCS 16];

D) The Uniform Interstate Family Support Act [750 ILCS 22];

E) The Illinois Parentage Act of 1984 [750 ILCS 45]; and

F) Any other statute in another state that provides for child support.

4) "Retroactive support" means support for a period prior to the date a court or administrative support order is entered.

5) "Child's needs" means:

A) the custodial parent's statement of the associated costs, including, but not limited to, providing a child with: food, shelter, clothing, schooling, recreation, transportation and medical care; or

B) the State's current minimum hourly wage multiplied by 40 hours per work week, multiplied by 4.3 weeks per month, multiplied by the applicable child support guideline percentage contained in subsection (c)(1)~~ of this Section~~.

b) Responsible Relative Contact

1) Timing and Purpose of Contact

A) The Department shall contact and interview responsible relatives in Title IV-D cases to establish support obligations, following the IV-D client interview.

B) The purpose of contact and interview shall be to obtain relevant facts, including income information (for example, paycheck stubs, income tax returns) necessary to determine the financial ability of such relatives for use in obtaining stipulated, consent and other court orders for support and in entering administrative support orders, pursuant to the support statutes.

2) At least ten working days in advance of the interview, the Department shall notify each responsible relative contacted of his support obligation, by ordinary mail, which notice shall contain the following:

A) the Title IV-D case name and identification number;

B) the names and birthdates of the persons for whom support is sought or other information identifying those~~such~~ persons, such as a prior court number;

C) that the responsible relative has a legal obligation to support the named persons;

D) the date, time, place and purpose of the interview and that the responsible relative may be represented by counsel; and

E) that the responsible relative should bring specified information regarding his or her income and resources to the interview.

3) The Department shall notify each Title IV-D client of the date, time and place of the responsible relative interview and that the client may attend if he or she chooses.

c) Determination of Financial Ability

1) In cases handled under subsection (d)~~ of this Section~~, the CSS shall determine the amount of child support and enter an administrative support order on the following basis:

Number of Children	Percent of Responsible Relative's Net Income
1	20%
2	28%
3	32%
4	40%
5	45%
6 or more	50%

A) "Net Income" is the total of all income from all sources, minus the following deductions:

i) Federal income tax (properly calculated withholding or estimated payments);

ii) State income tax (properly calculated withholding or estimated payments);

iii) Social Security (FICA payments);

iv) Mandatory retirement contributions required by law or as a condition of employment;

v) Union dues;

vi) Dependent and individual health/hospitalization insurance premiums and premiums for life insurance ordered by the court to reasonably secure payment of ordered child support;

vii) Prior obligations of support or maintenance actually paid pursuant to a court order or administrative support order;

viii) Expenditures for repayment of debts that represent reasonable and necessary expenses for the production of income;

ix) Medical expenditures necessary to preserve life or health;

x) Reasonable expenditures for the benefit of the child and the other parent, exclusive of gifts; and

xi) Foster care payments paid by the Department of Children and Family Services for providing licensed foster care to a foster child.

B) The deductions in subsections (c)(1)(A)(viii), (ix) and (x) ~~of this Section~~ shall be allowed only for the period that the~~such~~ payments are due. The Department shall enter administrative support orders that contain provisions for an automatic increase in the support obligation upon termination of the~~such~~ payment period.

2) In de novo hearings provided for in subsection (d)(5)(H)~~ of this Section~~ and 89 Ill. Adm. Code 104.102, the Department's hearing officer shall determine the minimum amount of child support as follows:

Number of Children	Percent of Responsible Relative's Net Income
1	20%
2	28%
3	32%
4	40%
5	45%
6 or more	50%

A) "Net Income" is the total of all income from all sources, minus the following deductions:

i) Federal income tax (properly calculated withholding or estimated payments);

ii) State income tax (properly calculated withholding or estimated payments);

iii) Social Security (FICA payments);

iv) Mandatory retirement contributions required by law or as a condition of employment;

v) Union dues;

vi) Dependent and individual health/hospitalization insurance premiums and premiums for life insurance ordered by the court to reasonably secure payment of ordered child support;

vii) Prior obligations of support or maintenance actually paid pursuant to a court order or administrative support order;

viii) Expenditures for repayment of debts that represent reasonable and necessary expenses for the production of income;

ix) Medical expenditures necessary to preserve life or health; and

x) Reasonable expenditures for the benefit of the child and the other parent, exclusive of gifts.

B) The deductions in subsections (c)(2)(A)(viii), (ix) and (x) ~~of this Section~~ shall be allowed only for the period that the~~such~~ payments are due. The Department shall enter administrative support orders that contain provisions for an automatic increase in the support

obligation upon termination of the~~such~~ payment period.

C) The ~~above~~ guidelines in this subsection (c)(2) shall be applied in each case unless the Department finds that application of the guidelines would be inappropriate after considering the best interests of the child in light of evidence including but not limited to one or more of the following relevant factors:

i) the financial resources and needs of the child;

ii) the financial resources and needs of the custodial parent;

iii) the standard of living the child would have enjoyed had the marriage not been dissolved, the separation not occurred or the parties married;

iv) the physical and emotional condition of the child~~,~~ and his or her educational needs; and

v) the financial resources and needs of the non-custodial parent.

D) Each order requiring support that deviates from the guidelines shall state the amount of support that would have been required under the guidelines. The reason or reasons for the variance from the guidelines shall be included in the order.

3) In cases referred for judicial action under subsection (e)~~ of this Section~~, the Department's legal representative shall ask the court to determine the amount of child support due in accord with Section 505 and medical support in accordance with Section 505.2 of the Illinois Marriage and Dissolution of Marriage Act [750 ILCS 5/505].

4) All orders for support shall include a provision for the health care coverage of the child. In all cases in which~~where~~ health insurance coverage is not being furnished by the responsible relative to a child to be covered by a support order, the Department shall enter administrative, or request the court to enter, support orders requiring the relative to provide ~~such~~ coverage when a child can be added to an existing insurance policy at

reasonable cost or indicating what alternative arrangement for health insurance coverage is being provided. Net income shall be reduced by the cost of the coverage~~thereof~~ in determining the minimum amount of support to be ordered.

5) In cases in which~~where~~ the net income of the responsible relative cannot be determined because of default or any other reason, the Department shall order or request the court to order the responsible relative to pay retroactive support for the prior period in the amount of the child's needs as defined by subsection (a)(5)(A) or (B) ~~of this Section~~ when the IV-D client requests that such an order for retroactive support be entered or requested.

6) The final order in all cases shall state the support level in dollar amounts.

7) If there is no net income because of the unemployment of a responsible relative who resides in Illinois and is not receiving General Assistance in the City of Chicago and has children receiving cash assistance in Illinois, the Department, when proceeding under subsection (d)~~ of this Section~~, shall order, or, when proceeding under subsection (e)~~ of this Section~~, shall request the court to order the relative to report for participation in job search, training or work programs established for those~~such~~ relatives. In TANF cases, the Department shall order, when proceeding under subsection (d)~~ of this Section~~, or, when proceeding under subsection (e)~~ of this Section~~, shall request the court to order payment of past-due support pursuant to a plan and, if the responsible relative is unemployed, subject to a payment plan and not incapacitated, that the responsible relative participate in job search, training and work programs established under Section 9-6 and Article IXA of the Illinois Public Aid Code [305 ILCS 5/9-6 and Art. IXA].

8) The Department shall enter administrative support orders, or request the court to enter support orders, that include a provision requiring the responsible relative to notify the Department, within seven days:

A) of any new address of the responsible relative;

B) of the name and address of any new employer or source of income of the responsible relative;

C) of any change in the responsible relative's Social Security Number;

D) whether the responsible relative has access to health insurance coverage through the employer or other group coverage; and

E) if the responsible relative has access to group coverage~~so~~, the policy name and number and the names of persons covered under the policy.

9) The Department shall enter administrative support orders, or request the court to enter support orders, that include a date on which the current support obligation terminates. The termination date shall be no earlier than the date on which the child covered by the order will attain the age of majority or is otherwise emancipated. The order for support shall state that the termination date does not apply to any arrearage that may remain unpaid on that date. The provision of a termination date in the order shall not prevent the order from being modified.

10) The Department shall enter administrative support orders, or request the court to enter support orders, that include a statement that if there is an unpaid arrearage or delinquency equal to at least one month's support obligation on the termination date stated in the order for support or, if there is no termination date stated in the order, on the date the child attains the age of majority or is otherwise emancipated, then the periodic amount required to be paid for current support of that child immediately prior to that date shall automatically continue to be an obligation, not as current support but as periodic payment toward satisfaction of the unpaid arrearage or delinquency.

11) At the request of the IV-D client, the Department shall enter administrative support orders, or request the court to enter support orders, that include provisions for retroactive support, as follows:

A) In cases handled under subsection (d)~~ of this Section~~, the Department shall order the period of retroactive support to begin with the later of two years prior to the date of entry of the administrative support order or the date of the married parties' separation (or the date of birth of the child for whom support is

ordered, if the child was born out of wedlock).

B) In de novo hearings provided for in subsection (d)(5)(H)~~ of this Section~~ and 89 Ill. Adm. Code 104.102, the Department's hearing officer shall order the period of retroactive support to begin with the later of two years prior to the date of entry of the administrative support order or the date of the married parties separation (or the date of birth of the child for whom support is ordered, if the child was born out of wedlock), unless, in cases in which~~where~~ the child was born out of wedlock, the hearing officer, after having examined the factors set forth in Section 14(b) of the Illinois Parentage Act of 1984 [750 ILCS 45/14] and Section 505 of the Illinois Marriage and Dissolution of Marriage Act [750 ILCS 5/505] decides that another date is more appropriate.

C) In cases referred for judicial action under subsection (e)~~ of this Section~~, the Department's legal representative shall ask the court to determine the date retroactive support is to commence in accord with Article X of the Illinois Public Aid Code [305 ILCS 5/Art. X], Sections 510 and 505 of the Illinois Marriage and Dissolution of Marriage Act [750 ILCS 5/510 and 505], and Section 14(b) of the Illinois Parentage Act of 1984 [750 ILCS 45/14].

d) Administrative Process

1) Use of Administrative Process

A) Unless otherwise directed by the Department, the CSS shall establish support obligations of responsible relatives through the administrative process set forth in this subsection (d), in Title IV-D cases, wherein the court has not acquired jurisdiction previously, in matters involving:

i) presumed paternity as set forth in Section 5 of the Illinois Parentage Act of 1984 [750 ILCS 45/5] and support is sought from one or both parents;

ii) alleged paternity and support is sought from the mother;

iii) an administrative paternity order entered under Section 160.61 and support is sought from the man determined to be the child's father, or from the mother, or both;

iv) an establishment of parentage in accordance with Section 6 of the Illinois Parentage Act of 1984 [750 ILCS 45/6]; and

v) an establishment of parentage under the laws of another state, and support is sought from the child's father, or from the mother, or both.

B) In addition to those items specified in subsection (b)(2)~~ of this Section~~, the notice of support obligation shall inform the responsible relative of the following:

i) that the responsible relative may be required to pay retroactive support as well as current support; and

ii) that in its initial determination of child support under subsection (c)~~ of this Section~~, the Department will only consider factors listed in subsections (c)(1)(A)(i) through (x)~~ of this Section~~; and

iii) that the Department will enter an administrative support order based only on those factors listed in subsections (c)(1)(A)(i) through (x)~~ of this Section~~; and

iv) that in order for the Department to consider other factors listed in subsection (c)(2)(C)~~ of this Section~~, Section 14(b) of the Illinois Parentage Act of 1984~~ [750 ILCS 45/14]~~, and Section 505 of the Illinois Marriage and Dissolution of Marriage Act~~ [750 ILCS 5/505]~~, either the responsible relative or the client must request a de novo hearing within 30 days after mailing or delivery of the administrative support order; and

v) that both the client and the responsible relative have a right to request a de novo hearing within 30 days after the mailing or delivery of an administrative support order, at

which time a Department hearing officer may consider other factors listed in subsection (c)(2)(C)~~ of this Section~~, Section 14(b) of the Illinois Parentage Act of 1984~~ [750 ILCS 45/14]~~, and Section 505 of the Illinois Marriage and Dissolution of Marriage Act~~ [750 ILCS 5/505]~~; and

vi) that unless the client and/or the responsible relative requests a de novo hearing within 30 days after the order's mailing or delivery, the administrative support order will become a final enforceable order of the Department; and

vii) that upon failure of the responsible relative to appear for the interview or to provide necessary information to determine net income, an administrative support order may be entered by default or the Department may seek court determination of financial ability based upon the guidelines.

2) The CSS shall determine the ability of each responsible relative to provide support in accordance with subsection (c)~~ of this Section~~ when the~~such~~ relative appears in response to the notice of support obligation and provides necessary information to determine net income. An administrative support order shall be entered that~~which~~ shall incorporate the resulting support amount~~ therein~~. When requested by the IV-D client, the CSS shall also determine (and incorporate in the administrative support order) the amount of retroactive support the responsible relative shall be required to pay by applying the relative's current net income (unless the relative provides necessary information to determine net income for the prior period) to the support guidelines in accordance with subsection (c)~~ of this Section~~. The CSS shall reduce the total amount of retroactive support determined by the amount of cash contributions made by the responsible relative to the IV-D client for the benefit of the child during the retroactive period as specified in the IV-D client's affidavit of direct contribution. In no event shall credit be given in excess of the total amount of the retroactive support determined.

3) Failure to Appear

A) In instances in which the responsible relative fails to appear in

response to the notice of support obligation or fails to provide necessary information to determine net income, the CSS shall enter an administrative support order by default, except as provided in subsection (d)(3)(D)~~ of this Section~~. The terms of the order shall be based upon the needs of the child for whom support is sought, as defined by subsection (a)(5)~~ of this Section~~. No default order shall be entered when a responsible relative fails to appear at the interview unless the relative shall have been served as provided by law with a notice of support obligation.

B) The CSS may issue a subpoena to a responsible relative who fails to appear for interview, or who appears and furnishes income information, when the CSS has information from the Title IV-D client, the relative's employer or any other reliable source indicating that:

i) financial ability, as determined from the guidelines contained in subsection (c)~~ of this Section~~, exceeds the amount indicated in case of default, as indicated in subsection (d)(3)(A)~~ of this Section~~; or

ii) income exceeds that reported by the relative.

C) The CSS will not issue a subpoena under subsection (d)(3)(B) when~~of this Section where~~ the information from the Title IV-D client, the responsible relative's employer or other source concerning the relative's financial ability is verified through documentation such as payroll records, paycheck stubs or income tax returns.

D) In instances in which the relative fails or refuses to accept or fully respond to a Department subpoena issued to him or her pursuant to subsection (d)(3)(B)~~ of this Section~~, the CSS may enter a temporary administrative support order by default, in accordance with subsection (d)(3)(A)~~ of this Section~~, and may then, after investigation and determination of the responsible relative's financial ability to support, utilizing existing State and federal sources (for example, Illinois Department of Employment Security), client statements, employer statements, or the use of the

Department's subpoena powers, enter a support order in accord with subsection (c)(1)~~ of this Section~~.

4) The Department shall register, enforce or modify an order entered by a court or administrative body of another state, and make determinations of controlling order where appropriate, in accordance with the provisions of the Uniform Interstate Family Support Act [750 ILCS 22].

5) An administrative support order shall include the following:

A) the Title IV-D case name and identification number;

B) the names and birthdates of the persons for whom support is ordered;

C) the beginning date, amount and frequency of support;

D) any provision for health insurance coverage ordered under subsection (c)(4)~~ of this Section~~;

E) a provision for retroactive support ordered under subsection (c)(11), including the total retroactive support obligation and the beginning date, amount (that shall not be less than 20 percent of the current support amount) and frequency of payments to be made until the retroactive support obligation is paid in full;

F) the amount of any arrearage that has accrued under a prior support order and the beginning date, amount (that shall not be less than 20 percent of the support order) and frequency of payments to be made until the arrearage is paid in full;

G) a provision requiring that support payments be made to the State Disbursement Unit;

H) a statement informing the client and the responsible relative that they have 30 days from the date of mailing of the administrative support order in which to petition the Department for a release from or modification of the order and receive a hearing in accordance with 89 Ill. Adm. Code 104.102 and subsection (c)(2)

~~of this Section~~, except that, for orders entered as a result of a decision after a de novo hearing, the statement shall inform the client and the responsible relative that the order is a final administrative decision of the Department and that review is available only in accord with provisions of the Administrative Review Law [735 ILCS 5/Art III];

I) except when~~where~~ the order was entered as a result of a decision after a de novo hearing, a statement that the order was based upon the factors listed in subsection (c)(1)(A) ~~of this Section~~ and that in order to have the Department consider other factors listed in subsection (c)(2)(C) ~~of this Section~~, Section 14(b) of the Illinois Parentage Act of 1984 ~~[750 ILCS 45/14]~~ and Section 505 of the Illinois Marriage and Dissolution of Marriage Act ~~[750 ILCS 5/505]~~, either the responsible relative or the client must request a de novo hearing within 30 days after mailing or delivery of the administrative support order; and

J) in each administrative support order entered or modified on or after January 1, 2002, a statement that a support obligation required under the order, or any portion of a support obligation required under the order, that becomes due and remains unpaid for 30 days or more shall accrue simple interest at the rate of nine percent per annum.

6) Every administrative support order entered on or after July 1, 1997~~,~~ shall include income withholding provisions based upon and containing the same information as prescribed in Section 160.75. The Department shall also prepare and serve income withholding notices after entry of an administrative support order and effect income withholding in the same manner as prescribed in Section 160.75.

7) The Department shall provide to each client and each responsible relative a copy of each administrative support order entered, no later than 14 days after entry of the~~such~~ order, by:

A) delivery at the conclusion of an interview during which~~where~~ financial ability to support was determined. An acknowledgment of receipt signed by the client or relative, or a written statement

identifying the place, date and method of delivery signed by the Department's representative, shall be sufficient for purposes of notice to that person.

B) regular mail to the party not receiving personal delivery when~~where~~ the relative fails or refuses to accept delivery, ~~where~~ either party does not attend the interview, or the orders are entered by default.

8) In any case in which~~where~~ the administrative support process has been initiated for the custodial parent and the non-marital child, and the custodial parent and the non-marital child move outside the original county, the administrative support case shall remain in the original county unless a transfer to the other county in which the custodial parent and the non-marital child reside is requested by either party or the Department and the hearing officer assigned to the original county finds that a change of venue would be equitable and not unduly hamper the administrative support process.

9) In any case in which an administrative support order is entered to establish and enforce an arrearage only, and the responsible relative's current support obligation has been terminated, the administrative support order shall require the responsible relative to pay a periodic amount equal to the terminated current support amount until the arrearage is paid in full.

e) Judicial Process

1) The Department shall refer Title IV-D cases for court action to establish support obligations of responsible relatives, pursuant to the support statutes (see subsection (a)(3)~~ of this Section~~) in matters requiring the determination of parentage (except when paternity is to be determined administratively under Section 160.61), when the court has acquired jurisdiction previously and in instances described in subsection (d)(3)(D) ~~of this Section~~, and as otherwise determined by the Department.

2) The Department shall prepare and transmit pleadings and obtain or affix appropriate signature thereto, which pleadings shall include, but not be limited to, petitions to:

A) intervene;

B) modify;

C) change payment path;

D) establish an order for support;

E) establish retroactive support when the IV-D client requests it;

F) establish past-due support;

G) establish parentage;

H) obtain a rule to show cause;

I) enforce judicial and administrative support orders; and

J) combinations of any of the above.

3) Department legal representatives shall request that judicial orders for support require payments to be made to the State Disbursement Unit in accordance with Section 10-10.4 of the Illinois Public Aid Code [305 ILCS 5/10-10.4], Section 507.1 of the Illinois Marriage and Dissolution of Marriage Act [750 ILCS 5/507.1], Section 320 of the Uniform Interstate Family Support Act [750 ILCS 22/320], Section 21.1 of the Illinois Parentage Act of 1984 [750 ILCS 45/21.1] and Section 25 of the Non-Support Punishment Act [750 ILCS 16/25].

f) Petitions for Release from Administrative Support Orders – Extraordinary Remedies

1) Notwithstanding the statements required by subsections (d)(5)(H) and (d)(5)(I) ~~of this Section~~, more than 30 days after the entry of an administrative support order under subsection (d) ~~of this Section~~, a party aggrieved by entry of an administrative support order may petition the Department for release from the order on the same grounds as are provided for relief from judgments under Section 2-1401 of the Code of Civil Procedure.

2) Petitions under this subsection (f) must:

A) cite a meritorious defense to entry of the order;

B) cite the exercise of due diligence in presenting that defense to the Department;

C) be filed no later than two years following the entry of the administrative support order, except that the following times ~~listed below~~ shall be excluded in computing the two years:

i) time during which the person seeking relief is under legal disability;

ii) time during which the person seeking relief is under duress;

iii) time during which the ground for relief is concealed from the person seeking relief;

D) be supported by affidavit or other appropriate showing as to matters not supported by the record.

3) Notice of the filing of the petition must be given and a copy of the petition must be served on the other parent, caretaker or responsible relative by certified mail, return receipt requested, or by any manner provided by law for service of process. The filing of a petition under this subsection (f) does not affect the validity of the administrative support order.

(Source: Amended at 37 Ill. Reg. _____, effective _____)

Section 160.61 Uncontested and Contested Administrative Paternity and Support Establishment

a) Definitions

1) "Combined paternity index" means a statistic, stated as an odds ratio in a report of genetic testing results, giving the likelihood that the man having undergone the testing is the father of the child relative to the chance that

the father is another (unrelated random) man from the same racial background.

2) "Genetic testing" means deoxyribonucleic acid (DNA) tests.

3) "Service" or "Served" means notice given:

A) by personal service, substitute service at the individual's usual place of abode with some family member or a person residing there who is at least 13 years old, certified mail (with or without return receipt requested) or restricted delivery;~~,~~

B) *by a person who is licensed or registered as a private detective under the Private Detective, Private Alarm, Private Security, Fingerprint Vendor, and Locksmith Act of 2004* [225 ILCS 447] *or by a registered employee of a private detective agency certified under that Act* [305 ILCS 5/10-4];~~,~~ or

C) ~~*in counties with a population of less than 2,000,000* [305 ILCS 5/10-4],~~ by any method provided by law for service of a summons. (See Sections 2-202, 2-203 and 2-206 of the Code of Civil Procedure [735 ILCS 5/2-202, 2-203 and 2-206]; Sections 10-4 and 10-11 of the Public Aid Code [305 ILCS 5/10-4 and 10-11].)

4) "Non-marital child", as used in this Section and Section 160.62, means a child born out of wedlock for whom paternity has not been established.

5) "Alleged father", as used in this Section and Section 160.62, means a man alleged to be the father of a non-marital child.

6) "Presumed father" shall have the meaning ascribed to that term in the Illinois Parentage Act of 1984 [750 ILCS 45].

7) "Probability of paternity" is the value converted from the "Combined Paternity Index" into the percentage of probability.

b) Uncontested Administrative Paternity Process

1) Except as otherwise determined, the Department shall establish a man's

paternity of a child through the administrative process set forth in this Section, in Title IV-D cases, wherein the court has not acquired jurisdiction previously, in matters involving:

A) a non-marital child and support is sought from the alleged father;

B) a non-marital child who is in the physical custody of the alleged father or a caretaker relative other than the child's mother, and support is sought from the alleged father or from the mother, or both; or

C) presumed paternity as set forth in Section 5(a)(1) and (2) of the Illinois Parentage Act of 1984 [750 ILCS 45/5(a)(1) and (2)] in which a man other than the presumed father has been alleged to be the child's father, and notice has been provided to the alleged and presumed fathers as set forth in this Section.

2) Contact with Responsible Relatives

A) Following the IV-D client interview, the Department shall contact and interview:

i) alleged fathers to establish paternity and support obligations; and

ii) mothers to establish an alleged father's paternity of a child (where the alleged father or a caretaker relative other than the mother has physical custody of the child) and to establish the support obligation of the alleged father, the mother, or both.

B) The purpose of contact and interview shall be to obtain relevant facts, including information concerning the child's paternity and responsible relative income information (for example, paycheck stubs, income tax returns) necessary to establish the child's paternity and to determine the responsible relative's financial ability for use in establishing child support obligations.

3) At least ten working days in advance of the interview, the Department

shall serve upon or provide to the alleged father from whom child support is sought, by ordinary mail, a notice of alleged paternity and support obligation, which notice shall contain the following:

A) the Title IV-D case name and identification number;

B) the name and birthdate of the non-marital child;

C) that the alleged father has been identified as the biological father of the child named in the notice, and that if determined to be the child's father he will have a legal obligation to support the child;

D) the date, time, place and purpose of the interview and that the alleged father may be represented by counsel;

E) that the alleged father should bring specified information regarding his income and resources to the interview;

F) that upon failure of the alleged father to appear for the interview, administrative paternity and support orders may be entered against him by default; and

G) that the alleged father may be ordered to pay current support and retroactive support, and to provide health insurance coverage for the child.

4) At least ten working days in advance of the interview, the Department shall serve upon or provide to the child's mother, by ordinary mail, a notice of alleged paternity and support obligation, when a man has been alleged to be the father of the child, the alleged father has physical custody of the child, and support is sought from the mother. The notice shall contain the following:

A) the Title IV-D case name and identification number;

B) the name and birthdate of the non-marital child;

C) that the mother has a legal obligation to support the child;

D) the date, time, place and purpose of the interview and that the mother may be represented by counsel;

E) that the mother should bring specified information regarding her income and resources to the interview;

F) that the mother may be ordered to pay current support and retroactive support, and to provide health insurance coverage for the child;

G) that the alleged father has been identified as the biological father of the child named in the notice, and that if determined to be the child's father he will have a legal obligation to support the child; and

H) that upon failure of the mother to appear for the interview, or to provide necessary information to determine net income:

i) an administrative support order may be entered against the mother by default or the Department may seek court determination of financial ability based upon the guidelines; and

ii) the Department may enter an order finding the alleged father to be the father of the child.

5) At least ten working days in advance of the interview, the Department shall serve upon or provide to the child's mother, by ordinary mail, a notice of alleged paternity and support obligation, when a man has been alleged to be the father of a child, an adult other than a parent of the child has physical custody of the child, and support is sought from the mother and the alleged father. The notice shall contain the following:

A) the Title IV-D case name and identification number;

B) the name and birthdate of the non-marital child;

C) that the mother has a legal obligation to support the child;

D) the date, time, place and purpose of the interview and that the mother may be represented by counsel;

E) that the mother should bring specified information regarding her income and resources to the interview;

F) that the mother may be ordered to pay current support and retroactive support, and to provide health insurance coverage for the child;

G) that the alleged father has been identified as the biological father of the child named in the notice, and that if determined to be the child's father he will have a legal obligation to support the child; and

H) that upon failure of the mother to appear for the interview, or to provide necessary information to determine net income:

i) an administrative support order may be entered against the mother by default or the Department may seek an administrative or court determination of financial ability based upon the guidelines; and

ii) the Department may enter an order finding the alleged father to be the father of the child on the basis of genetic testing.

6) When~~Where~~ the man alleged to be the father of a child is different from a man presumed to be the father under Section 5(a)(1) and (2) of the Illinois Parentage Act of 1984~~ [750 ILCS 45/5(a)(1) and (2)]~~, the Department shall send a notice to the presumed father which shall contain the following:

A) the Title IV-D case name and identification number;

B) the child's name and birthdate;

C) the name of the child's mother;

D) that the man to whom the notice is directed has been identified as the child's presumed father;

E) that another man has been alleged to be the child's father, and the name of that alleged father;

F) that the Department has scheduled an interview with the alleged father for the purpose of determining the child's paternity, and the date, time and place of the interview (the date of the interview shall not be less than ten working days after the date of the notice to the presumed father);

G) that if the presumed father fails to appear at the interview to assert his rights as the presumed father, the Department may enter an administrative order finding the alleged father to be the child's father on the basis of genetic testing, or if the alleged father and the child's mother voluntarily sign an acknowledgment that the alleged father is the father of the child; and

H) that counsel may accompany the presumed father to the interview.

7) The Department shall notify each Title IV-D client of the date, time and place of the alleged father interview and that the client may attend if the client chooses.

8) In cases involving a non-marital child:

A) The Department shall provide the alleged father and the child's mother an opportunity to establish paternity by voluntarily signing an acknowledgment of paternity (and, in a case in which there is also a presumed father, an opportunity for the mother and the presumed father to sign a denial of paternity), after being provided with information concerning the implications of signing the acknowledgment (and denial), including parental rights and responsibilities of child support, retroactive support, health insurance coverage, custody, visitation, the right to obtain and agree to be bound by the results of genetic testing, and the right to deny paternity and obtain a contested hearing.

B) The Department shall enter and, within 14 days after entry, serve or mail the parties a copy of an administrative paternity order finding the alleged father to be the father of the child in the following circumstances. An acknowledgment of receipt signed by the client or relative or a written statement identifying the place, date, and method of delivery signed by the Department's representative shall be sufficient for purposes of notice to that person. The Department shall enter the order where:

i) the alleged father and the child's mother (and any presumed father) have voluntarily signed an agreement to be bound by the results of genetic testing, and the results of such testing show that the alleged father is not excluded and that the combined paternity index is at least 1000 to 1 and there is a 99.9% probability of paternity;

ii) the alleged father fails to appear for interview in response to the Department's notice of alleged paternity and support obligation served upon him in a case in which support is sought from the alleged father, or fails to appear for scheduled genetic testing after signing an agreement to be bound by the results of genetic testing;

iii) the child's mother fails to appear for interview in response to the Department's notice of alleged paternity and support obligation served upon her in a case where the alleged father has physical custody of the child;

iv) the child's mother fails to appear for interview in response to the Department's notice of alleged paternity and support obligation served upon her in a case where an adult other than a parent of the child has physical custody of the child, the alleged father has voluntarily signed an agreement to be bound by the results of genetic testing, the results of genetic testing show that the alleged father is not excluded, and the combined paternity index is at least 1000 to 1 and there is a 99.9% probability of paternity;

v) the alleged father fails to appear for interview in response

to the Department's notice of alleged paternity and support obligation served upon him (or fails to appear for genetic testing after agreeing to be bound by the results of genetic testing) in a case where an adult other than a parent of the child has physical custody of the child;

vi) the presumed father fails to appear in response to the Department's notice to presumed father served upon him, the child's mother, and the alleged father have voluntarily signed an agreement to be bound by the results of genetic testing, the results of genetic testing show that the alleged father is not excluded, and the combined paternity index is at least 1000 to 1 and there is a 99.9% probability of paternity; or

vii) the alleged father fails to appear for interview in response to the Department's notice of alleged paternity and support obligation served upon him, and the presumed father fails to appear in response to the Department's notice to presumed father served upon the presumed father.

C) The Department shall make a determination that the alleged father is not the father of the child where the results of genetic testing exclude the alleged father.

9) An agreement to be bound by the results of genetic testing under subsection (b)(8)(B) ~~of this Section~~ shall not be valid when~~where~~ the mother or alleged father is a minor, unless the parent or guardian of the minor mother or minor alleged father also signs the agreement to be bound by the results of genetic testing, except when~~where~~ the mother or alleged father is either emancipated or head of his or her own household with the child for whom paternity is being determined.

10) A party aggrieved by entry of an administrative paternity order, pursuant to subsection (b)(8) ~~of this Section~~, may have the order vacated if, within 30 days after the authorized mailing or service of the order, the party appears in person at the office to which he or she was given notice to appear for an interview pursuant to subsection (b)(3) ~~of this Section~~ and files a written request for relief from the order. The Department shall then

proceed with the establishment of paternity under this Section. A party may obtain relief under this subsection (b) only once in any proceeding to establish paternity.

11) The child's mother or the alleged father may void the presumption of paternity created by voluntarily signing an acknowledgment of paternity under Section 12 of the Vital Records Act [410 ILCS 535/12] by signing a rescission of paternity and filing it with the Department by the earlier of:

A) 60 days after the date the acknowledgment of paternity was signed; or

B) the date of an administrative or judicial proceeding relating to the child, including a proceeding to establish a support order, in which the mother or the alleged father is a party.

12) If the mother or alleged father signs a rescission of paternity, the Department shall process the case under this subsection (b).

c) Contested Paternity Hearing Officers

1) Except as otherwise directed by the Department or provided for in this Part, cases in which paternity is contested shall be referred to Department hearing officers to administratively determine paternity. The Department shall provide the alleged father (and any presumed father) with notice and opportunity to contest paternity at a hearing to determine the existence of the father and child relationship. The notice and any administrative hearing shall be governed by 89 Ill. Adm. Code 104.200 through 104.295. Any administrative support order shall be established in accordance with Section 160.60.

2) Notice shall be given to all parties in the manner provided for service of a notice of alleged paternity and support obligation under subsections (a) and (b) ~~of this Section~~ or, when~~where~~ necessary, by publication in cases in which the whereabouts of a party or parties are unknown after diligent location efforts by the Department. When~~Where~~ service is by publication, the notice shall be published at least once in each week for three consecutive weeks in a newspaper published in the county in which the administrative proceeding is pending. If there is no newspaper published

in that county, then the publication shall be in a newspaper published in an adjoining Illinois county having a circulation in the county in which the administrative proceeding is pending. In addition, where service is by publication, the date of the interview stated in the notice shall not be less than 30 days after first publication of the notice.

3) The Department shall enter default paternity determinations in contested administrative cases as provided for under subsection (b)~~ of this Section~~. However, when~~where~~ notice of the administrative proceedings was served on a party by publication under subsection (c)(2)~~ of this Section~~, a notice of default paternity determination shall be published in the same manner. The notice of default paternity determination shall contain the information required in an administrative paternity order under subsections (d)(1) through (9)~~ of this Section~~, except that the notice of default paternity determination shall not include the mother's and father's Social Security numbers. The Department shall not proceed to establish paternity administratively under subsection (c) ~~of this Section~~ in those cases in which~~wherein~~ the court has acquired jurisdiction previously or the custodial parent claims good cause for failing to cooperate in the establishment of paternity and is found to be exempt from cooperating as set forth in Section 160.35.

4) In any case in which~~where~~ the administrative paternity process has been initiated for the custodial parent and the non-marital child, and the custodial parent and the non-marital child move outside the original county, the paternity determination case shall remain in the original county of venue unless a transfer to another county of proper venue is requested by either party and the hearing officer assigned to the original county finds that a change of venue would be equitable and not unduly hamper the administrative paternity process.

d) An administrative paternity order, whether entered under subsection (b) or (c)~~ of this Section~~, shall include the following:

1) the Title IV-D case name and identification number;

2) the name and birthdate of the child for whom paternity is determined;

3) the alleged father's name and his Social Security number, if known;

4) the mother's name and her Social Security number, if known;

5) a finding that the alleged father is the father of the child, and a statement indicating how paternity was determined (for example, agreement to be bound by the results of genetic testing, default, contested hearing);

6) except in cases in which paternity is administratively determined under subsection (b)(8)(B)(ii), (v) or (viii)~~ of this Section~~, or in a contested hearing under subsection (c)~~ of this Section~~, a statement informing the client and responsible relative that each has 30 days after the date of mailing (or delivery at the interview) of the administrative paternity order to petition the Department for release from the order and receive a hearing in accordance with 89 Ill. Adm. Code 104.105;

7) in cases in which paternity is administratively determined by default under subsection (b)(8)(B)(ii), (v) or (viii)~~ of this Section~~, a statement informing the client and responsible relative of the relief available pursuant to subsection (b)(10)~~ of this Section~~;

8) a statement that, more than 30 days after entry of an administrative paternity order, a party aggrieved by entry of the administrative paternity order may petition the Department for release from the order under the provisions of subsection (e)~~ of this Section~~; and

9) in cases in which paternity is administratively determined in a contested hearing under subsection (c)~~ of this Section~~, a statement informing the client and responsible relative that the order is a final and binding administrative decision, and whether the order is reviewable only under the provisions of the Administrative Review Law [735 ILCS 5/Art. III]; and~~.~~

10) a statement that the Department shall send a copy of the administrative paternity order to the Department of Public Health (DPH), Office of Vital Records, and that DPH, Office of Vital Records, shall prepare a birth certificate in accordance with the paternity order.

e) Petitions For Release – Extraordinary Remedies

1) Notwithstanding the statements required by subsection (d)~~ of this Section~~, more than 30 days after entry of an administrative paternity order under subsection (b) or (c)~~ of this Section~~, a party aggrieved by entry of an administrative paternity order may petition the Department for release from the order.

2) Petitions under this subsection (e) must:

A) Cite a meritorious defense to entry of the order.

B) Cite the exercise of due diligence in presenting that defense to the Department.

C) Be filed no later than two years following the entry of the administrative paternity order, except that times listed below shall be excluded in computing the two years:

i) time during which the person seeking relief is under legal disability;

ii) time during which the person seeking relief is under duress; and

iii) time during which the ground for relief is concealed from the person seeking relief.

D) Be supported by affidavit or other appropriate showing as to matters not supported by the record.

3) Notice of the filing of the petition must be given and a copy of the petition must be served on the other parent by certified mail, return receipt requested or by any manner provided by law for service of process. The filing of a petition under this subsection (e) does not affect the validity of the administrative paternity order.

f) When the paternity of a child has been administratively established under subsection (b) or (c)~~ of this Section~~, the Department shall enter an administrative support order under the process set forth in Section 160.60.

g) In cases in which a final administrative determination of paternity is pending, but there is clear and convincing evidence of paternity based upon the results of genetic testing and upon motion of a party, the Department shall enter a temporary order for support in the manner provided for in Section 160.60.

h) The Department shall notify the Department of Public Health of final administrative paternity determinations, voluntary acknowledgments of paternity, denials of paternity and rescissions of paternity.

i) In cases in which a child's certificate of birth is on file in a state other than Illinois and any of the circumstances stated in this subsection~~below~~ occur, the Department shall forward to the other state a copy of the final administrative determination of paternity or the voluntary acknowledgment of paternity (and the presumed father's denial of paternity, if applicable) or the rescission of paternity:

1) the Department enters a final administrative determination of paternity; or

2) the paternity of a child is established by voluntary acknowledgment under Section 12 of the Vital Records Act ~~[410 ILCS 535/12]~~; or

3) the alleged father or the child's mother rescinds a voluntary acknowledgment of paternity under Section 12 of the Vital Records Act ~~[410 ILCS 535/12]~~.

j) Judicial Process. The Department shall refer Title IV-D cases for judicial action to establish a child's paternity and a responsible relative's support obligation pursuant to the Illinois Parentage Act of 1984 ~~[750 ILCS 45]~~, the Revised Uniform Reciprocal Enforcement of Support Act [750 ILCS 20] or the Uniform Interstate Family Support Act [750 ILCS 22], as appropriate, in matters:

1) involving contested paternity, except when~~where~~ the case is appropriate for referral to a Department hearing officer;

2) when~~where~~ the non-marital child was not conceived in Illinois and the alleged father resides in a state other than Illinois;

3) when~~where~~ the court has acquired jurisdiction previously; or

4) when~~where~~ the results of genetic testing show that the alleged father is not

excluded and the combined paternity index is less than 1000 to 1 and there is a 99.9% probability of paternity, except when the case is appropriate for referral to a Department hearing officer under subsection (c) ~~of this Section~~.

(Source: Amended at 37 Ill. Reg. _____, effective _____)

Section 160.65 Modification of Support Obligations

a) Definitions

1) "Order for support" means any court or administrative order establishing the level of child support due to a child from the responsible relative.

2) "Income Withholding Notice" means the notice served on a payor, pursuant to entry of a court or administrative order for support, that directs the payor to withhold a part of a responsible relative's income for payment of child support.

3) "Assignment of support" has the meaning set forth in Section 160.5.

4) "Assignment of medical support" has the meaning set forth in Section 160.5.

5) "Health insurance" means health insurance or health plan coverage for the dependent child for whom support is sought.

6) "Review" means the CSS comparison of the responsible relative's current financial ability to the existing order for support, as described in subsection (f) ~~of this Section~~.

7) "Quantitative Standard for Review" means the current financial ability of the responsible relative, as determined through modification review, is at least 20 percent above or below the existing order for support and the change is an amount equal to at least $10 a month.

b) Review and Modification of Support Orders

1) The Department, beginning October 13, 1993, shall review child support

orders in Title IV-D cases at 36 month intervals after establishment, modification or the last review, whichever was the last to occur, unless:

A) In a case in which there is an assignment of support or an assignment of medical support, the Department determines, in accordance with subsection (b)(3) ~~of this Section~~, that a review would not be in the best interests of the child and neither parent has requested a review; or

B) In a case in which there is no assignment of support or assignment of medical support, neither parent has requested a review; or

C) In a case in which there is an assignment of medical support but no assignment of support, the order for support requires health insurance for the child covered by the order and neither parent has requested a review.

2) Prior to the expiration of the 36 month period:

A) The Department, in a case in which there is an assignment of support or an assignment of medical support, shall review the order if:

i) an order for withholding has been served on the responsible relative's payor, and payments have been received by the Department within the 90 days prior to selection for review; and

ii) the order for support does not require the responsible relative to provide health insurance for the child covered by the order; and

iii) the Department has not determined that a review would not be in the best interests of the child.

B) In any case in which an administrative order for support has been entered, the Department shall review the order if either the custodial parent or the non-custodial parent files a sworn petition with the Department requesting review and modification of the

administrative order for support either for the current support or, in the event that a current support obligation is no longer owed and only past due support remains, and the order has or requires periodic payments toward the past due support, the Department shall calculate the new support terms in accordance with the provisions of Secion 160.60(c)(1), for support alleging:

i) that the Quantitative Standard of Review has been met; or

ii) that there has been a substantial change in circumstances since the entry of the last administrative order for support meriting modification of the existing order; or

iii) both, unless the Department has determined that a review would not be in the best interests of the child.

C) The Department may review any order for support, unless it has determined that a review would not be in the best interests of the child, whenever a change in financial circumstances of the responsible relative becomes known through representations of the relative or of the client or from independent sources, and the~~such~~ change would materially affect ability to support.

3) The Department shall determine that a review of an order for support would not be in the best interests of the child if there has been a finding of good cause, and it has been determined that support enforcement may not proceed without risk of harm to the child or caretaker relative.

c) Notice of the Right to Request a Review or File a Petition

1) In each Title IV-D case, the Department shall provide notice not less than once every three years to each parent subject to an order for support in the case. The notice may be included in the order and shall inform the parent of the right to request a review of the order or, as appropriate, to file a petition to modify an administrative order, where to request a review or file a petition, and the information that must accompany a request or petition.

2) The Department shall use the broadcast or print media at least twice a

calendar year to publicize the right to request a review as part of the child support enforcement program, and include notice of this right as part of the information on IV-D services contained in its brochures, pamphlets and other printed materials describing the program.

d) Notice of Review

1) The Department shall notify the client and responsible relative that a review will be conducted at least 30 days before commencement of the review.

2) The notice of review shall:

A) Require completion of a form financial affidavit and return of the affidavit to the Department within 15 calendar days after the date the client or relative received the notice; and

B) State that if, as a result of the review, action is taken to modify the order for support, the Department will order, or request the court to order, the responsible relative to provide health insurance. However, in cases in which~~where~~ the client is not receiving medical assistance, the notice shall state that health insurance may be ordered or requested only with the client's consent, as provided in Section 160.60(c)(7).

e) Information Gathering and Employer Contact

1) The Department shall capture all available responsible relative financial information from existing federal and State sources (for example, Illinois Department of Employment Security) through electronic data searches on all IV-D cases.

2) The Department may send a notice to the responsible relative's employer, in accordance with Section 10-3.1 of the Illinois Public Aid Code [305 ILCS 5/10-3.1]. The notice shall:

A) require the disclosure of responsible relative employment information, including but not limited to:

i) the period of employment;

ii) the frequency of wage payments;

iii) gross wages, net pay and all deductions taken in reaching net pay;

iv) the number of dependent exemptions claimed by the responsible relative; and

v) health insurance coverage available to the responsible relative through the employer.

B) require employer compliance within 15 calendar days after the employer's receipt of the notice.

3) If the responsible relative fails to return a completed financial affidavit within 15 calendar days after receipt of the notice of review, and the relative's employer is unknown, the Department may use available means for obtaining the relative's financial information, e.g., service of a subpoena upon the responsible relative.

f) Review of the Order for Support

1) The CSS shall review any financial information concerning the responsible relative. When~~Where~~ the responsible relative's information is not verified through an employer, wage stubs or income tax returns, the CSS shall seek other verification, e.g., subpoena of the responsible relative's income tax return.

2) The CSS shall determine the responsible relative's current financial ability in accordance with the guidelines contained in Section 160.60(c).

3) The CSS shall compare the responsible relative's current financial ability to the amount of the existing order for support and determine if the Quantitative Standard for Review has been met.

4) The CSS shall determine if health insurance is being provided for the child under the order for support or whether the child's health care needs are

being met through other means. In no event shall the CSS consider a child's eligibility for, or receipt of, medical assistance to meet the need to provide for the child's health care needs.

g) Notice of Review Results
The Department shall inform the client and responsible relative of the results of the review and provide a copy of the CSS calculation comparing the responsible relative's current financial ability to the amount of the existing order within 14 days after the review results are determined. The client and responsible relative will be advised whether or not the Department will take action to modify the existing order for support and of the right to contest the determination.

1) When the review indicates the Quantitative Standard for Review has not been met, the client and responsible relative, in both judicial and administrative cases, are advised as follows:

A) The Department will not take action to modify the order for support.

B) The Department will only take action to modify the order to require health insurance for the child covered by the order.

C) Either parent may request a redetermination within 30 calendar days after the date of the notice by:

i) signing and returning the request for a redetermination to the Department;

ii) providing financial documentation or information concerning the child's health care needs not furnished previously, which will substantiate the request; and

iii) in a case in which the Department has previously entered an administrative order for support, alleging on the request for redetermination that a substantial change in circumstances has occurred since the entry of the last support order meriting a modification of the support order.

2) When the review indicates the Quantitative Standard for Review has been

met, the client and responsible relative will be advised that:

A) The Department will take action to modify the existing order for support in accordance with the review results.

B) In cases involving the judicial process, each parent will be informed 30 calendar days in advance of the hearing date and will have the opportunity to contest the review results at that time.

3) In cases in which an administrative order for support is entered in accordance with subsection (h) and in cases in which, after redetermination in accordance with subsection (h), the Department advises that it will take no action to modify an existing administrative order of support:

A) The client and responsible relative will be advised that he or she has until 30 calendar days after the date of mailing of the administrative order for support or the notice of modification review redetermination results in which to request a de novo modification hearing in accordance with 89 Ill. Adm. Code 104.102. The client will be further advised that he or she may provide financial documentation or information concerning the child's health care needs not furnished previously that will substantiate the requested relief.

B) When both the client and the responsible relative request a hearing, the two requests shall be merged and shall be disposed of simultaneously by the hearing proceeding. The parties shall be advised of the right to present evidence at the hearing, including the client's right to provide financial documentation or information concerning the child's health care needs not furnished previously that will substantiate the requested relief.

C) When the responsible relative requests a hearing and the client does not, the client shall again be advised of the right to present evidence at the hearing.

D) When the client requests a hearing and the responsible relative does not, the responsible relative shall again be advised of the right to present evidence at the hearing.

4) For purposes of calculating the 30 calendar day period in which to petition the Department for release from or modification of the administrative order for support or to request redetermination of the review results, the day immediately subsequent to the mailing of the order or determination shall be considered the first day and the day the~~such~~ request is received by the Department shall be considered as the last day.

5) In de novo hearings provided for in subsection (g)(3) and 89 Ill. Adm. Code 104.102, the Department's hearing officer shall determine whether the Quantitative Standard for Review has been met. If the hearing officer determines that the Quantitative Standard has not been met, determine, in accordance with Section 510 of the Illinois Marriage and Dissolution of Marriage Act [750 ILCS 5/510] and the opinions of the Illinois Supreme Court or the Illinois Appellate Court construing Section 510, whether the party or parties requesting a de novo hearing have demonstrated the occurrence of a substantial change in circumstances since entry of the last administrative order for support warranting modification of that order.

6) If the Department's hearing officer determines that the Quantitative Standard for Review has not been met and that the party or parties requesting the hearing have not demonstrated the occurrence of a substantial change in circumstances since entry of the last administrative order for support warranting modification of that order, the hearing officer will recommend entry of a final administrative decision finding that modification of the existing support order is not warranted and denying the request for entry of a new order.

7) If the Department's hearing officer determines that the Quantitative Standard for Review has been met or that the party or parties requesting the hearing have demonstrated the occurrence of a substantial change in circumstances since entry of the last administrative order for support warranting modification of that order, the hearing officer will recommend entry of a final administrative decision resulting in entry of a new administrative order for support. In recommending terms of the new administrative order, either for current support or, in the event a current

support obligation is no longer owed and only past due support remains, periodic payments toward the past due support, the hearing officer shall calculate the new support terms in accordance with the provisions of Section~~89 Ill. Adm. Code~~ 160.60(c)(2).

8) After receipt of the hearing officer's recommendation as specified in subsections (g)(6) and (g)(7), the Department shall enter a final administrative decision that is reviewable in the Circuit Court only in accordance with the provisions of the Administrative Review law [735 ILCS 5/Art. III].

h) Further Actions Taken by the Department

1) The Department shall take the following action when the CSS has determined in accordance with subsection (f) ~~of this Section~~ that the Quantitative Standard for Review has been met or when the Quantitative Standard for Review has not been met, but there is a determination that the order for support needs to be modified to require provision of health insurance:

A) In a case involving an order for support entered by the court, the CSS shall:

i) prepare a petition to modify, and obtain or affix appropriate signature thereto;

ii) refer the case for legal action to modify the order for support pursuant to Section 510 of the Illinois Marriage and Dissolution of Marriage Act ~~[750 ILCS 5/510]~~; and

iii) provide the client and responsible relative with the notice described in subsection (g)(2)(B) ~~of this Section~~.

B) In a case involving an administrative order for support established under Section 160.60(d), or modified under this Section, the CSS shall enter an administrative order for support incorporating the results of the review and containing the information specified in Section 160.60(d)(5). Any order for health insurance shall be entered in accordance with Section 160.60(c)(7).

i) The CSS shall effect income withholding in accordance with Section 160.60(d)(6).

ii) The CSS shall provide to the client and responsible relative copies of the administrative order for support, together with the notice described in subsection (g)(2)(C) ~~of this Section~~.

2) If the Department receives a written request for a de novo modification hearing as described in subsection (g)(3) ~~of this Section~~ within 30 calendar days after the date of mailing of a modified administrative order for support or notice described in subsection (g)(3)(A), the Department will provide a hearing in accordance with 89 Ill. Adm. Code 104.102. The 30 calendar day period shall be calculated in accordance with subsection (g)(4) ~~of this Section~~.

3) Upon receipt of a request for a redetermination as set forth in subsection (g)(1) ~~of this Section~~ within 30 calendar days after the date of mailing of the notice, the Department shall conduct such redetermination. The 30 calendar day period shall be calculated in accordance with subsection (g)(3) ~~of this Section~~.

i) Timeframes for Review and Modification

1) In any case in which there is an assignment of support or an assignment of medical support, the Department shall determine within 15 calendar days after October 13, 1993, or the date the order is 36 months old, whichever is later, whether a review should be conducted as provided in subsection (b)(1) ~~of this Section~~.

2) Subsequent determinations about whether to review an order for support in a case in which there is an assignment of support or an assignment of medical support shall be made by the Department in accordance with subsection (b)(1) ~~of this Section~~, at 36 month intervals based upon:

A) the date the order for support was modified; or

B) the date an order was entered determining that the order for support would not be modified; or

C) the date the period expired for requesting redetermination of the Department's review decision not to seek modification of the order for support.

3) Within 15 calendar days after receipt of a request for a review or sworn petition requesting review and modification of an administrative order for support, the Department shall determine whether a review should be conducted in accordance with subsection (b)(2)~~ of this Section~~.

4) Within 180 calendar days after determining that a review should be conducted or locating the non-requesting parent, whichever occurs later, the Department shall:

A) send the notice of review in accordance with subsection (d)~~ of this Section~~;

B) conduct a review of the order in accordance with subsection (f)~~ of this Section~~;

C) send the notice of review results in accordance with subsection (g) ~~of this Section~~; and

D) conclude any action to modify the order for support.

j) Interstate Review and Modification

1) Initiating Cases

A) In any case in which there is an assignment of support or an assignment of medical support, the Department shall determine, within 15 calendar days after October 13, 1993, or the date the order for support is 36 months old, whichever date occurs later, whether a review should be conducted, as required under subsection (b)(1)~~ of this Section~~, and whether the review should be conducted by the Department or another state.

B) Subsequent determinations about whether to conduct a review shall be made in accordance with subsection (b)(1)~~ of this Section~~, at 36

month intervals based upon:

i) the date the order for support was modified; or

ii) the date an order was entered determining that the order for support would not be modified; or

iii) the date the period expired for requesting redetermination of a review decision not to seek modification of the order for support.

C) Within 15 calendar days after receipt of a sworn petition requesting review and modification of an administrative order for support or an intergovernmental request for a review, the Department shall determine whether a review should be conducted, as required under subsection (b)(1)~~ of this Section~~, and whether the review should be conducted by the Department or another state.

D) Prior to the expiration of the 36 month period, the Department:

i) shall review or request another state to review an order for support under the circumstances set forth in subsections (b)(2)(A) and (B)~~ of this Section~~; and

ii) may review or request another state to review an order for support as provided in subsection (b)(2)(C)~~ of this Section~~.

E) The Department shall determine in which state a review should be conducted after considering all relevant factors, including but not limited to:

i) the location of existing orders;

ii) the present residence of each party; and

iii) whether a particular state has jurisdiction over the parties.

F) In any case coming under the provisions of subsections (j)(1)(A), (B) and (C)~~ of this Section~~, in which the Department has

determined to request a review of an order for support in another state, the Department shall:

i) send a request for review to that state within 20 calendar days after receipt of sufficient information to conduct the review and provide that state with sufficient information on the requestor of review to act on the request; and

ii) send to the parent in Illinois a copy of any notice issued by the responding state in connection with the review and modification of the order, within five working days after receipt of the~~such~~ notice by the Department.

2) Responding Cases

A) Within 15 calendar days after receipt of a request for a review of an order for support in Illinois as the responding state, the Department shall determine whether a review should be conducted in accordance with subsection (b)(1)~~ of this Section~~.

B) Within 180 calendar days after determining that a review should be conducted or locating the non-requesting parent, whichever occurs later, the Department shall take the actions specified in subsection (i)(4)~~ of this Section~~.

k) Consolidation of Administrative Orders
Notwithstanding any other provision of this Section, at any time the Department determines that a non-custodial parent subject to an administrative order for support is responsible for any child or children residing with the same custodian, other than the child for whom the administrative order for support imposes a support obligation, the Department may enter a new support order for the children subject to notice requirements and determination of financial ability to pay support set forth in Section 160.60. Any order so entered shall be considered a prospective modification of any administrative order or orders for support previously entered by the Department with regard to the children covered by the new order subject to the same right of review as any other modified administrative order for support.

(Source: Amended at 37 Ill. Reg. _____, effective _____)

DEPARTMENT OF PUBLIC HEALTH

NOTICE OF PROPOSED AMENDMENT

1) Heading of the Part: Emergency Medical Services and Trauma Center Code

2) Code Citation: 77 Ill. Adm. Code 515

3) Section Number: 515.845 — Proposed Action: Amend

4) Statutory Authority: Emergency Medical Services (EMS) Systems Act [210 ILCS 50]

5) A Complete Description of the Subjects and Issues Involved: Section 515.845 is being amended to implement PA 97-689, which amends the Emergency Medical Services (EMS) Systems Act to redefine the type of passenger the stretcher van may transport.

The economic effect of this proposed rulemaking is unknown. Therefore, the Department requests any information that would assist in calculating this effect.

The Department anticipates adoption of this rulemaking approximately six to nine months after publication of the Notice in the *Illinois Register*.

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? Yes

Section Numbers	Proposed Action	Ill. Reg. Citation
515.100	Amend	37 Ill. Reg. 11205; July 19, 2013
515.160	Amend	37 Ill. Reg. 11205; July 19, 2013
515.210	Amend	37 Ill. Reg. 11205; July 19, 2013
515.220	Amend	37 Ill. Reg. 11205; July 19, 2013
515.250	New	37 Ill. Reg. 11205; July 19, 2013
515.330	Amend	37 Ill. Reg. 11205; July 19, 2013
515.5000	New	37 Ill. Reg. 11205; July 19, 2013
515.5010	New	37 Ill. Reg. 11205; July 19, 2013

DEPARTMENT OF PUBLIC HEALTH

NOTICE OF PROPOSED AMENDMENT

515.5020	New	37 Ill. Reg. 11205; July 19, 2013
515.5030	New	37 Ill. Reg. 11205; July 19, 2013
515.5040	New	37 Ill. Reg. 11205; July 19, 2013
515.5050	New	37 Ill. Reg. 11205; July 19, 2013
515.5060	New	37 Ill. Reg. 11205; July 19, 2013
515.5070	New	37 Ill. Reg. 11205; July 19, 2013
515.5080	New	37 Ill. Reg. 11205; July 19, 2013
515.5090	New	37 Ill. Reg. 11205; July 19, 2013
515.5100	New	37 Ill. Reg. 11205; July 19, 2013
515.APPENDIX D	Amend	37 Ill. Reg. 11205; July 19, 2013

11) Statement of Statewide Policy Objectives: This rulemaking may have an effect on units of local government.

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

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

217/782-2043
e-mail: dph.rules@illinois.gov

13) Initial Regulatory Flexibility Analysis:

A) Types of small businesses, small municipalities and not for profit corporations affected: Transport providers that want to be licensed as a stretcher van can be a small business.

B) Reporting, bookkeeping or other procedures required for compliance: Transport providers that want to be licensed as a stretcher van in the State will need to submit an application to the Department for licensure and follow the Act and this Part.

C) Types of professional skills necessary for compliance: All stretcher van attendants shall be CPR certified and have received basic training in the operation of stretchers.

14) Regulatory Agenda on which this rulemaking was summarized: This rulemaking was not included on the Regulatory Agenda because the need for the rulemaking was not apparent at the time that the Regulatory Agenda was prepared.

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

DEPARTMENT OF PUBLIC HEALTH

NOTICE OF PROPOSED AMENDMENT

TITLE 77: PUBLIC HEALTH
CHAPTER I: DEPARTMENT OF PUBLIC HEALTH
SUBCHAPTER f: EMERGENCY SERVICES AND HIGHWAY SAFETY

PART 515
EMERGENCY MEDICAL SERVICES AND TRAUMA CENTER CODE

SUBPART A: GENERAL

Section
515.100 Definitions
515.125 Incorporated and Referenced Materials
515.150 Waiver Provisions
515.160 Facility, System and Equipment Violations, Hearings and Fines
515.170 Employer Responsibility
515.180 Administrative Hearings

SUBPART B: EMS REGIONS

Section
515.200 Emergency Medical Services Regions
515.210 EMS Regional Plan Development
515.220 EMS Regional Plan Content
515.230 Resolution of Disputes Concerning the EMS Regional Plan
515.240 Bioterrorism Grants

SUBPART C: EMS SYSTEMS

Section
515.300 Approval of New EMS Systems
515.310 Approval and Renewal of EMS Systems
515.315 Bypass Status Review
515.320 Scope of EMS Service
515.330 EMS System Program Plan
515.340 EMS Medical Director's Course
515.350 Data Collection and Submission
515.360 Approval of Additional Drugs and Equipment
515.370 Automated Defibrillation (Repealed)
515.380 Do Not Resuscitate (DNR) Policy
515.390 Minimum Standards for Continuing Operation

DEPARTMENT OF PUBLIC HEALTH

NOTICE OF PROPOSED AMENDMENT

515.400 General Communications
515.410 EMS System Communications
515.420 System Participation Suspensions
515.430 Suspension, Revocation and Denial of Licensure of EMTs
515.440 State Emergency Medical Services Disciplinary Review Board
515.445 Pediatric Care
515.450 Complaints
515.455 Intra- and Inter-system Dispute Resolution
515.460 Fees
515.470 Participation by Veterans Health Administration Facilities

SUBPART D: EMERGENCY MEDICAL TECHNICIANS

Section
515.500 Emergency Medical Technician-Basic Training
515.510 Emergency Medical Technician-Intermediate Training
515.520 Emergency Medical Technician-Paramedic Training
515.530 EMT Testing
515.540 EMT Licensure
515.550 Scope of Practice – Licensed EMT
515.560 EMT-B Continuing Education
515.570 EMT-I Continuing Education
515.580 EMT-P Continuing Education
515.590 EMT License Renewals
515.600 EMT Inactive Status
515.610 EMT Reciprocity
515.620 Felony Convictions
515.630 Evaluation and Recognition of Military Experience and Education
515.640 Reinstatement

SUBPART E: EMS LEAD INSTRUCTOR, EMERGENCY MEDICAL DISPATCHER, FIRST RESPONDER, PRE-HOSPITAL REGISTERED NURSE, EMERGENCY COMMUNICATIONS REGISTERED NURSE, AND TRAUMA NURSE SPECIALIST

Section
515.700 EMS Lead Instructor
515.710 Emergency Medical Dispatcher
515.715 Provisional Licensure for First Responders and Emergency Medical Responders
515.720 First Responder (Repealed)

DEPARTMENT OF PUBLIC HEALTH

NOTICE OF PROPOSED AMENDMENT

515.725 First Responder/Emergency Medical Responder
515.730 Pre-Hospital Registered Nurse
515.740 Emergency Communications Registered Nurse
515.750 Trauma Nurse Specialist
515.760 Trauma Nurse Specialist Program Plan

SUBPART F: VEHICLE SERVICE PROVIDERS

Section
515.800 Vehicle Service Provider Licensure
515.810 EMS Vehicle System Participation
515.820 Denial, Nonrenewal, Suspension and Revocation of a Vehicle Service Provider License
515.825 Alternate Response Vehicle
515.830 Ambulance Licensing Requirements
515.835 Stretcher Van Provider Licensing Requirements
515.840 Stretcher Van Requirements
515.845 Operation of Stretcher Vans
515.850 Reserve Ambulances
515.860 Critical Care Transport

SUBPART G: LICENSURE OF SPECIALIZED EMERGENCY MEDICAL SERVICES VEHICLE (SEMSV) PROGRAMS

Section
515.900 Licensure of SEMSV Programs – General
515.910 Denial, Nonrenewal, Suspension or Revocation of SEMSV Licensure
515.920 SEMSV Program Licensure Requirements for All Vehicles
515.930 Helicopter and Fixed-Wing Aircraft Requirements
515.935 EMS Pilot Specifications
515.940 Aeromedical Crew Member Training Requirements
515.945 Aircraft Vehicle Specifications and Operation
515.950 Aircraft Medical Equipment and Drugs
515.955 Vehicle Maintenance for Helicopter and Fixed-wing Aircraft Programs
515.960 Aircraft Communications and Dispatch Center
515.965 Watercraft Requirements
515.970 Watercraft Vehicle Specifications and Operation
515.975 Watercraft Medical Equipment and Drugs
515.980 Watercraft Communications and Dispatch Center

DEPARTMENT OF PUBLIC HEALTH

NOTICE OF PROPOSED AMENDMENT

515.985 Off-Road SEMSV Requirements
515.990 Off-Road Vehicle Specifications and Operation
515.995 Off-Road Medical Equipment and Drugs
515.1000 Off-Road Communications and Dispatch Center

SUBPART H: TRAUMA CENTERS

Section
515.2000 Trauma Center Designation
515.2010 Denial of Application for Designation or Request for Renewal
515.2020 Inspection and Revocation of Designation
515.2030 Level I Trauma Center Designation Criteria
515.2035 Level I Pediatric Trauma Center
515.2040 Level II Trauma Center Designation Criteria
515.2045 Level II Pediatric Trauma Center
515.2050 Trauma Center Uniform Reporting Requirements
515.2060 Trauma Patient Evaluation and Transfer
515.2070 Trauma Center Designation Delegation to Local Health Departments
515.2080 Trauma Center Confidentiality and Immunity
515.2090 Trauma Center Fund
515.2100 Pediatric Care (Renumbered)
515.2200 Suspension Policy for Trauma Nurse Specialist Certification

SUBPART I: EMS ASSISTANCE FUND

Section
515.3000 EMS Assistance Fund Administration

SUBPART J: EMERGENCY MEDICAL SERVICES FOR CHILDREN

Section
515.3090 Pediatric Recognition of Hospital Emergency Departments and Inpatient Critical Care Services
515.4000 Facility Recognition Criteria for the Emergency Department Approved for Pediatrics (EDAP)
515.4010 Facility Recognition Criteria for the Standby Emergency Department Approved for Pediatrics (SEDP)
515.4020 Facility Recognition Criteria for the Pediatric Critical Care Center (PCCC)

DEPARTMENT OF PUBLIC HEALTH

NOTICE OF PROPOSED AMENDMENT

515.APPENDIX A	A Request for Designation (RFD) Trauma Center
515.APPENDIX B	A Request for Renewal of Trauma Center Designation
515.APPENDIX C	Minimum Trauma Field Triage Criteria
515.APPENDIX D	Standing Medical Orders
515.APPENDIX E	Minimum Prescribed Data Elements
515.APPENDIX F	Template for In-House Triage for Trauma Centers
515.APPENDIX G	Credentials of General/Trauma Surgeons Level I and Level II
515.APPENDIX H	Credentials of Emergency Department Physicians Level I and Level II
515.APPENDIX I	Credentials of General/Trauma Surgeons Level I and Level II Pediatric Trauma Centers
515.APPENDIX J	Credentials of Emergency Department Physicians Level I and Level II Pediatric Trauma Centers
515.APPENDIX K	Application for Facility Recognition for Emergency Department with Pediatrics Capabilities
515.APPENDIX L	Pediatric Equipment Recommendations for Emergency Departments
515.APPENDIX M	Inter-facility Pediatric Trauma and Critical Care Consultation and/or Transfer Guideline
515.APPENDIX N	Pediatric Critical Care Center (PCCC)/Emergency Department Approved for Pediatrics (EDAP) Recognition Application
515.APPENDIX O	Pediatric Critical Care Center Plan
515.APPENDIX P	Pediatric Critical Care Center (PCCC) Pediatric Equipment/Supplies/Medications Requirements

AUTHORITY: Implementing and authorized by the Emergency Medical Services (EMS) Systems Act [210 ILCS 50].

SOURCE: Emergency Rule adopted at 19 Ill. Reg. 13084, effective September 1, 1995 for a maximum of 150 days; emergency expired January 28, 1996; adopted at 20 Ill. Reg. 3203, effective February 9, 1996; emergency amendment at 21 Ill. Reg. 2437, effective January 31, 1997, for a maximum of 150 days; amended at 21 Ill. Reg. 5170, effective April 15, 1997; amended at 22 Ill. Reg. 11835, effective June 25, 1998; amended at 22 Ill. Reg. 16543, effective September 8, 1998; amended at 24 Ill. Reg. 8585, effective June 10, 2000; amended at 24 Ill. Reg. 9006, effective June 15, 2000; amended at 24 Ill. Reg. 19218, effective December 15, 2000; amended at 25 Ill. Reg. 16386, effective December 20, 2001; amended at 26 Ill. Reg. 18367, effective December 20, 2002; amended at 27 Ill. Reg. 1277, effective January 10, 2003; amended at 27 Ill. Reg. 6352, effective April 15, 2003; amended at 27 Ill. Reg. 7302, effective April 25, 2003; amended at 27 Ill. Reg. 13507, effective July 25, 2003; emergency amendment at 29 Ill. Reg. 12640, effective July 29, 2005, for a maximum of 150 days; emergency expired December 25, 2005; amended at 30 Ill. Reg. 8658, effective April 21, 2006; amended at 32 Ill. Reg. 16255,

effective September 18, 2008; amended at 35 Ill. Reg. 6195, effective March 22, 2011; amended at 35 Ill. Reg. 15278, effective August 30, 2011; amended at 35 Ill. Reg. 16697, effective September 29, 2011; amended at 35 Ill. Reg. 18331, effective October 21, 2011; amended at 35 Ill. Reg. 20609, effective December 9, 2011; amended at 36 Ill. Reg. 880, effective January 6, 2012; amended at 36 Ill. Reg. 2296, effective January 25, 2012; amended at 36 Ill. Reg. 3208, effective February 15, 2012; amended at 36 Ill. Reg. 11196, effective July 3, 2012; amended at 36 Ill. Reg. 17490, effective December 3, 2012; amended at 37 Ill. Reg. 5714, effective April 15, 2013; amended at 37 Ill. Reg. 7128, effective May 13, 2013; amended at 37 Ill. Reg. 10683, effective June 25, 2013; amended at 37 Ill. Reg. _____, effective _____.

SUBPART F: VEHICLE SERVICE PROVIDERS

Section 515.845 Operation of Stretcher Vans

a) No stretcher van may be operated with a crew of fewer than two trained attendants. One trained attendant shall remain with the passenger.

b) All stretcher van attendants shall be CPR certified and have received basic training in the operation of stretchers.

c) *A stretcher van provider may provide transport of a passenger on stretcher provided the passenger meets all of the following requirements:*

~~1) *He or she needs no medical equipment, except self-administered medications;*~~

1)~~2)~~ *He or she needs no medical monitoring or clinical observation;*~~He or she needs no medical monitoring or medical observation;~~

3) *He or she needs routine* non-emergent *transportation to or from a medical appointment or service if he or she is convalescent or otherwise bed confined and does not require clinical observation~~medical monitoring~~, aid, care, or treatment during transport*. (Section 3.86(c) of the Act)

d) Examples of appropriate stretcher van transport include, but are not limited to, transport from a passenger's home to another residential setting, a medical appointment or a therapy session.

e) *A stretcher van provider* shall *not transport a passenger who meets any of the following conditions*:

1) *He or she is being transported to a hospital for emergency medical treatment;~~He or she is currently admitted to a hospital or is being transported to a hospital for admission or urgent emergency treatment;~~*

2) *He or she is experiencing an emergency medical condition or needs active medical monitoring, including isolation precautions, supplemental oxygen that is not self-administered, continuous airway management, suctioning during transport, or the administration of intravenous fluids during transport.* (Section 3.86(d) of the Act)*~~He or she is acutely ill, wounded or medically unstable as determined by a licensed physician;~~*

~~3)~~ *~~He or she is experiencing an emergency medical condition, an acute medical condition, an exacerbation of a chronic medical condition, or a sudden illness or injury;~~*

~~4)~~ *~~He or she was administered a medication that might prevent the passenger from caring for himself or herself;~~*

~~5)~~ *~~He or she was moved from one environment where 24-hour medical monitoring or medical observation will take place by certified or licensed nursing personnel to another such environment. Such environments shall include, but not be limited to, hospitals licensed under the Hospital Licensing Act or operated under the University of Illinois Hospital Act, and nursing facilities licensed under the Nursing Home Care Act.~~* ~~(Section 3.86(d) of the Act)~~

f) Examples of inappropriate transports by stretcher vans include:

1) Passengers who, by nature of their illness or injury, are likely to encounter complications and are likely to require medical care in route;

2) Passengers whose physical or mental state prevents them from cooperating with the stretcher van operators (e.g., senile dementia/Alzheimer's, mentally unstable individuals or passengers who present a risk of elopement).

DEPARTMENT OF PUBLIC HEALTH

NOTICE OF PROPOSED AMENDMENT

(Source: Amended at 37 Ill. Reg. _____, effective _____)

ILLINOIS EMERGENCY MANAGEMENT AGENCY

NOTICE OF ADOPTED REPEALER

1) Heading of the Part: Individual and Family Grant Program

2) Code Citation: 29 Ill. Adm. Code 410

3)

Section Numbers:	Proposed Action:
410.10	Repealed
410.20	Repealed
410.30	Repealed
410.40	Repealed
410.50	Repealed
410.60	Repealed

4) Statutory Authority: Implementing and authorized by Federal Emergency Management Agency Regulations (44 CFR 205.54, April 12, 1982) and the Illinois Emergency Management Agency Act [20 ILCS 3305]

5) Effective Date of Rulemaking: July 19, 2013

6) Does this rulemaking contain an automatic repeal date? No

7) Does this rulemaking contain incorporations by reference? No

8) A copy of the adopted rulemaking, including any material incorporated by reference, is on file at the Agency's headquarters located at 1035 Outer Park Drive, Springfield, Illinois and is available for public inspection.

9) Notice of Proposal published in the *Illinois Register*: 37 Ill. Reg. 2757; March 15, 2013

10) Has JCAR issued a Statement of Objection to this rulemaking? No

11) Differences between Proposal and Final Version: None

12) Have all changes agreed upon by the Agency and JCAR been made as indicated in the agreement letter issued by JCAR? No agreements were necessary.

13) Will this rulemaking replace any emergency rulemaking currently in effect? No

14) Are there any rulemakings pending on this Part? No

ILLINOIS EMERGENCY MANAGEMENT AGENCY

NOTICE OF ADOPTED REPEALER

15) Summary and Purpose of Rulemaking: The Agency repealing 29 Ill. Adm. Code 410, Individual and Family Grant Program, which was last amended on March 31, 1983. The Individual and Family Grant (IFG) Program no longer exists within the State. The IFG Program was once administered by the State so a rule was adopted that guided the administration of the Program. The IFG Program was replaced by the Other Needs Assistance (ONA) Program which is now administered by FEMA. Since the ONA Program is not administered by the State, there is no need for a State rule on the program.

16) Information and questions regarding this Adopted Rulemaking shall be directed to:

Traci Burton
Paralegal Assistant
Illinois Emergency Management Agency
1035 Outer Park Drive
Springfield, Illinois 62704

217/785-9860 (voice)
217/782-6133 (TDD)

ILLINOIS EMERGENCY MANAGEMENT AGENCY

NOTICE OF ADOPTED REPEALER

1) Heading of the Part: Public Disaster Assistance Program

2) Code Citation: 29 Ill. Adm. Code 420

3)

Section Numbers:	Proposed Action:
420.10	Repealed
420.20	Repealed
420.30	Repealed
420.40	Repealed
420.50	Repealed
420.60	Repealed

4) Statutory Authority: Implementing as authorized by the Disaster Relief Act of 1974, (42 USCA 5121 et seq. (1983) and the Illinois Emergency Management Agency Act

5) Effective Date of Repealer: July 19, 2013

6) Does this rulemaking contain an automatic repeal date? No

7) Does this rulemaking contain incorporations by reference? No

8) A copy of the adopted rulemaking, including any material incorporated by reference, is on file at the Agency's headquarters located at 1035 Outer Park Drive, Springfield, Illinois and is available for public inspection.

9) Notice of Proposal published in the *Illinois Register*: 37 Ill. Reg. 2766; March 15, 2013

10) Has JCAR issued a Statement of Objection to this rulemaking? No

11) Differences between Proposal and Final Version: None

12) Have all changes agreed upon by the Agency and JCAR been made as indicated in the agreement letter issued by JCAR? No agreements were necessary.

13) Will this rulemaking replace any emergency rulemaking currently in effect? No

14) Are there any rulemakings pending on this Part? No

ILLINOIS EMERGENCY MANAGEMENT AGENCY

NOTICE OF ADOPTED REPEALER

15) Summary and Purpose of Rulemaking: The Agency is repealing 29 Ill. Adm. Code 420, Public Disaster Assistance Program, which was last amended on August 31, 1983. The Public Assistance (PA) Program provides Federal disaster assistance to states, local governments and certain private non-profit organizations for debris removal, emergency protective measures and the permanent restoration of public facilities as a result of a major disaster or emergency declaration made by the President of the United States. The PA Program is jointly administered by the Federal Emergency Management Agency (FEMA) and Illinois Emergency Management Agency (IEMA) under Federal statute, regulation and policy that has evolved over the past 20+ years. Most of the terminology and grant process has changed since 29 Ill. Adm. Code 420 was originally implemented and the rule is no longer applicable or necessary to administer the PA Program.

16) Information and questions regarding this Adopted Rulemaking shall be directed to:

Traci Burton
Paralegal Assistant
Illinois Emergency Management Agency
1035 Outer Park Drive
Springfield, Illinois 62704

217/785-9860 (voice)
217/ 782-6133 (TDD)

ILLINOIS EMERGENCY MANAGEMENT AGENCY

NOTICE OF ADOPTED AMENDMENT

1) Heading of the Part: Medical Use of Radioactive Material

2) Code Citation: 32 Ill. Adm. Code 335

3) Section Number: 335.5010 — Adopted Action: Amendment

4) Statutory Authority: Implementing and authorized by Section 10 of the Radiation Protection Act of 1990 [420 ILCS 40/10]

5) Effective Date of Rulemaking: July 19, 2013

6) Does this rulemaking contain an automatic repeal date? No

7) Does this rulemaking contain incorporations by reference? No

8) A copy of the adopted rulemaking, including any material incorporated by reference, is on file at the Agency's headquarters located at 1035 Outer Park Dr., Springfield, IL and is available for public inspection.

9) Notice of Proposal published in the *Illinois Register*: 37 Ill. Reg. 2775; March 15, 2013

10) Has JCAR issued a Statement of Objection to this Rulemaking? No

11) Differences between Proposal and Final Version: None

12) Have all changes agreed upon by the Agency and JCAR been made as indicated in the agreement letter issued by JCAR? No agreements were necessary.

13) Will this rulemaking replace any emergency rulemaking currently in effect? No

14) Are there any rulemakings pending on this Part? No

15) Summary and Purpose of Rulemaking: Recently, the Agency has received reports from licensees where sodium iodide I-131 was administered to patients who were subsequently found to be pregnant at the time of administration. Sodium iodide I-131, even in microcurie quantities, can have deleterious effects on the thyroid of a fetus. The Agency adopted this amendment so that prior to any administration of quantities greater than 1.11 MBq (30 μCi) of sodium iodide I-131 to a female capable of childbirth, the licensee shall

conduct a pregnancy test and obtain those results to determine pregnancy. If the delay caused by conducting a pregnancy test would jeopardize the patient's health, the test may be forgone provided it is noted by the authorized user on the written directive required by 32 Ill. Adm. Code 335.1110.

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

Traci Burton
Paralegal Assistant
Illinois Emergency Management Agency
1035 Outer Park Drive
Springfield, Illinois 62704

217/785-9860 (voice)
217/782-6133 (TDD)

The full text of the Adopted Rulemaking begin on the next page:

ILLINOIS EMERGENCY MANAGEMENT AGENCY

NOTICE OF ADOPTED AMENDMENT

TITLE 32: ENERGY
CHAPTER II: ILLINOIS EMERGENCY MANAGEMENT AGENCY
SUBCHAPTER b: RADIATION PROTECTION

PART 335
MEDICAL USE OF RADIOACTIVE MATERIAL

SUBPART A: GENERAL INFORMATION

Section
335.10 Purpose and Scope
335.15 Incorporations by Reference
335.20 Definitions
335.30 License Required
335.40 License Amendments
335.50 Written Directives (Repealed)
335.60 Provisions for the Protection of Human Research Subjects

SUBPART B: GENERAL ADMINISTRATIVE REQUIREMENTS

Section
335.1010 ALARA Program (Repealed)
335.1020 Radiation Safety Officer (Repealed)
335.1030 Radiation Safety Committee (Repealed)
335.1040 Authorities and Responsibilities for the Radiation Protection Program
335.1050 Supervision
335.1060 Authorized User and Visiting Authorized User
335.1070 Mobile Nuclear Medicine Service Administrative Requirements (Repealed)
335.1080 Report and Notification of a Medical Event
335.1090 Materials Authorized for Medical Use (Repealed)
335.1100 Report and Notification of a Dose to an Embryo/Fetus or a Nursing Child
335.1110 Written Directives
335.1120 Procedures for Administrations Requiring a Written Directive

SUBPART C: GENERAL TECHNICAL REQUIREMENTS

Section
335.2010 Possession, Use and Calibration of Instruments Used to Measure the Activity of Unsealed Radioactive Material

ILLINOIS EMERGENCY MANAGEMENT AGENCY

NOTICE OF ADOPTED AMENDMENT

335.2020 Possession, Calibration and Check of Survey Instruments (Repealed)
335.2030 Assay of Radiopharmaceutical Dosages
335.2040 Authorization for Calibration, Transmission, Attenuation Correction and Reference Sources
335.2050 Requirements for Possession of Sealed Sources (Repealed)
335.2060 Labeling and Use of Vials and Syringes
335.2070 Vial Shields and Vial Shield Labels (Repealed)
335.2080 Monitoring for Contamination and Ambient Radiation Dose Rate
335.2090 Safety Instructions for Patients Not Hospitalized and Containing Therapeutic Doses of Radiopharmaceuticals or Permanent Implants (Repealed)
335.2100 Admission of Patients Being Treated with Radiopharmaceuticals or Permanent Implants (Repealed)
335.2110 Release of Individuals Containing Unsealed Radioactive Material or Implants Containing Radioactive Material
335.2120 Mobile Medical Service Requirements
335.2130 Storage of Volatiles and Gases (Repealed)
335.2140 Other Medical Uses of Radioactive Material or Radiation from Radioactive Material (Emerging Technologies)

SUBPART D: UNSEALED RADIOACTIVE MATERIAL FOR UPTAKE, DILUTION AND EXCRETION STUDIES – WRITTEN DIRECTIVE NOT REQUIRED

Section
335.3010 Use of Unsealed Radioactive Material for Uptake, Dilution and Excretion Studies for Which a Written Directive is Not Required

SUBPART E: UNSEALED RADIOACTIVE MATERIAL FOR IMAGING AND LOCALIZATION STUDIES FOR WHICH A WRITTEN DIRECTIVE IS NOT REQUIRED

Section
335.4010 Use of Unsealed Radioactive Material for Imaging and Localization Studies for Which a Written Directive is Not Required
335.4020 Permissible Concentrations of Molybdenum-99, Strontium-82 and Strontium-85
335.4030 Control of Aerosols and Gases (Repealed)

SUBPART F: UNSEALED RADIOACTIVE MATERIAL – WRITTEN DIRECTIVE REQUIRED

Section

ILLINOIS EMERGENCY MANAGEMENT AGENCY

NOTICE OF ADOPTED AMENDMENT

335.5010 Use of Unsealed Radioactive Material for Which a Written Directive is Required
335.5020 Safety Instruction
335.5030 Safety Precautions

SUBPART G: SEALED SOURCES FOR DIAGNOSIS

Section
335.6010 Use of Sealed Sources for Diagnosis

SUBPART H: MANUAL BRACHYTHERAPY

Section
335.7010 Use of Sealed Sources for Manual Brachytherapy
335.7020 Safety Instruction
335.7030 Safety Precautions
335.7040 Accountability and Security of Brachytherapy Sources
335.7050 Discharge of Patients Treated With Temporary Implants (Repealed)
335.7060 Surveys After Source Implant and Removal
335.7070 Calibration Measurements of Brachytherapy Sources
335.7080 Decay of Brachytherapy Sources
335.7090 Therapy-related Computer Systems for Manual Brachytherapy

SUBPART I: REMOTE AFTERLOADER UNITS, INTRAVASCULAR BRACHYTHERAPY UNITS, TELETHERAPY UNITS AND GAMMA STEREOTACTIC RADIOSURGERY UNITS

Section
335.8010 Use of a Sealed Source in Remote Afterloader Units, Intravascular Brachytherapy Units, Teletherapy Units or Gamma Stereotactic Radiosurgery Units
335.8020 Installation, Maintenance, Adjustment and Repair
335.8030 Amendments to Teletherapy Licenses (Repealed)
335.8040 Safety Procedures and Instructions for Remote Afterloader Units, Intravascular Brachytherapy Units, Teletherapy Units and Gamma Stereotactic Radiosurgery Units
335.8050 Safety Precautions for Remote Afterloader Units, Teletherapy Units and Gamma Stereotactic Radiosurgery Units
335.8060 Radiation Monitoring Device for Teletherapy Units and Gamma Stereotactic Radiosurgery Units
335.8070 Viewing System for Teletherapy (Repealed)

ILLINOIS EMERGENCY MANAGEMENT AGENCY

NOTICE OF ADOPTED AMENDMENT

335.8080 Dosimetry Equipment
335.8090 Full Calibration Measurements for Teletherapy
335.8100 Periodic Spot-Checks for Teletherapy
335.8110 Radiation Monitoring
335.8120 Safety Checks for Teletherapy Facilities (Repealed)
335.8130 Modification of Teletherapy Unit or Room Before Beginning a Treatment Program (Repealed)
335.8140 Reports of Teletherapy Monitoring, Checks, Tests and Measurements (Repealed)
335.8150 5-Year Inspection for Teletherapy and Gamma Stereotactic Radiosurgery Units
335.8160 Full Calibration Measurements on Remote Afterloader Units
335.8170 Periodic Spot-Checks for Remote Afterloader Units
335.8180 Monitoring of Patients and Human Research Subjects Treated with a Remote Afterloader Unit or Intravascular Brachytherapy Unit
335.8190 Full Calibration Measurements on Gamma Stereotactic Radiosurgery Units
335.8200 Periodic Spot-Checks for Gamma Stereotactic Radiosurgery Units
335.8210 Additional Technical Requirements for Mobile Remote Afterloader Units
335.8220 Additional Technical Requirements for Intravascular Brachytherapy Units
335.8230 Therapy-related Computer Systems for Remote Afterloader Units, Intravascular Brachytherapy Units, Teletherapy Units and Gamma Stereotactic Units

SUBPART J: TRAINING AND EXPERIENCE REQUIREMENTS

Section
335.9010 Radiation Safety Officer
335.9020 Training for Experienced Radiation Safety Officer (Repealed)
335.9030 Training for Uptake, Dilution or Excretion Studies
335.9040 Training for Imaging and Localization Studies
335.9050 Training for Use of Unsealed Radioactive Material for Which a Written Directive is Required
335.9060 Training for the Oral Administration of Sodium Iodide I-131 Requiring a Written Directive in Quantities Less Than or Equal to 1.22 GBq (33 mCi)
335.9070 Training for the Oral Administration of Sodium Iodide I-131 Requiring a Written Directive in Quantities Greater Than 1.22 GBq (33 mCi)
335.9080 Training for the Parenteral Administration of Unsealed Radioactive Material Requiring a Written Directive
335.9090 Training for Therapeutic Use of Colloidal Chromic Phosphorus-32 Labeled Phosphate Compound or Gold-198 (Repealed)
335.9100 Training for Use of Manual Brachytherapy Sources
335.9120 Training for Ophthalmic Use of Strontium-90

ILLINOIS EMERGENCY MANAGEMENT AGENCY

NOTICE OF ADOPTED AMENDMENT

335.9130 Training for Use of Sealed Sources for Diagnosis
335.9140 Training for Use of Remote Afterloader Units, Intravascular Brachytherapy Units, Teletherapy Units and Gamma Stereotactic Radiosurgery Units
335.9150 Training for Authorized Medical Physicist
335.9160 Training for Experienced Radiation Safety Officer, Authorized Medical Physicist or Authorized User
335.9170 Physician Training in a 3-Month Program (Repealed)
335.9180 Recentness of Training
335.9190 Resolution of Conflicting Requirements During Transition Period

335.APPENDIX A List of Specialty Board Certifications Accepted by the Agency Until October 24, 2007 (Repealed)

AUTHORITY: Implementing and authorized by Section 10 of the Radiation Protection Act of 1990 [420 ILCS 40/10].

SOURCE: Adopted at 15 Ill. Reg. 10763, effective July 15, 1991; emergency amendment at 17 Ill. Reg. 9099, effective June 8, 1993, for a maximum of 150 days; amended at 18 Ill. Reg. 7308, effective May 2, 1994; emergency amendment at 26 Ill. Reg. 4434, effective March 8, 2002, for a maximum of 150 days; amended at 26 Ill. Reg. 10517, effective July 1, 2002; amended at 27 Ill. Reg. 10057, effective June 30, 2003; recodified from the Department of Nuclear Safety to the Illinois Emergency Management Agency at 27 Ill. Reg. 13641; amended at 30 Ill. Reg. 9029, effective April 28, 2006; amended at 32 Ill. Reg. 9247, effective June 13, 2008; amended at 35 Ill. Reg. 884, effective December 30, 2010; amended at 37 Ill. Reg. 12406, effective July 19, 2013.

SUBPART F: UNSEALED RADIOACTIVE MATERIAL – WRITTEN DIRECTIVE REQUIRED

Section 335.5010 Use of Unsealed Radioactive Material for Which a Written Directive is Required

a) A licensee may use any unsealed radioactive material prepared for medical use and for which a written directive is required that is:

1)~~a)~~ Obtained from a person specified in Section 335.30 or equivalent U.S. Nuclear Regulatory Commission or Agreement State requirements;

2)~~b)~~ Excluding production of PET radionuclides, prepared by an authorized nuclear pharmacist, a physician who is an authorized user and who meets the requirements specified in Section 335.9040 or a combination of Sections~~Section~~ 335.9050 and ~~subsection~~ 335.9040(c)(1)(B)(vii) or an individual under the supervision of either as specified in Section 335.1050; or

3)~~c)~~ Obtained from and prepared by an Agency, U.S. Nuclear Regulatory Commission or Agreement State licensee for use in research in accordance with a protocol accepted by FDA; or

4)~~d)~~ Prepared by the licensee for use in research in accordance with an application or a protocol accepted by FDA.

b) Prior to any administration of quantities greater than 1.11 MBq (30 µCi) of sodium iodide I-131 to a female capable of childbirth, the licensee shall conduct a pregnancy test and obtain those results to determine pregnancy. If the delay caused by conducting a pregnancy test would jeopardize the patient's health, the test may be forgone provided that action is noted by the authorized user on the written directive required by Section 335.1110. The written directive must also indicate the patient was informed of the decision to forego the pregnancy test or the reason for omission of the patient notification. Nothing in this Section relieves the licensee from meeting the requirements of Section 335.1100 regarding reporting of exposures to a fetus/embryo.

c) Records of the pregnancy test in subsection (b) shall contain the patient's name, identification number if one has been assigned, the type of test performed, results of the test, the date of the test, date the results became available if different from the test date, and identity of the licensee's staff administering the test.

(Source: Amended at 37 Ill. Reg. 12406, effective July 19, 2013)

ILLINOIS EMERGENCY MANAGEMENT AGENCY

NOTICE OF ADOPTED AMENDMENTS

1) Heading of the Part: Standards for Selection of Contractors

2) Code Citation: 32 Ill. Adm. Code 605

3)

Section Numbers:	Proposed Action:
605.10	Amendment
605.20	Amendment
605.30	Amendment
605.40	Amendment
605.50	Amendment
605.60	Amendment
605.70	Amendment
605.80	Amendment
605.90	Amendment
605.100	Amendment
605.110	Amendment
605.120	Amendment

4) Statutory Authority: Implementing and authorized by Section 5 of the Illinois Low-Level Radioactive Waste Management Act [420 ILCS 20/5]

5) Effective Date of Rulemaking: July 19, 2013

6) Does this rulemaking contain an automatic repeal date? No

7) Does this rulemaking contain incorporations by reference? No

8) A copy of the adopted rulemaking, including any material incorporated by reference, is on file at the Agency's headquarters located at 1035 Outer Park Dr., Springfield, IL and is available for public inspection.

9) Notice of Proposal published in the *Illinois Register*: 37 Ill. Reg. 2807; March 15, 2013

10) Has JCAR issued a Statement of Objection to this Rulemaking? No

11) Differences between Proposal and Final Version:

In lines 38 and 805, restore "of this Part".
In line 165, after "(FASB)" add "(see www.fasb.org)".

ILLINOIS EMERGENCY MANAGEMENT AGENCY

NOTICE OF ADOPTED AMENDMENTS

12) Have all changes agreed upon by the Agency and JCAR been made as indicated in the agreement letter issued by JCAR? No. In Section 605.110(a) IEMA neglected to restore "of this Part".

13) Will this rulemaking replace any emergency rulemaking currently in effect? No

14) Are there any rulemakings pending on this Part? No

15) Summary and Purpose of Rulemaking: The Agency adopted these amendments to change all references of "Department" or the "Illinois Department of Nuclear Safety" to "Agency" or "Illinois Emergency Management Agency" pursuant to Executive Order #12 (2003) and made other general clerical updates.

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

Traci Burton
Paralegal Assistant
Illinois Emergency Management Agency
1035 Outer Park Drive
Springfield, Illinois 62704

217/785-9860 (voice)
217/782-6133 (TDD)

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

ILLINOIS EMERGENCY MANAGEMENT AGENCY

NOTICE OF ADOPTED AMENDMENTS

TITLE 32: ENERGY
CHAPTER II: ILLINOIS EMERGENCY MANAGEMENT AGENCY
SUBCHAPTER d: LOW LEVEL RADIOACTIVE WASTE/TRANSPORTATION

PART 605
STANDARDS FOR SELECTION OF CONTRACTORS

Section
605.10 Scope
605.20 Number of Contractors; Use of Subcontractors
605.30 Financial Integrity
605.40 Experience of the Firm; Performance History Requirements
605.50 Management Qualifications of the Firm
605.60 Qualifications of the Employees of the Firm
605.70 Socioeconomic Merit of Proposal
605.80 Method of Disposal
605.90 Procedures for Soliciting Proposals
605.100 Waiver of Requirements
605.110 Verification of Statements; Material False Statements
605.120 Performance Guaranty

AUTHORITY: Implementing and authorized by Section 5 of the Illinois Low-Level Radioactive Waste Management Act [420 ILCS 20/5].

SOURCE: Adopted at 12 Ill. Reg. 4176, effective February 4, 1988; recodified from the Department of Nuclear Safety to the Illinois Emergency Management Agency at 27 Ill. Reg. 13641; amended at 37 Ill. Reg. 12414, effective July 19, 2013.

Section 605.10 Scope

This Part sets out the standards the Illinois Emergency Management Agency (Agency)~~Director of the Department of Nuclear Safety (Director)~~ will use when selecting a contractor for the design, development, construction, operation~~,~~ and closure of the low-level radioactive waste disposal facility envisioned by the Illinois Low-Level Radioactive Waste Management Act. (~~The~~ Act) [420 ILCS 20].~~(Ill. Rev. Stat. 1985, ch. 111 1/2, pars. 241 et seq.)~~ The Agency~~Department of Nuclear Safety (Department)~~ will issue a Request for Proposals for the project. It is the intent of the Agency~~Department~~ that the project will be awarded to the proposer whose proposal, based on the standards of this Part, will result in a low-level radioactive waste disposal facility that furthers the interests of the State of Illinois, as stated in Section 2 of the

~~Illinois Low-Level Radioactive Waste Management~~ Act. Illinois is a member of the Central Midwest Interstate Low-Level Radioactive Waste Compact~~,~~ and has been designated as the host state for a regional low-level radioactive waste disposal facility. Therefore, when selecting the proposal that~~which~~ will suit Illinois' needs, the Agency~~Director~~ will also evaluate the proposal with respect to implementation of policies and recommendations adopted by the Central Midwest Interstate Low-Level Radioactive Waste Compact Commission, to the extent that those policies and recommendations are not inconsistent with Illinois standards ~~as~~ expressed by the ~~Illinois Low-Level Radioactive Waste Management~~ Act and 32 Ill. Adm. Code 340, 341, 400~~,~~ and 601.

(Source: Amended at 37 Ill. Reg. 12414, effective July 19, 2013)

Section 605.20 Number of Contractors; Use of Subcontractors

a) The Agency~~Director~~ shall initiate contract negotiations with the single proposer or joint venture that has submitted the overall contract proposal that~~which~~ best conforms to the standards specified in this Part. However, if, based on the criteria stated in this Part, the Agency~~Director~~ determines that none of the proposals submitted will serve the interests of the State of Illinois, as stated in Section 2 of the ~~Illinois Low-Level Radioactive Waste Management~~ Act, the Agency~~Director~~ shall not be required to accept any of the proposals. A time limit of one hundred and eighty (180) days has been established as the allowable negotiation period. If the negotiations are not completed within this period, the Agency~~Director~~ may extend the negotiation period with the selected proposer. Furthermore, if a contract cannot be negotiated with the first proposer selected, the Agency~~Director~~ may either initiate contract negotiations with another proposer or reissue the Request for Proposals. The Agency~~Director~~ reserves the right to terminate negotiations prior to the end of the negotiation period or extend the negotiations ~~thereafter~~.

b) When evaluating proposals, the Agency~~Director~~ shall consider the proposed use of subcontractors and consultants. Specifically, the Agency~~Director~~ shall determine, based on the criteria set out in this Part, whether the proposed use of subcontractors and consultants will further the interests of the State of Illinois, as stated in Section 2 of the ~~Illinois Low-Level Radioactive Waste Management~~ Act. The Agency~~Director~~ shall not select any proposal that~~which~~ calls for the subcontracting of facility operation. Subcontractors will be evaluated against the same standards as contractors, but only to the extent that the~~such~~ standards apply to the specific responsibilities assigned to the subcontractor as set out in the proposal.

(Source: Amended at 37 Ill. Reg. 12414, effective July 19, 2013)

Section 605.30 Financial Integrity

a) The proposer who is selected to be contractor shall establish that it has the financial resources necessary to design, develop, construct, operate~~,~~ and close the low-level radioactive waste disposal facility. In addition, the proposer must have resources sufficient to meet the contractor's obligations regarding closure and post-closure (32 Ill. Adm. Code 601~~.300 - 601.320~~). Further, because it is likely that the low-level waste disposal facility will receive mixed waste (i.e., waste that has both radioactive and hazardous components), when evaluating the financial integrity of the proposers, the Agency~~Director~~ shall establish whether the firm is capable of meeting the financial requirements of 35 Ill. Adm. Code 724. Specifically, the Agency~~Director~~ shall negotiate a contract only with a proposer that is capable of meeting either of the following two financial tests:

1) Test One: The proposer must have:

A) Two of the following three ratios:

i) a ratio of total liabilities to net worth less than 2.0;

ii) a ratio of the sum of net income plus depreciation, depletion and amortization to total liabilities greater than 0.1;

iii) a ratio of current assets to current liabilities greater than 1.5; and

B) Net working capital and tangible net worth each at least six times the sum of the closure and post-closure costs estimates contained in the proposal; and

C) Tangible net worth of at least $10 million; and

D) Assets in the United States amounting to at least 90 percent of its total assets or at least six times the sum of the closure and post-closure estimates contained in the proposal.

2) Test Two: The proposer must have:

A) A current rating for its most recent bond issuance of AAA, AA, A or BBB as issued by Standard and Poor or Aaa, Aa, A or Baa as issued by Moody; and

B) Tangible net worth at least six times the sum of the closure and post-closure cost estimates contained in the proposal; and

C) Tangible net worth of at least $10 million; and

D) Assets located in the United States amounting to at least 90 percent of its total assets or at least six times the sum of the closure and post-closure cost estimates contained in the proposal.

b) When evaluating whether a proposer is capable of satisfying the financial requirements of 32 Ill. Adm. Code 601~~.300 - 601.320~~, the Agency~~Director~~ shall consider:

1) The proposer's current assets and liabilities;

2) The proposer's short-term and long-term debt;

3) The proposer's credit rating;

4) The most recent Form 10K and all Form 10Qs since the last 10K that the proposer (or if more than one firm is proposing, all proposers) has filed with the United States Securities and Exchange Commission;

5) If proposer has not filed a Form 10K with the United States Securities and Exchange Commission, audited financial statements for the past three fiscal years and quarterly financial reports for the past two~~2~~ years;

6) Court decisions, decrees or agreements that have been issued or that are pending and that~~, which~~ could adversely affect the financial well-being of the company;

7) Whether the proposer has ever initiated bankruptcy proceedings, either

voluntary or involuntary, as well as the time and performance of the proposer since the proceedings; and

8) Any additional information provided by proposer.

c) When determining whether a proposer is capable of satisfying the financial requirements of 32 Ill. Adm. Code 601~~.300, 601.320~~, the Agency~~Director~~ shall apply the accounting standards of the Financial Accounting Standards~~Standard~~ Board (FASB) (see www.fasb.org).~~of the American Institute of Certified Public Accountants, certified as of June 1, 1987, exclusive of subsequent amendments or editions.~~

(Source: Amended at 37 Ill. Reg. 12414, effective July 19, 2013)

Section 605.40 Experience of the Firm; Performance History Requirements

a) The Agency~~Director~~ shall select as contractor a proposer who has demonstrated an ability to design, develop, construct, operate~~,~~ and close a low-level radioactive waste disposal facility that~~which~~ incorporates the best available management technologies that are economically reasonable, technologically feasible and environmentally sound.~~*the best available management technologies which are economically reasonable, technologically feasible and environmentally sound.* (Section 6 of The Act)~~ When evaluating whether a proposer has demonstrated this ability, the Agency~~Director~~ shall evaluate the proposer's experience developing and operating a low-level radioactive waste storage, treatment~~,~~ or disposal facility. If a proposer does not have experience in both the development and operation of a low-level radioactive waste disposal facility, the Agency~~Director~~ shall evaluate the proposer's experience as either a low-level radioactive waste disposal facility developer or as a disposal facility operator, or the proposer's experience in radioactive materials management, hazardous materials management, nuclear fuel cycle facility design, construction, or operation, or other related experience presented by the proposer.

b) The proposer shall provide a complete performance history of its activities as described in subsection (a). When evaluating the proposer's experience, the Agency~~Director~~ shall consider for each project:

1) general information about the project, including:

A) the facility and its location;

B) the capacity of the facility;

C) the actual performance of the facility;

D) the type of storage, treatment or disposal method used;

E) the proposer's role in the project (i.e., design, construction, operation);

F) project initiation~~incitation~~ and completion dates;

G) current facility status~~,~~ and, if closed, the reason for closure;

H) the proposer's client;

I) current facility manager business address and phone;

2) the complexity and scope of the previous project, such as, but not limited to, the previous projects' budget, duration, staffing and regulatory complexity;

3) the success of the project, i.e., whether the proposer met the objectives of the project in a timely manner, without exceeding anticipated costs and in a manner consistent with regulatory requirements, as well as whether the client was satisified with the proposer's performance;

4) whether the proposer has ever forfeited a performance bond or neglected to fulfill contract responsibilities;

5) whether the proposer has ever initiated or defended litigation arising from the activities, as described in the performance history, as well as the nature and outcome of the~~such~~ litigation;

6) the proposer's history with respect to licensing and regulatory compliance, including any record of safety violations or other compliance problems; and

7) any other information provided by the proposer.

(Source: Amended at 37 Ill. Reg. 12414, effective July 19, 2013)

Section 605.50 Management Qualifications of the Firm

The Agency~~Director~~ shall select as a contractor a proposer who possesses and will apply the project management resources, procedures, and expertise necessary to assure that the low-level radioactive waste disposal facility will be designed, developed, constructed, operated~~,~~ and closed according to the schedule contained in the proposal. To evaluate whether a proposer meets the requisite management qualifications, the Agency~~Director~~ will review the proposed system of management and cost and quality control, the proposer's record of experience and expertise in managing projects of similar magnitude and scope, ~~and~~ the proposed project schedules and resources dedicated to accomplishment of each task, ~~and~~ the proposed system of quality control checks, financial controls, cost accounting procedures, and efficient use of time and personnel, by evaluating such things as the proposer's schedule of completion against statutory deadlines and also by examining the proposer's estimated costs. The Agency~~Director~~ will also review the organizational chart submitted by the proposer, which shall identify the key management positions in the project, the responsibilities assigned to each position, the chain of responsibility in the project management team, and the procedures that would be used to assure accountability and control of all phases of the project. In addition, the Agency~~Director~~ shall consider any other information provided by the proposer.

(Source: Amended at 37 Ill. Reg. 12414, effective July 19, 2013)

Section 605.60 Qualifications of the Employees of the Firm

a) Because the contractor and its subcontractors will be responsible for performing a variety of activities, as set forth in this Part and 32 Ill. Adm. Code~~Part~~ 601, ranging from designing a facility to negotiating plans for impact assistance with local governments, when selecting a contractor to design, develop, construct, operate and close a low-level radioactive waste disposal facility, the Agency~~Director~~ will only select a proposer that has or will obtain a qualified staff that~~which~~ will be assigned to the project and that~~which~~ meets the requirements of this Section~~listed below~~. The employee qualifications listed in this Section~~below~~ are minimum requirements for the contractor and must be met collectively by the contractor's staff; the qualifications need not be met by a single individual.

1) Project Manager

A) The contractor selected shall have an identified individual (or individuals) who will act as Project Manager for the designing, development, construction, operation~~,~~ and closure of the low-level radioactive waste disposal facility.

B) The Project Manager will be required to work with the Agency~~Department~~ to ensure that the project is proceeding in accordance with the provisions of the contract and in accordance with the requirements of the ~~Illinois Low-Level Radioactive Waste Management~~ Act.

C) The Project Manager will also be responsible for organizing, managing~~,~~ and coordinating the staff of both the contractor and the subcontractors. To assure that the Project Manager is capable of fulfilling these responsibilities, the Project Manager must have previous managerial experience on a project of similar magnitude and complexity (i.e., project of similar budget, duration, staffing, and regulatory complexity). The Project Manager must have been manager of a project that~~which~~ involved supervision of at least 30 professional (engineering or other technical) employees. Additionally, the Project Manager must be familiar with federal, State~~state~~ and local requirements applicable to radioactive or hazardous waste disposal, or with radioactive materials licensing. The Project Manager's familiarity with these regulatory requirements shall have been obtained through involvement on previous projects.

2) Senior Project Engineer. The Senior Project Engineer will be responsible for approving all engineering plans, designs, drawings, reports, specifications and other engineering documents on behalf of the contractor. Therefore, the Senior Project Engineer shall:

A) Be a ~~Registered~~ Professional Engineer licensed~~registered~~ in Illinois by the Department of Financial and Professional Regulation~~Registration and Education~~ in accordance with the~~The~~ Illinois Professional Engineering Practice Act of 1989 [225 ILCS 325]~~(Ill. Rev. Stat. 1985, ch. 111, pars. 5101 et seq.),~~ or be a ~~Registered~~ Professional Engineer licensed in another state and be

eligible for reciprocal licensure~~registration~~ within six months; and

B) Have been a senior engineer on at least two~~2~~ other engineering projects of similar complexity and magnitude as the proposed project (i.e., project of similar budget, duration, staffing and regulatory complexity). Preference will be given to proposers who designate as a senior engineer an individual who has worked on a project for the design, development, or remediation of a radioactive waste disposal facility.

3) Mechanical Engineer. If the proposer's plan requires the services of a mechanical engineer, the mechanical engineer shall:

A) Be a ~~Registered~~ Professional Engineer licensed~~registered~~ in Illinois by the Department of Financial and Professional Regulation~~Registration and Education~~ in accordance with the~~The Illinois~~ Professional Engineering Practice Act of 1989 [225 ILCS 325]~~,~~ or be a ~~Registered~~ Professional Engineer licensed in another state and be eligible for reciprocal licensure~~registration~~ within six months; or

B) Have a degree in mechanical engineering and at least five years experience as a mechanical engineer.

4) Geotechnical or Civil Engineer. The geotechnical or civil engineer shall:

A) Be a ~~Registered~~ Professional Engineer licensed~~registered~~ in Illinois by the Department of Financial and Professional Regulation~~Registration and Education~~ in accordance with the~~The~~ Professional Engineering Practice Act of 1989 [225 ILCS 325]~~,~~ or be a Registered Professional Engineer licensed in another state and be eligible for reciprocal licensure~~registration~~ within six months; or

B) Have a degree in geotechnical or civil engineering and at least five years experience as a geotechnical or civil engineer.

5) Structural Engineer. The Structural Engineer will be responsible for designing structural components of the facility. To be able to accomplish

this task, the structural engineer will have to be knowledgeable in reinforced concrete design and construction. At a minimum, the individual identified to perform these responsibilities shall:

A) Be a ~~Registered~~ Structural Engineer licensed~~registered~~ in Illinois by the Department of Financial and Professional Regulation~~Registration and Education~~ in accordance with the~~The~~ Structural Engineering Practice Act of 1989 [225 ILCS 340]~~(Ill. Rev. Stat. 1985, ch. 111, pars. 6501 et seq.),~~ or be a ~~Registered~~ Structural Engineer licensed in another state and be eligible for reciprocal licensure~~registration~~ within six months; and

B) Shall have at least 10~~ten~~ years of experience in reinforced concrete design and construction.

6) Geohydrologist. The proposer selected as contractor shall have a geohydrologist knowledgeable in geologic interpretation and hydraulic transport of contaminants through soil or other porous material. The geohydrologist shall either:

A) Hold a Master's Degree in geology or hydrogeology~~,~~ and have at least five years experience as a hydrogeologist; or

B) Hold a Bachelor's degree in geology~~,~~ and have at least eight years of experience as hydrogeologist.

7) Environmental Scientist. The proposer selected as contractor shall have an environmental scientist who:

A) Holds~~holds~~ an advanced degree (Ph.D., M.A.~~,~~ or M.S.) in Environmental Science or related natural or physical science; and

B) Has at least five years experience in evaluation and mitigation of environmental impacts.

8) Health Physicists

A) During the design, development and planning of operation of a low-level radioactive waste disposal facility, the full time services

of a health physicist will be required to establish compliance with the requirements of 32 Ill. Adm. Code 310, 330, 341, 400~~,~~ and 601. The health physicist will be responsible for developing and implementing an environmental monitoring plan, preparing an emergency response plan, and assisting the contractor in the design and development of a disposal facility that~~which~~ incorporates the best available management technologies that are economically reasonable, technologically feasible and environmentally sound.~~*the best available technology which is economically reasonable, technologically feasible and environmentally sound.* (Section 6 of The Act)~~ In order to assure that the health physicist available to the contractor is competent to fulfill these responsibilities, the contractor selected must have a health physicist whose services will be dedicated to the project and who meets one of the following:

i) Is certified by the American Board of Health Physics, 1313 Dolley Madison Blvd., Suite 402, McLean VA 22101,~~800 W. Parkdrive, Suite 400, McLean, Va., 22102,~~ in accordance with that organization's~~organizations~~ standards for certification in effect in November 2011. A copy of these standards is available from the Agency~~in effect on January 1, 1988. A copy of these standards is available from the Department~~;

ii) Holds a Doctorate (Ph.D.) in health physics, medical radiological physics or physics, and has at least three years of applied radiation protection experience; or

iii) Holds a Master's (M.S., M.A.) degree in health physics~~,~~ or physics~~,~~ and has at least five years of applied radiation protection experience.

B) Operation. During the operation of the low-level radioactive waste disposal facility, health physicists will be needed to conduct personnel monitoring, perform environmental monitoring, inspect packages received for disposal, and perform the responsibilities of a Radiation Safety Officer. In order to assure that the health physicists available to the contractor are capable of performing

duties necessary to establish compliance with the requirements of 32 Ill. Adm. Code 340 and 601, the contractor selected must have health physicists whose services will be dedicated, i.e., a full-time employee on site, to the operation of the low-level radioactive waste disposal facility. In addition, the health physicists must either:

i) Be certified by the American Board of Health Physics, 1313 Dolley Madison Blvd, Suite 402, McLean VA 22101~~800 W. Parkdrive, Suite 400, McLean, Va., 22102~~, in accordance with that organization's~~organizations~~ standards for certification in effect in November 2011. A copy of these standards is available from the Agency; ~~in effect on January 1, 1988. A copy of these standards is available from the Department;~~

ii) Hold a Doctorate (Ph.D.) in health physics, physics~~,~~ or natural or physical science~~,~~ and have at least three years of applied radiation protection experience;

iii) Hold a Master's (M.S., M.A.) degree in health physics, physics~~,~~ or natural or physical science~~,~~ and have at least five years of applied radiation protection experience; or

iv) Hold a Bachelor's (B.S., B.A.) degree in health physics, physics, or natural or physical science~~,~~ and have at least eight years of applied radiation protection experience.

9) Radiochemist. The contractor will be required to operate an onsite radiochemistry laboratory. This laboratory will be used to analyze incoming radioactive materials, as well as samples obtained in the process of environmental monitoring. The radiochemist will be responsible for managing this laboratory and performing chemical analyses. In order to ensure that the contractor will be able to fulfill its obligation to provide radiochemistry support services, the proposer selected must have a radiochemist who:

A) Holds an advanced degree (Ph.D., M.A., M.S.) in radiochemistry or chemistry; and

B) Has at least five years experience working in a radiochemistry laboratory.

10) Community Liaison. The community liaison will be responsible for involving all segments of the public in the decision making surrounding the development, operation, closure~~,~~ and post-closure phases of the facility and will also be responsible for establishing a long-term local citizens' advisory group. To ensure that the community liaison is capable of fulfilling these responsibilities, the proposer selected must have a community liaison who will be assigned to this project and who either has:

A) An advanced degree (Ph.D., M.S., M.A.) in public administration or a related field, e.g., public affairs, or technology and public policy, and a minimum of three years experience in conducting public participation programs, particularly those involving the siting of locally controversial land uses, such as prisons or landfills; or

B) A Bachelor's degree (B.A., B.S.) in public administration or a related field and a minimum of five years experience in conducting public participation programs, particularly those involving the siting of locally controversial land uses.

11) Support Services

A) Comptroller – The contractor shall dedicate to the project the full-time services of a comptroller experienced in managing projects of similar budget size and complexity of the proposed project. The comptroller shall hold a degree in accounting and shall have at least five years experience.

B) Information Management Services Staff. The contractor will be responsible for developing and maintaining computerized record keeping systems that track~~which tracks~~ generators, container contents, shippers, dates, certifications, treatments, package characteristics, special disposal requirements and location of containers in disposal units. These computerized record keeping systems must be compatible with the Agency's~~Department's~~

systems. To ensure that the contractor is capable of fulfilling this responsibility, the proposer shall have an information management specialist who has training in the development and maintenance of ~~a mainframe~~ computer systems~~system~~. The information management specialist shall hold a Bachelor's or graduate level degree in computer science or information management and shall have at least three years of computer programming experience.

b) The Agency~~Director~~ shall evaluate the qualifications of any other project staff identified by the proposer in its proposal. When determining whether the~~such~~ staff is qualified to perform the responsibilities ~~as~~ identified in the proposal, the Agency~~Director~~ will evaluate staff qualifications as characterized by the proposer in the proposal. In addition, the Agency~~Director~~ will evaluate the qualifications specified by the proposer for positions that~~which~~ have been identified but not yet filled in order to determine whether the proposer anticipates filling vacant positions with individuals competent to perform assigned tasks. The Agency~~Director~~ also will evaluate the proposer's procedures for hiring qualified replacements when the identified staff leaves~~staff leave~~ the employ of the proposer.

(Source: Amended at 37 Ill. Reg. 12414, effective July 19, 2013)

Section 605.70 Socioeconomic Merit of Proposal

The proposer who is selected to be contractor for the design, development, construction, operation~~,~~ and closure of the low-level radioactive waste disposal facility will be required to develop a plan that~~which~~, if executed, would assure that the community hosting a low-level radioactive waste disposal facility would realize benefits. In order to ensure that the contractor selected is capable of developing such a plan, the Agency~~Director~~ will evaluate the proposed plan for identifying and addressing local concerns, providing public information and a forum for public involvement, and designing and negotiating programs for incentives and compensation to the host community.

a) Public Information Plan. The Agency~~Director~~ shall evaluate the proposer's public information plan by establishing whether the plan contains the following:

1) A program for explaining both the potential risks and benefits associated with low-level radioactive waste disposal and the proposer's approach for minimizing the risks;

2) A method for effectively identifying all interested or potentially affected parties; and

3) A plan for development and distribution of sufficient, accurate, and understandable informational materials to permit and encourage public participation in the site development process.

b) Local Involvement Plan. The Agency~~Director~~ shall evaluate the local involvement plan to establish that the proposer selected as contractor is capable of and willing to ascertain and respond to the matters of particular concern to each county or municipality that~~which~~ has been selected as a potential host community. When evaluating the adequacy of local involvement plans, the Agency~~Director~~ will review:

1) The proposer's plan for:

A) Guaranteeing the property value of land contiguous to the facility;

B) Establishing or encouraging compatible economic or other activities in the vicinity of the facility;

C) Preserving the local revenue attributable to property taxes on the land that~~which~~ will be used for the facility;

D) Preparing an economic and community development plan;

E) Providing local residents with appropriate training and jobs at the facility;

F) Procuring goods and services locally;

G) Assuring procedures for local oversight of and participation in facility operation and development, including independent or cooperative monitoring and access to information regarding facility operations;

H) Assuring that third party liability and remedial action funds are available to meet reasonably foreseeable contingencies as

described in the plan required under Section 605.80(b)(5);

I) Guaranteeing that the selling price of local produce is not adversely affected due to the presence of the disposal facility;

J) Enhancing the human and natural environment in the vicinity of the facility by establishing recreational facilities, wildlife preserves, natural areas or similar land uses;

K) Employing ~~a substantial number (approximately 100) of~~ permanent and seasonal workers in professional, clerical, skilled or semi-skilled positions, with employment efforts directed at hiring local residents;

L) Soliciting input from local officials regarding concerns associated with hosting the disposal facility; and

M) Accommodating other requests and responding to other concerns that may be raised by the counties and municipalities where the alternative sites will be located.

2) The proposer's plan for addressing technical matters of local concern, including the following:

A) Facility design;

B) Facility construction schedules, plans and procedures;

C) Facility operating procedures;

D) Monitoring systems and procedures;

E) Emergency, remedial action and closure plans;

F) Long-term care and maintenance plans;

G) Control and routing of transport of low-level radioactive waste to the facility; and

H) Solicitation of input from local officials regarding technical and procedural concerns associated with design, construction, operation, monitoring~~,~~ and closing a low-level radioactive waste disposal facility.

(Source: Amended at 37 Ill. Reg. 12414, effective July 19, 2013)

Section 605.80 Method of Disposal

The Agency~~Director~~ shall select as a contractor a proposer who is capable of designing, constructing, operating, and closing a low-level radioactive waste disposal facility that does not incorporate the use of shallow land burial or deep well injection and that will further the objective of providing *for the management of these wastes in the safest manner possible and in a manner that creates the least risk to human health and the environment of Illinois* [420 ILCS 20/~~(Section~~ 2(b)]~~ of The Act)~~. For purposes of this Section, shallow land burial has the same definition ascribed in~~ as in the Illinois Low-Level Radioactive Waste Management Act (~~ Section 3 of the~~The~~ Act~~)~~. The Agency~~Director~~ will establish whether a proposer is capable of designing such a facility by evaluating a reference facility design submitted by the proposer as part of its proposal. The reference facility design shall briefly and concisely describe for consideration by the Agency~~Director~~ the proposer's concept of the best available technology that is economically reasonable, technologically feasible, and environmentally sound for the disposal of low-level radioactive waste. The reference facility design shall~~need~~ include schematic drawings and narrative descriptions only in sufficient detail to permit an evaluation by the Agency~~Department~~ of the technical merit of the design and the knowledge and expertise of the proposer. The reference facility design shall specifically address the role and performance of the engineered features in enhancing long-term isolation, monitoring, retrievability~~,~~ or remedial action and minimizing exposure to personnel. Reference facility designs shall be evaluated according to the following criteria:

a) Disposal Facility Design

1) To determine whether the proposer has demonstrated an ability to meet the design constraints of 32 Ill. Adm. Code 601 and the ~~time constraints of the Low-Level Radioactive Waste Policy Act (42 U.S.C. 2021(b), as amended by P.L. 99-240 (1985)), and the Illinois Low-Level Radioactive Waste Management~~ Act, the Agency~~Director~~ will request each proposer to submit a reference facility design.

2) To make this determination, the Agency~~Director~~ will then evaluate the

reference design to determine whether the proposer has applied the following criteria:

A) Incorporation of multiple engineered features to provide structural integrity, prevent release of material from engineered containment, and provide radiation shielding;

B) Incorporation of design elements that reduce the amount of waste on site and not permanently disposed of and that minimize the time waste is held on site prior to disposal;

C) Promotion of worker safety, including minimization of worker radiation dose to as low as is reasonably achievable;

D) Disposal capacity sufficient to accommodate the anticipated waste volume;

E) Ability of the facility to accommodate waste that~~which~~ is of unusual volume or shape;

F) Ability of the facility to accommodate mixed waste (i.e., waste that~~which~~ has both radioactive and chemically hazardous components); and

G) Flexibility to accommodate waste streams and volumes not currently identified.

b) Operating Plan. When evaluating the proposer's operating plan, the Agency~~Director~~ will evaluate the adequacy of the proposer's procedures for:

1) Inspection of packages;

2) Treatment of wastes for disposal;

3) Personnel monitoring;

4) Environmental monitoring, specifically monitoring of air, groundwater, and soil;

5) Contingency planning;

6) Maintaining records of the source and type of waste received for disposal; and

7) Continual in situ testing of the design and construction of disposal units, research and development of improved methods of disposal, and application of those methods.

c) Closure Plan. The Agency~~Director~~ will evaluate the adequacy of the proposer's plan for satisfying the closure requirements of 32 Ill. Adm. Code 601~~.150, 601.160, 601.220, 601.250, and 601.260~~.

(Source: Amended at 37 Ill. Reg. 12414, effective July 19, 2013)

Section 605.90 Procedures for Soliciting Proposals

a) The Agency~~Department~~ shall issue a Request for Proposals for contractors to design, develop, construct, operate~~,~~ and close a low-level radioactive waste disposal facility.

b) The deadline for receiving proposals shall be no earlier than 60 days from the date that the proposal announcement is first published in the official state newspaper.

c) All proposals received by the Agency~~Department~~ by the submission date set forth in the~~this~~ Request for Proposals will be catalogued and distributed by the Agency~~Department~~ for review and evaluation. All proposals will then be reviewed by the Agency~~Director~~, Agency~~departmental~~ staff, and such experts outside the Agency~~Department~~ as ~~the Director~~ may be needed~~designate~~. Following the receipt of proposals, the Agency~~Director~~ will review all proposals with respect to completeness and conformance with the instructions and requirements specifically indicated in the~~this~~ Request for Proposals. Proposals that are deemed incomplete or non-conforming with instructions and requirements of the Request for Proposals may not be given further evaluation. The Agency~~Director~~ reserves the right to reject any or all proposals and to waive any irregularity, variance, or informality, whether technical or substantive in nature. All proposals will be equally evaluated with respect to the completeness of the data provided, the support for the performance claims made, and the criteria established for evaluation in the Request for Proposals according to the ~~Illinois~~

~~Low-Level Radioactive Waste Management~~ Act~~,~~ and related rules (32 Ill. Adm. Code 601) ~~promulgated pursuant thereto~~.

d) The Agency~~Director~~ shall reject, without consideration of the merits, any proposal that~~which~~ is not accompanied by an acceptable ~~one million dollar~~ ($1,000,000~~.00~~) proposal guaranty. The proposal guaranty is acceptable if it is in any of the following forms:

1) A certified check, drawn on a solvent commercial bank or trust company to the order of the Illinois Emergency Management Agency~~Department of Nuclear Safety~~;

2) A bank check, drawn on a solvent commercial bank or trust company, to the order of the Illinois Emergency Management Agency~~Department of Nuclear Safety~~;

3) An irrevocable letter of credit issued by a solvent commercial bank or trust company; or

4) A bond executed by a corporate surety company authorized to do business in the State of Illinois.

e) All proposal guaranties shall:

1) Be valid for at least 180 days from the proposal submission date;

2) Be extended at the Agency's~~Director's~~ request for an additional period, up to 365 days, without cost to the Agency~~Department~~. The Agency~~Director~~ would request that proposal guarantees be extended if either:

A) No proposer was selected as a contractor within the 180 day period;~~,~~ or

B) A proposer was selected, but contract negotiations were not completed within the 180 day period.

3) Be returned, within five~~5~~ business days after execution of a contract for the design, development, construction, operation~~,~~ and closure of the low-level radioactive waste disposal facility.

f) Failure of a successful proposer to execute the contract as proposed in the~~his~~ response to the Request for Proposals and file acceptable bonds within 45 days after the contract has been mailed to the proposer~~him~~ shall be just cause for cancellation of the award and the forfeiture of the proposal guaranty that~~which~~ shall become the property of the Agency~~Department~~, not as a penalty, but in liquidation of the damages sustained. If the contract is not executed by the Agency~~Department~~ within 30 days following receipt from the proposer of the executed contracts and bonds, the proposer shall have the right to withdraw the~~his~~ proposal without penalty.

(Source: Amended at 37 Ill. Reg. 12414, effective July 19, 2013)

Section 605.100 Waiver of Requirements

The Agency~~Director~~ shall waive any requirement ~~of this Part~~ if the specific objective the requirement is intended to achieve has been met or exceeded by an alternative that~~which~~ does not fulfill the requirement itself.

(Source: Amended at 37 Ill. Reg. 12414, effective July 19, 2013)

Section 605.110 Verification of Statements; Material False Statements

a) When evaluating proposals, the Agency~~Director~~ may request and consider the advice and knowledge of others, such as representatives of local government, other State~~state~~ agencies and technical ~~engineering~~ consultants, in order to verify the validity of statements made in the proposal and to evaluate the proposer's efforts to satisfy the standards ~~of this Part~~.

b) The Agency~~Director~~ shall not select as contractor any proposer who submits a proposal that~~which~~ contains material false statements or material omissions. A false statement or omission is material if it prevents the Agency~~Director~~ from making an informed and accurate assessment of the proposer's ability to meet the criteria ~~of this Part~~.

(Source: Amended at 37 Ill. Reg. 12414, effective July 19, 2013)

Section 605.120 Performance Guaranty

ILLINOIS EMERGENCY MANAGEMENT AGENCY

NOTICE OF ADOPTED AMENDMENTS

The successful proposer, at the time of the execution of the contract, shall deposit with the Agency~~Department~~ a performance guaranty in a form acceptable to the Agency~~Department~~ for the full amount of the contract. The performance guaranty shall be acceptable to the Agency~~Department~~ if it is of a type listed in Section 605.90(c). At the contractor's request, the amount of the performance guarantee shall be reevaluated and adjusted to reflect the costs of performing remaining contract obligations, upon the submission of application, the granting of licensing, the completion of construction, and the acceptance of waste for disposal. Guaranty amounts will be forfeited by the contractor if the contractor fails to perform its obligations as specified in the terms of the contract. Any guaranty amounts not forfeited before the first disposal module shall be released by the Agency~~Department~~ upon closure of the first disposal module.

(Source: Amended at 37 Ill. Reg. 12414, effective July 19, 2013)

ILLINOIS EMERGENCY MANAGEMENT AGENCY

NOTICE OF ADOPTED AMENDMENTS

1) Heading of the Part: Registration of Low-Level Radioactive Waste Generators

2) Code Citation: 32 Ill. Adm. Code 620

3)

Section Numbers:	Adopted Action:
620.10	Amendment
620.20	Amendment
620.25	Amendment
620.30	Amendment
620.35	Amendment
620.40	Amendment
620.50	Amendment
620.60	Amendment
620.70	Amendment
620.80	Amendment
620.90	Repeal

4) Statutory Authority: Implementing and authorized by Sections 4, 13 and 17 of the Illinois Low-Level Radioactive Waste Management Act [420 ILCS 20/4]

5) Effective Date of Rulemaking: July 19, 2013

6) Does this rulemaking contain an automatic repeal date? No

7) Does this rulemaking contain incorporations by reference? No

8) A copy of the adopted rulemaking, including any material incorporated by reference is on file at the Agency's headquarters located at 1035 Outer Park Dr., Springfield, IL and is available for public inspection.

9) Notice of Proposal published in the *Illinois Register*: 37 Ill. Reg. 2831; March 15, 2013

10) Has JCAR issued a Statement of Objection to this Rulemaking? No

11) Differences between Proposal and Final Version: None

12) Have all changes agreed upon by the Agency and JCAR been made as indicated in the agreement letter issued by JCAR? Yes

ILLINOIS EMERGENCY MANAGEMENT AGENCY

NOTICE OF ADOPTED AMENDMENTS

13) Will this rulemaking replace any emergency rulemaking currently in effect? No

14) Are there any rulemakings pending on this Part? No

15) Summary and Purpose of Rulemaking: The Agency adopted this amendment to change all references of "Department" or the "Illinois Department of Nuclear Safety" to "Agency" or "Illinois Emergency Management Agency" pursuant to Executive Order #12 (2003), removed historical fee information, and made other general clerical updates.

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

Traci Burton
Paralegal Assistant
Illinois Emergency Management Agency
1035 Outer Park Drive
Springfield, Illinois 62704

217/785-9860 (voice)
217/782-6133 (TDD)

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

ILLINOIS EMERGENCY MANAGEMENT AGENCY

NOTICE OF ADOPTED AMENDMENTS

TITLE 32: ENERGY
CHAPTER II: ILLINOIS EMERGENCY MANAGEMENT AGENCY
SUBCHAPTER d: LOW LEVEL RADIOACTIVE WASTE/TRANSPORTATION

PART 620
REGISTRATION OF LOW-LEVEL RADIOACTIVE WASTE GENERATORS

Section
620.10 Definitions
620.20 Generator Registration
620.25 Broker Registration
620.30 Filing Of Annual Report by Generators
620.35 Filing of Annual Reports by Brokers
620.40 Payment of Fees for Waste Storage
620.50 Payment of Fees for Waste Shipped
620.60 Payment of Fees – Small Generators
620.70 Payment of Fees – Nuclear Power Reactors
620.80 Non-Compliance with Registration and Filing of Reports
620.90 Deposit of Fees (Repealed)

AUTHORITY: Implementing and authorized by Sections 4, 13 and 17 of the Illinois Low-Level Radioactive Waste Management Act [420 ILCS 20/4, 13 and 17].

SOURCE: Emergency rule at 8 Ill. Reg. 18519, effective September 20, 1984, for a maximum of 150 days; adopted at 9 Ill. Reg. 2287, effective January 31, 1985; Emergency amendment at 9 Ill. Reg. 17433, effective October 25, 1985, for a maximum of 150 days; amended at 10 Ill. Reg. 7818, effective April 29, 1986; Emergency amendment at 10 Ill. Reg. 21956, effective December 26, 1986, for a maximum of 150 days; adopted at 11 Ill. Reg. 7646, effective April 9, 1987; recodified from the Department of Nuclear Safety to the Illinois Emergency Management Agency at 27 Ill. Reg. 13641; amended at 37 Ill. Reg. 12438, effective July 19, 2013.

Section 620.10 Definitions

As used in this Part, the following definitions shall apply:

"Act" means the Illinois Low-Level Radioactive Waste Management Act ~~(The Act),~~ [420 ILCS 20]~~(Ill. Rev. Stat. 1986 Supp., ch. 111½, pars. 241-1 et seq.)~~.

"Agency" means the Illinois Emergency Management Agency.

"Broker" means any person who takes possession of low-level radioactive waste solely for purposes of consolidation and shipment.

~~*"Department" means the Department of Nuclear Safety.*~~

"Disposal" means the isolation of waste from the biosphere in a permanent facility designed for that purpose.

"Generator" means any person who produces or possesses low-level radioactive waste in the course of or incident to manufacturing, power generation, processing, medical diagnosis and treatment, research, education or other activity.

"Low-Level Radioactive Waste" or "Waste" *means radioactive waste not classified as high-level radioactive waste, transuranic waste, spent nuclear fuel or byproduct material as defined in section~~Section~~ 11e(2) of the Atomic Energy Act of 1954 (42 USC~~U.S.C.~~ 2014).*

"Person" means an individual, corporation, business enterprise or other legal entity either public or private and any legal successor, representative, agent or agency of that individual, corporation, business enterprise, or legal entity.

"Storage" means the holding of waste for treatment or disposal for a period of 24~~twenty-four~~ hours or more.

"Treatment" means any method, technique or process, including storage for radioactive decay, designed to change the physical, chemical or biological characteristics or composition of any waste in order to render the waste safer for transport, storage or disposal, amenable~~amendable~~ to recovery, convertible to another usable material or reduced in volume. (Section 3 of the Act)

~~"Waste" See: "Low-Level Radioactive Waste".~~

(Source: Amended at 37 Ill. Reg. 12438, effective July 19, 2013)

Section 620.20 Generator Registration

All generators shall register with the Agency within 60 days after commencement of producing

or possessing any quantity of low-level radioactive waste in Illinois. Registration shall be on a form developed by the Agency and shall include:

a) *name, address, officers and contact information for the generator;*

b) *radioactive materials license numbers and issuing agency;*

c) *the types and amounts of wastes produced or possessed and to be produced or possessed; and* (Section 4(a) of the Act)

d) a description of the activities that produce low-level radioactive waste.

~~*All generators shall register with the Department within 60 days of commencement of producing or possessing any quantity of low-level radioactive waste in Illinois. Registration shall be on a form developed by the Department and shall include: (Supp. Ill. Rev. Stat., 1983, ch. 111½, par. 241-4(a)).*~~

~~a) *name, address and officers of the generator, and*~~

~~b) *the types and amount of wastes produced or possessed and to be produced or possessed.*~~

(Source: Amended at 37 Ill. Reg. 12438, effective July 19, 2013)

Section 620.25 Broker Registration

All brokers shall register within 60 days after taking possession of any low-level radioactive waste. Registration shall be on a form developed by the Agency and shall include:

a) *the name, address, officers and contact information for the broker;*

b) *the radioactive materials license numbers and issuing agency;*

c) *the types and amounts of waste possessed or to be possessed by the broker; and* (Section 4(a) of the Act)

d) a description of activities conducted by the broker.

~~*All existing brokers shall register with the Department within 180 days of the effective*~~

~~*date of the amendatory Act of 1986. (The Act) (Ill. Rev. Stat. 1986 Supp., ch. 111½, par. 241-4(a)). New brokers shall register within 60 days of taking possession of any low-level radioactive waste* or 180 days after the effective date of the amendatory Act, whichever is later. *Registration shall be on a form developed by the Department and shall include:*~~

~~*a) the name, address, and officers of the broker,*~~

~~*b) the type and amount of low-level radioactive waste received by the broker for purposes of consolidation and shipment, and*~~

~~*c) the name and address of each low-level radioactive waste generator from whom low-level radioactive waste has been received by the broker.*~~

(Source: Amended at 37 Ill. Reg. 12438, effective July 19, 2013)

Section 620.30 Filing Of Annual Report by Generators

Each generator who has generated any low level waste during a given calendar year shall file an annual report with the Agency~~Department~~. ~~For the calendar year 1984, the annual report shall be submitted by March 1, 1985. For subsequent years,~~The~~the~~ annual report shall be submitted by February 1~~ as required by Ill. Rev. Stat 1986 Supp., Ch. 111½, par. 241-4(b)~~. This report shall be on a form developed by the Agency~~Department~~ and shall include:

a) the name, address and contact information for~~officers of~~ the generator;~~,~~

b) the types and amounts of waste produced or possessed during the prior calendar year;~~*the types and amounts of waste produced or possessed during the prior calendar year,*~~

c) the types and amounts of waste expected to be produced or possessed in the future;~~*the types and amounts of waste expected to be produced or possessed during the next calendar year,*~~

d) waste stored during the prior calendar year, including types and amounts;~~*waste stored during the prior calendar year, including types and amounts,*~~

e) waste shipped during the prior calendar year, including types, amounts and~~, dates,~~ destination; ~~and means of shipment,~~

~~f)~~ ~~whether reports were filed with the Department and fees paid to the Department during the prior calendar year for waste stored,~~

~~g)~~ ~~whether reports were filed with the Department and fees paid to the Department during the prior calendar year for waste shipped,~~

~~h)~~ ~~whether any additional waste was stored and not reported to the Department,~~

~~i)~~ ~~whether any additional waste was shipped and not reported to the Department,~~

f~~j~~) methods used to manage these wastes;~~*methods used to treat, store, and dispose of waste,*~~

g~~k~~) technological feasibility, economic reasonableness and environmental soundness of alternative treatment, storage and disposal methods.~~*technological feasibility, economic reasonableness and environmental soundness of alternative treatment, storage and disposal methods,*~~

~~l)~~ ~~name and address of broker(s) used, and~~

~~m)~~ ~~the names of such disposal sites if direct shipments to disposal sites were made.~~

(Source: Amended at 37 Ill. Reg. 12438, effective July 19, 2013)

Section 620.35 Filing of Annual Reports by Brokers

Each broker who has taken possession of any low-level radioactive waste generated in Illinois during a given calendar year shall file an annual report with the Agency~~Department~~. The ~~first annual report shall be for calendar year 1986, and shall be submitted by February 1, 1987 or 45 days after registering with the Department, whichever is later. For subsequent years, the~~ annual report shall be submitted by February 1. This report shall be on a form developed by the Agency~~Department~~ or~~,~~ by electronic means ~~(e.g. computer diskette, on-line computer communication)~~ that are compatible with the Agency's~~Department's~~ computer capabilities. The report shall include:

a) the name, address and contact information for~~officers of~~ the broker.

b) for waste shipped to disposal sites outside Illinois during the prior year, the

disposal manifest information kept pursuant to 32 Ill. Adm. Code 340.1180~~340.3110~~. The original generator name and address and waste volume for each generator must be given for each shipment.

c) for waste permanently disposed of in Illinois during the prior year, in addition to the manifest information described in subsection (b), the types, amounts, dates disposed of and disposal methods~~method(s)~~.

d) for each shipment of waste received, the name and address of the generator from whom the waste was received and the volume and type of waste received.

e) for waste shipped for storage or treatment, the name and address of the entity to whom the waste is shipped and the volume and type of waste shipped.

(Source: Amended at 37 Ill. Reg. 12438, effective July 19, 2013)

Section 620.40 Payment of Fees for Waste Storage

a) Generators that~~which~~ have stored any quantity of waste for shipment at a later date shall pay a fee to the Agency annually. The fee shall be in the amount of $3 per cubic foot of all waste stored for shipment. ~~Department in accordance with the following:~~

~~1) For waste stored between September 8, 1984, and December 31, 1984, for shipment at a later date, a fee shall be paid to the Department by no later than January 31, 1985. The fee shall be in the amount of $2 per cubic foot of all such waste stored for shipment.~~

~~2) For waste stored on or after January 1, 1985, but before October 1, 1985, for shipment at a later date, fees shall be paid to the Department quarterly by any generator which has stored 100 cubic feet or more of waste during the prior quarter or since filing its last report with the Department. These fees shall be paid by May 1, August 1 and November 1, 1985. A fee shall be paid by February 1, 1986 by any generator which has stored less than 100 cubic feet of waste during this period. The fee shall be in the amount of $2 per cubic foot of all such waste stored for shipment.~~

~~3) For waste stored between October 1, 1985, and December 31, 1985, for shipment at a later date, a fee shall be paid to the Department by no later~~

~~than February 1, 1986. The fee shall be in the amount of $3 per cubic foot of all such waste stored during this period.~~

~~4) For waste stored on or after January 1, 1986, for shipment at a later date, a fee shall be paid to the Department annually by no later than February 1 of the subsequent calendar year. The fee shall be in the amount of $3 per cubic foot of all such waste stored for shipment.~~

b) The fee shall be calculated and invoiced by the Agency based on the Annual Survey submitted by the generator~~accompanied by a completed form prescribed by the Department~~ that~~which~~ identifies the types and amounts of waste stored during that period. Generators shall be responsible for reporting and paying all fees due and owing in accordance with this Section, except as provided in Sections 620.60 and 620.70.

(Source: Amended at 37 Ill. Reg. 12438, effective July 19, 2013)

Section 620.50 Payment of Fees for Waste Shipped

a) Generators that~~which~~ have shipped any quantity of waste for storage, disposal or treatment shall pay a fee to the Agency annually. The fee shall be in the amount of $3 per cubic foot for waste that has been shipped, except that no fee shall be assessed if a fee has already been paid to the Agency for storage of that waste in accordance with Section 620.40.~~Department in accordance with the following:~~

~~1) For waste shipped between December 13, 1983 and September 7, 1984, a fee shall be paid to the Department by no later than December 1, 1984. The fee for all such waste shipped between December 13, 1983 and September 7, 1984 shall be in the amount of $1 per cubic foot of waste shipped.~~

~~2) For waste shipped between September 8, 1984 and December 31, 1984, a fee shall be paid to the Department by no later than February 1, 1985. The fee shall be in the amount of $1 per cubic foot for waste which had been stored prior to September 8, 1984. The fee shall be in the amount of $2 per cubic foot for waste which had not been stored prior to September 8, 1984, except that no fee shall be assessed if a fee has already been paid to the Department for storage of that waste in accordance with Section 620.40.~~

~~3) For waste shipped on or after January 1, 1985, but before October 1, 1985, fees shall be paid to the Department quarterly by any generator which has shipped 100 cubic feet or more of waste during the prior quarter or since filing its last report with the Department. These fees shall be paid by May 1, August 1 and November 1 1985. A fee shall be paid by February 1, 1986, by any generator which has shipped less than 100 cubic feet of waste during this period. The fee shall be in the amount of $1 per cubic foot for waste which has been stored prior to September 7, 1984. The fee shall be in the amount of $2 per cubic foot for waste which has not been stored prior to September 7, 1984, except that no fee shall be assessed if a fee has already been paid to the Department for storage of that waste in accordance with Section 620.40.~~

~~4) For waste shipped between October 1, 1985, and December 31, 1985, a fee shall be paid to the Department by no later than February 1, 1986. The fee shall be in the amount of $1 per cubic foot for waste which had been stored prior to September 7, 1984. The fee shall be in the amount of $2 per cubic foot for waste which had been stored between September 7, 1984, and October 1, 1985. The fee shall be in the amount of $3 per cubic foot for waste which has been stored on or after October 1, 1985, except that no fee shall be assessed if a fee has already been paid to the Department for storage of that waste in accordance with Section 620.40.~~

~~5) For waste shipped on or after January 1, 1986, a fee shall be paid to the Department annually by no later than February 1 of the subsequent calendar year. The fee shall be in the amount of $1 per cubic foot for waste which had been stored prior to September 7, 1984. The fee shall be in the amount of $2 per cubic foot for waste which had been stored between September 7, 1984, and October 1, 1985. The fee shall be in the amount of $3 per cubic foot for waste which had been stored on or after October 1, 1985, except that no fee shall be assessed if a fee has already been paid to the Department for storage of that waste in accordance with Section 620.40.~~

b) The fee shall be calculated and invoiced by the Agency based on the Annual Survey submitted by the generator~~The fee shall be accompanied by a completed form prescribed by the Department~~ that~~which~~ identifies the types and amount of waste shipped during that period. Generators shall be responsible for reporting

and paying all fees due and owing in accordance with this Section, except as provided in Sections 620.60 and 620.70.

(Source: Amended at 37 Ill. Reg. 12438, effective July 19, 2013)

Section 620.60 Payment of Fees – Small Generators

Any~~Effective October 1, 1985, any~~ generator of low-level radioactive waste that~~which~~ was not subject to fees in the amount of at least $50 for waste stored and shipped during a given calendar year in accordance with Sections~~Section~~ 620.40 and 620.50~~,~~ shall pay a fee in the amount of $50 for that calendar year to the Agency~~Department~~. The~~Such~~ fee shall be payable when invoiced by the Agency~~annually by February 1 of the subsequent calendar year~~.

(Source: Amended at 37 Ill. Reg. 12438, effective July 19, 2013)

Section 620.70 Payment of Fees – Nuclear Power Reactors

In lieu of the fees specified in Sections 620.40, 620.50 and 620.60,~~Effective January 1, 1986,~~ the owner of any nuclear power reactor in Illinois for which an operating license has been issued by the Nuclear Regulatory Commission shall be required to pay an annual fee of $30,000 per operating reactor~~$90,000~~ for the treatment, storage and disposal of low-level radioactive waste. Such fees shall be due and payable on July~~January~~ 1~~st~~ of each year.~~, beginning January 1, 1986. (P.A. 84-496, effective October 1, 1985.)~~

(Source: Amended at 37 Ill. Reg. 12438, effective July 19, 2013)

Section 620.80 Non-Compliance with Registration and Filing of Reports

If any person fails or refuses to register with the Agency~~Department~~, to file required reports with the Agency~~Department~~, or to pay the required fees, the Agency~~Department~~ shall notify the person by registered mail that he or she has ~~thirty~~ (30) days to respond, after which the Agency may~~Department will~~ refer the case to the Attorney General. *Any person failing to pay the fees shall be liable to a civil penalty not to exceed four times the amount of the fees not paid.* (Section 17(b) of the Act)~~(Ill. Rev. Stat., 1984 Supp., ch. 111½, par. 241-17(c)).~~

(Source: Amended at 37 Ill. Reg. 12438, effective July 19, 2013)

Section 620.90 Deposit of Fees (Repealed)

ILLINOIS EMERGENCY MANAGEMENT AGENCY

NOTICE OF ADOPTED AMENDMENTS

~~The Department shall deposit 80% of all fees collected under this Part in the State Treasury to the credit of the Low-Level Radioactive Waste Facility Development and Operation Fund. The Department shall deposit 20% of all such fees collected in the State Treasury to the credit of the Low-Level Radioactive Waste Facility Closure, Post-Closure Care and Compensation Fund.~~

(Source: Repealed at 37 Ill. Reg. 12438, effective July 19, 2013)

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

NOTICE OF ADOPTED AMENDMENTS

1) Heading of the Part: Illinois Credit Union Act

2) Code Citation: 38 Ill. Adm. Code 190

3)

Section Numbers:	Adopted Action:
190.2	Amendment
190.5	Amendment
190.15	New Section
190.20	Amendment
190.30	Amendment
190.40	Amendment
190.50	Amendment
190.60	Amendment
190.70	Amendment
190.90	Amendment
190.120	Amendment
190.130	Amendment
190.140	Amendment
190.150	Amendment
190.160	Amendment
190.165	Amendment
190.180	Amendment
190.185	New Section
190.190	Amendment
190.200	Amendment
190.220	Amendment
190.500	Amendment
190.505	Amendment
190.510	Amendment
190.555	Amendment
190.570	Amendment
190.575	Amendment

4) Statutory Authority: Implementing and authorized by the Illinois Credit Union Act [205 ILCS 305]

5) Effective Date of Rulemaking: July 16, 2013

6) Does this rulemaking contain an automatic repeal date? No

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

NOTICE OF ADOPTED AMENDMENTS

7) Does this rulemaking contain incorporations by reference? Yes

8) A copy of the adopted rulemaking, including any material incorporated by reference, is on file in the principal office of the Division of Insurance and is available for public inspection.

9) Notice of Proposal published in the *Illinois Register*: 36 Ill. Reg. 11777; July 27, 2013

10) Has JCAR issued a Statement of Objection to this Rulemaking? No

11) Differences between Proposal and Final Version:

a) All source notes have been changed from "36 Ill. Reg." to "37 Ill. Reg.".

b) Section 190.2, in the definition of "Net Worth", add the following new sentence to the end of this definition "Net worth does not include the allowance for loan losses account."

c) Section 190.90(g), on the second line, strike "will" and add "shall" in lieu thereof.

d) Section 190.165(a)(6), following "Net Worth" delete all proposed text and add "has the same meaning as set forth in Section 190.2" in lieu thereof.

e) Section 190.165(b)(3), following "CFR 702" add "(2013, with no later editions or amendments)".

f) Section 190.165(b)(4), following "CFR 701" add "(2007, with no later editions or amendments)".

g) Section 190.165(c)(2), on the first line, following "loan to a" add "director that is" and after "compensated" add "as an officer of". On the second line strike "director unless" and following "board of directors" add ", unless the board of directors".

h) Section 190.165(d)(3)(A), on the third line, following "will be making." add the following new sentence "The experience must provide the credit union sufficient expertise given the complexity and risk exposure of the loans in which the credit union intends to engage."

i) Section 190.165(d)(4), on the first line, following "amount of" add "the credit union's assets, in relation to net worth, that will be invested in". Also on this same line, following "business loans" add ", provided credit unions subject to section 107A of the Federal Credit Union Act (12 USC 1757a) may not exceed the limit set forth in subsection (g)" and strike all remaining text.

j) Section 190.165(d)(5), following "The" add "maximum"; strike "aggregate" and add a comma after "assets" and "worth". On the second line, following "invested in" add "a given category or type of" and strike all remaining text.

k) Section 190.165(d)(6), on the second line, strike "will be allotted to given types of business loans" and add " the credit union will loan to any one member or group of associated members, subject to the limits set forth in subsections (f) and (h)" in lieu thereof.

l) Section 190.165(e), add the following new sentence to the end of this subsection "A credit union with assets of $30 million or less that receives approval from the Division for a business loan bylaw amendment shall comply with all other provisions of this Part."

m) Section 190.165(g) has been revised as follows:

"g) Aggregate Member Business Loan Limit

1) The aggregate limit on the net member business loan balances of a credit union subject to section 107A of the Federal Credit Union Act~~ (12 USC 1757a)~~, excluding any business loans exempted from the aggregate member business loan limit by section 107A of the Federal Credit Union Act or part~~Part~~ 723 of the National Credit Union Administration Regulations (12 CFR 723~~,~~ (2012~~2004~~, no subsequent amendments~~dates~~ or editions)), is ~~the greater of:~~

~~A)~~ ~~1.75 times the credit union's net worth or 12.25% of the credit union's assets, whichever is less; or~~

~~B)~~ the aggregate member business loan limit authorized by section 107A of the Federal Credit Union Act.

2) Unless the credit union member has first received approval from the Division, pursuant to subsection (g)(2)(B):

A) If the interest held by a credit union in any loans made by another lender to a nonmember of the credit union would constitute a member business loan if made to a member of the credit union, the total of the credit union's net member business loan balances and nonmember business loan balances must not exceed the aggregate member business loan limit authorized by section 107A of the Federal Credit Union Act, unless the credit union has first received approval from the Division pursuant to subsection (g)(2)(B).

B) To request approval from the Division, a credit union must submit an application that:

i) Includes a current copy of the credit union's member business loan policies;

ii) Confirms that the credit union is in compliance with all other aspects of this Section;

iii) States the credit union's proposed limit on the total amount of nonmember business loan interests that the credit union may acquire if the application is granted; and

iv) Attests that the acquisition of an interest in nonmember business loans is not being used, in conjunction with one or more other credit unions, to have the effect of trading member business loans that would otherwise exceed the aggregate limit.

C) If the Division approves the request of a state chartered federally insured credit union, the Division will forward the application and its decision to the NCUA regional director. An approved application is not effective until it is approved by the NCUA regional director."

n) Section 190.165(g)(3)(C), on the fourth line, following "call report" add "filed between January 1995 and September 1998".

o) Section 190.165(g)(4)(B), following "B)" add "A request for an" and delete "An".

p) Section 190.165(g)(4)(B)(i), delete "i)" and move this sentence up.

q) Section 190.165(g)(4)(B)(ii) and (iii), delete proposed text.

r) Section 190.165(g)(4)(C), add "C) The Division shall notify the appropriate region of the NCUA of any exception authorized or granted under subsection (g)(3). Exceptions authorized or granted under subsection (g)(3) do not expire unless revoked by the Division. The Division may revoke an exception upon written notice to the credit union, for reasons including, without limitation, the lack of continuing qualification for the exception, submittal of fraudulent documentation to procure the exception or adverse impact on safety and soundness."

s) Section 190.165(h) has been revised as follows:
"h) Collateral

1) Unless the Division grants a waiver, all member business loans, except those made under subsections (h)~~(2),~~ (3), ~~and~~ (4) and (5), must be secured by collateral. The maximum loan to value (LTV) ratios for all liens shall not exceed 80%, unless the loan amount in excess of 80% is covered through private mortgage or equivalent insurance, or is insured or guaranteed by, or subject to, an advance commitment to purchase by any agency of the federal government or a state or its political subdivisions, but in no case shall the LTV exceed 95%.

2) A federally insured credit union must obtain the personal liability and guarantee of principals of the borrowers except when the borrower is a not for profit organization as defined by the Internal Revenue Code (26 USC 501), or those for which the Division grants a waiver. A personal liability and guarantee of the principals of the borrowers is required for secured and unsecured member business loans.

3~~2~~) Unsecured member business loans may be made if:

A) The credit union has a current net worth of 7% or, if applicable, meets its risk based net worth ratio, whichever is higher, or, if it is a corporate credit union, maintains a minimum capital ratio as required by applicable rules of NCUA;

B) The aggregate of the unsecured outstanding member business loans to any one member or group of associated members does not exceed the lesser of $100,000 or 2.5% of the credit union's net worth; and

C) The aggregate of all unsecured outstanding member business loans does not exceed 10% of the credit union's net worth.

4~~3~~) Credit card line of credit programs offered to nonnatural person members, or guaranteed by nonnatural persons, that are limited to routine purposes normally made available under those programs are exempt from the collateral requirement of subsections (h)(1) and (2) and the requirements of subsection (h)(3).

5~~4~~) Credit unions may make vehicle loans under this Section without complying with the loan-to-value ratios in this Section, provided that the vehicle is a car, van, pick-up truck~~,~~ or sports utility vehicle and not part of a fleet of vehicles."

t) Section 190.165(j)(1)(B), on the second line, strike "(2)" following "(h)" and add "(3)" in lieu thereof.

u) Section 190.165(j)(4)(C) has been revised as follows:

"C) A~~If a~~ waiver approved by the Division for a federally insured state chartered credit union must also be approved by ~~the National Credit Union Administration (~~NCUA~~)~~, except that approval by the Division of a request under subsection (e) for a business loan bylaw amendment by a credit union with assets of $30 million or less shall not

require the approval of NCUA, nor shall approval by the Division of a waiver under subsection (f) to the maximum aggregate net member business loan balance to any one member or group of associated members if the waiver to exceed 15% of the credit union's net worth is for less than $100.000.~~,~~ Following its approval of a waiver for a federally insured state chartered credit union, the Division shall forward the waiver request and supporting documents to the NCUA regional director~~Regional Director~~ and provide the credit union with written notice of the date the request was forwarded. A waiver is not effective for the credit union until it is approved by the NCUA regional director."

v) Section 190.165(l)(1) has been revised as follows:

"l) Allowance for Loan Losses for Business Loans

~~1)~~ Allowance for Loan Losses for Business Loans will be determined in accordance with GAAP. The external auditor conducting the credit union's financial statement audit shall analyze the methodology employed by the credit union and conclude that the financial statements, including the allowance for loan losses, are fairly stated in all material respects in accordance with GAAP.~~and accounted for by the credit union as follows:~~

~~A) Substandard Loans – A substandard loan is one that is inadequately protected by the current sound worth and paying capacity of the obligor or of the collateral pledged. Loans classified substandard have a well-defined weakness or weaknesses that jeopardize the liquidation of the debt. They are characterized by the distinct possibility that the credit union will sustain some loss if the deficiencies are not corrected. Loans listed in this category shall generally be listed in a range from zero to under 50% potential loss.~~

~~B) Doubtful Loans – A loan classified doubtful has all the weaknesses inherent in a loan classified substandard, with the added characteristic that the weaknesses make collection or liquidation in full, on the basis of currently~~

existing facts, conditions, and values, highly questionable and improbable. The possibility of loss is extremely high, but because of certain important and reasonable specific pending factors that may work to the advantage and strengthening of the loan, its classification as an estimated loss is deferred until a more exact status may be determined. Pending factors include: proposed merger, acquisition, or liquidation actions; capital injection; perfecting liens on collateral; and refinancing plans. Loans in this category shall be listed at a minimum 50% potential loss.

C) Loss Loans – Loans classified loss are considered uncollectible and of such little value that their continuance as loans on the credit union balance sheet is not warranted. This classification does not necessarily mean that the loan has absolutely no recovery or salvage value, but rather, it is not practical or desirable to defer writing off the asset even though partial recovery may occur in the future. Loans in this category shall be listed at 100% potential loss.

D) Loans may be excluded from the "loss loans" category and classified as either substandard or doubtful if there is evidence of collectibility. Evidence of collectibility shall include, without limitation, the following collection activities and remedies:

i) Execution and filing of an enforceable reaffirmation agreement on the loan in a Chapter 7 bankruptcy (11 USC 701 et seq.) proceeding prior to completion of the Division's loan analysis in any statutory examination of the credit union.

ii) Receipt of payments on the loan in a Chapter 13 bankruptcy (11 USC 1301 et seq.) within 180 days after the confirmation of the plan; or, if the plan stipulates repayment of the loan in full but payments have not yet been disbursed to the credit union, the credit union has determined from the

~~Trustee that plan payments are being made on a timely basis to the Trustee.~~

~~iii) Receipt of payments on the loan in a Chapter 11 bankruptcy reorganization (11 USC 1101 et seq.) or Chapter 12 bankruptcy family farm reorganization (see 11 USC 1201 et seq.) within 180 days after the confirmation of the plan.~~

~~iv) Voluntary repayment of the loan pursuant to section 524(f) of the federal Bankruptcy Code (11 USC 524(f)).~~

~~v) Collection of the loan pursuant to repossession of collateral without judicial process, or by replevin, detinue, forcible entry and detainer or mortgage foreclosure proceedings.~~

~~vi) Collection of the loan pursuant to post-judgment enforcement remedies, including wage deduction, garnishment and turnover orders entered in citation to discover assets supplementary proceedings.~~

~~vii) The entry of a judgment pay plan order providing for repayment of the loan in a judicial proceeding.~~

~~viii) Documented evidence of repayment of that portion of the loan covered by collateral protection or other insurance policies.~~

~~ix) Documentation evidence of periodic payments on a consistent basis in an amount sufficient to retire the loan balance in a reasonable time.~~

~~2) Non-delinquent loans may be classified in the above categories by the Division, dependent upon an evaluation of factors, including, but not necessarily limited to, the adequacy of the credit union's analysis and documentation of the loan application, and the credit~~

~~union's collateral requirements. Subsection (d)(2) contains analysis and documentation requirements.~~"

w) Section 190.200(a)(8), on the fourth line, strike "recording" and add "recorded" in lieu thereof.

x) Section 190.220(d), on the third line, delete ""and Director".

y) Section 190.500, in the "Points and fees" definition, add "(2013, with no later editions or amendments)" after each CFR citation.

z) Section 190.500, in the "Total loan amount" definition, add "(2013, with no later editions or amendments)" the CFR citation.

aa) Section 190.505(b), following "12 CFR 226" add "(2013, with no later editions or amendments)".

bb) Section 190.570(b), following "include" add "an explanation of".

cc) Section 190.570(b)(1) through (13), Strike "Explanation of".

12) Have all changes agreed upon by the Agency and JCAR been made as indicated in the agreements issued by JCAR? Yes

13) Will this rulemaking replace an emergency rulemaking currently in effect? No

14) Are there any rulemakings pending on this Part? No

15) Summary and Purpose of rulemaking: These amendments implement PA 97-2101, which makes certain definitional changes to clarify role of the Director and Secretary and expands ability of the Department to assess civil penalties for unsafe/unsound business practices and other regulatory violations. Section 190.50 has been amended to establish fee increases that are needed to help cover agency costs for special examinations and investigations. Section 190.160 has been revised to increase the statutory lending limits for consumer loans. Section 190.165 has also been revised to bring it into substantial similarity with the NCUA's member business lending rule (Part 723). Additionally we've increased the related compliance fees, making them a bit more punitive, in order to assure that Credit Unions comply with this Part and the Act.

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

NOTICE OF ADOPTED AMENDMENTS

Finally, the Department has also taken this opportunity to make numerous non-substantive changes to reflect the consolidation of agencies into the Department of Financial and Professional Regulation and the creation of the Division of Banking.

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

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

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

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

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

NOTICE OF ADOPTED AMENDMENTS

TITLE 38: FINANCIAL INSTITUTIONS
CHAPTER I: DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

PART 190
ILLINOIS CREDIT UNION ACT

SUBPART A: GENERAL PROVISIONS

Section
190.2 Definitions
190.5 Credit Union Service Organizations
190.10 Field of Membership Procedures
190.15 Civil Penalty
190.20 Hearings
190.30 Cease and Desist Procedures
190.40 Removal or Suspension Procedures
190.50 Fees
190.60 General Accounting Procedures
190.70 Loan Loss Accounting Procedures
190.80 Use of Electronic Data Processing
190.90 Fixed Asset Investments
190.100 Classes of Share and Special Purpose Share Accounts
190.110 Share Drafts
190.120 Bond and Insurance Requirements
190.130 Verification of Share and Loan Accounts
190.140 Real Estate Lending
190.150 Reverse Mortgage
190.160 Lending Limits – Consumer Loans
190.165 Business Loans
190.170 Group Purchasing
190.180 Investments
190.185 Investment in "Other Financial Institutions"
190.190 Liquidation
190.200 Conversion of Charter
190.210 Reimbursement for Financial Records
190.220 Registration of Out of State Credit Unions

SUBPART B: HIGH RISK HOME LOANS

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

NOTICE OF ADOPTED AMENDMENTS

Section
190.500 Definitions
190.505 Applicability of Rule
190.510 Good Faith Requirements
190.515 Fraudulent or Deceptive Practices
190.520 Prohibited Refinances
190.525 Negative Amortization
190.530 Negative Equity
190.535 Balloon Payments
190.540 Financing of Certain Points and Fees
190.545 Financing of Single Premium Insurance Products
190.550 Lending Without Due Regard to Ability to Repay
190.555 Verification of Ability to Repay
190.560 Payments to Contractors
190.565 Counseling Prior to Perfecting Foreclosure
190.570 Mortgage Awareness Program
190.575 Offer of Mortgage Awareness Program
190.580 Third Party Review

SUBPART C: PAYDAY LOANS

Section
190.600 Definitions
190.601 Purpose and Scope
190.605 Applicability of Rule
190.610 Issuance of Payday Loans by Credit Unions

190.APPENDIX A Estimated Monthly Income and Expenses Worksheet
190.APPENDIX B Mortgage Ratio Worksheet

AUTHORITY: Implementing and authorized by the Illinois Credit Union Act [205 ILCS 305].

SOURCE: Adopted at 4 Ill. Reg. 20, p. 17, effective May 7, 1980; amended at 6 Ill. Reg. 11154, effective September 7, 1982; amended and codified at 7 Ill. Reg. 14973, effective October 26, 1983; emergency amendment at 9 Ill. Reg. 14378, effective September 11, 1985, for a maximum of 150 days; amended at 9 Ill. Reg. 16231, effective October 10, 1985; amended at 10 Ill. Reg. 14667, effective August 27, 1986; amended at 12 Ill. Reg. 10464, effective June 7, 1988; amended at 12 Ill. Reg. 17383, effective October 24, 1988; amended at 13 Ill. Reg. 3793, effective March 10, 1989; amended at 13 Ill. Reg. 15998, effective October 2, 1989; emergency

amendment at 16 Ill. Reg. 12781, effective July 29, 1992, for a maximum of 150 days; amended at 16 Ill. Reg. 17073, effective October 26, 1992; amended at 19 Ill. Reg. 2826, effective February 24, 1995; amended at 20 Ill. Reg. 5803, effective April 8, 1996; emergency amendment at 20 Ill. Reg. 13093, effective September 27, 1996, for a maximum of 150 days; emergency expired February 17, 1997; amended at 22 Ill. Reg. 17317, effective September 15, 1998; emergency amendment at 23 Ill. Reg. 3086, effective February 23, 1999, for a maximum of 150 days; emergency expired July 22, 1999; amended at 23 Ill. Reg. 12614, effective October 4, 1999; amended at 23 Ill. Reg. 14031, effective November 12, 1999; amended at 25 Ill. Reg. 6244, effective May 17, 2001; amended at 25 Ill. Reg. 13278, effective October 19, 2001; amended at 26 Ill. Reg. 17999, effective December 9, 2002; amended at 28 Ill. Reg. 11699, effective July 29, 2004; amended at 29 Ill. Reg. 10579, effective July 8, 2005; amended at 30 Ill. Reg. 18919, effective December 4, 2006; amended at 32 Ill. Reg. 1377, effective January 16, 2008; amended at 34 Ill. Reg. 10500, effective July 12, 2010; amended at 37 Ill. Reg. 12450, effective July 16, 2013.

SUBPART A: GENERAL PROVISIONS

Section 190.2 Definitions

For purposes of the Illinois Credit Union Act and this Part, the words and phrases defined in this Section shall have the meanings ascribed to them unless the context requires otherwise.

"Act" means the Illinois Credit Union Act [205 ILCS 305].

"Credit union" means a credit union chartered under the Illinois Credit Union Act, or, as the context permits, under the Federal Credit Union Act or the laws of any state.

"Department" means the Illinois Department of Financial and Professional Regulation.

"Director" means the Director of the Department of Financial and Professional Regulation-Division of Financial Institutions. As provided in Section 8(1) of the Act, the Director shall oversee the functions of the Division and report to the Secretary with respect to the Director's exercise of any of the rights, powers and duties vested by law in the Secretary under the Act or this Part.

"Division" means the Department of Financial and Professional Regulation-Division of Financial Institutions.

"GAAP" or "generally accepted accounting principles" means U.S. Generally Accepted Principles promulgated by the Financial Accounting Standards Board (see http://www.fasb.org).

"Net worth" means retained earnings, as defined under GAAP~~generally accepted accounting principles (Wiley GAAP, published by John Wiley & Sons, 605 Third Avenue, New York NY 110158-0012, 2002, no later editions or amendments included)~~, and secondary capital. Net worth does not include the allowance for loan losses account.

"Retained earnings" includes undivided earnings, regular reserve, other reserves, and any other appropriations designated by management or regulatory authorities.

"Secondary capital" means a secondary capital account or other form of non-share account, including without limitation a debt instrument, subject to the following conditions:

The maturity or the account shall not be less than three years and the account shall not be redeemable prior to maturity or the expiration of a minimum withdrawal notice period of three years.

The account shall not be insured by the National Credit Union Share Insurance Fund or any governmental or private entity.

The account holder's claim against the credit union must be subordinate to all other claims, including shareholders, creditors and the National Credit Union Share Insurance Fund.

Funds in the account, including interest accrued and paid into the account, must be available to cover operating losses realized by the credit union that exceed its net available reserves and undivided earnings. In lieu of being paid into the account, interest may be paid directly to the account holder or into a separate account from which the account holder may make withdrawals. Losses shall be distributed pro-rata among all secondary capital accounts held by the credit union at the time losses are realized.

The account may not be pledged or provided by the account holder as security on a loan or obligation with the credit union or any other party.

In the event of liquidation of the credit union, the accounts will, to the extent they are not needed to cover losses at the time of liquidation, be paid out to the account holder.

"Paid-in and unimpaired capital" or "unimpaired capital" means shares as defined in Section 1.1 of the ~~Illinois Credit Union~~ Act.

"Person" or "persons" means individuals and bodies politic and corporate, including without limitation corporations, limited liability companies, general partnerships, limited partnerships and joint ventures; unless, from the context and facts, the intention is plain to apply only to individuals. Persons who reside in or live in a geographical area include non-natural persons located within the geographical area.

"Secretary" means the Secretary of the Department of Financial and Professional Regulation or a person authorized by the Secretary, the Act or this Part to act in the Secretary's stead. As provided in Section 8(l) of the Act, all references in the Act or this Part to the Secretary shall be deemed to include the Director, as a person authorized by the Secretary or the Act to assume responsibility for the oversight of the functions of the Department relating to the regulatory supervision of credit unions under the Act and this Part.

"State" means a state of the United States, the District of Columbia, the Commonwealth of Puerto Rico and any of the several territories and possessions of the United States. When capitalized, the term "State" generally means the State of Illinois.

"Surplus" means undivided earnings.

(Source: Amended at 37 Ill. Reg. 12450, effective July 16, 2013)

Section 190.5 Credit Union Service Organizations

a) The provisions of this Section apply to credit unions investing in or lending to a Credit Union Service Organization (CUSO), which is a credit union organization

as defined in Section 1.1 of the ~~Illinois Credit Union~~ Act ~~[205 ILCS 305/1.1]~~.

b) Prior to the initial investment in or loan to a CUSO, the records of the credit union shall contain the following information:

1) The name and location of the CUSO.

2) Services provided by the CUSO.

3) The names of the officers, employees and agents of the CUSO and their relationship to the credit union and the credit union's directors, officers, staff and members.

4) The form of organization under which the CUSO operates, including but not limited to corporation, limited partnership, general partnership, joint venture, limited liability company, or limited partnership.

5) The most recent financial statements of the credit union and the CUSO.

6) The customer base served by the CUSO.

7) The credit union's investments in or loans to other CUSOs.

8) The credit union's indebtedness to any other credit unions, corporations, financial institutions, credit union organizations, or other organizations.

c) A credit union and a CUSO must be operated in a manner that demonstrates to the public the separate corporate existence of the credit union and the CUSO.

1) Good business practices dictate that each must operate so that:

A) Its respective business transactions, accounts~~,~~ and records are not intermingled;

B) Each observes the formalities of its separate corporate procedures;

C) Each is adequately financed as a separate unit in the light of normal obligations reasonably foreseeable in a business of its size and character;

D) Each is held out to the public as a separate enterprise;

E) The credit union does not dominate the CUSO to the extent that the CUSO is treated as a department of the credit union; and

F) Unless the credit union has guaranteed a loan obtained by the CUSO, all borrowings by the CUSO indicate that the credit union is not liable.

2) Prior to a credit union investing in or making a loan to a CUSO, the credit union must obtain a written legal opinion as to whether the CUSO is established in a manner that will limit potential exposure of the credit union to no more than the loss of funds invested in, or loaned to, the CUSO. In addition, if a CUSO in which a credit union has made an investment or loan plans to change its form of organization under subsection (b)(4)~~ of this Section~~, the credit union must obtain a prior written legal opinion that the CUSO will remain established in a manner that will limit potential exposure of the credit union to no more than the loss of funds invested in, or loaned to, the CUSO. The legal opinion must address factors that have led courts to "pierce the corporate veil", such as inadequate capitalization, lack of separate corporate identity, common boards of directors and employees, control of one entity over another, and lack of separate books and records. The legal opinion may be provided by independent legal counsel of the credit union.

d) Additional Requirements~~requirements.~~

1) The CUSO must comply with the definition of a credit union organization as defined by Section 1.1 of the ~~Illinois Credit Union~~ Act~~ [205 ILCS 305/1.1]~~.

2) The amount a credit union may invest in and/or loan to a CUSO is subject to Board of Director approval and the following limitations:

A) Any loan to the CUSO does not cause aggregate loans to credit union organizations, per Section 51(4) of the ~~Illinois Credit Union~~ Act~~ [205 ILCS 305/51(4)]~~, to exceed the greater of 3% of the paid-in and unimpaired capital and surplus of the credit union or the

amount authorized for federal credit unions.

B) Any investment in the CUSO does not cause the aggregate investment in CUSOs to exceed the greater of 3% of the paid-in and unimpaired capital and surplus of the credit union in accordance with the statutory limitation on investments in CUSOs or the amount authorized for federal credit unions.

C) The limit on loans to CUSOs is independent and separate from the limit on investments in CUSOs.

D) "Paid-in and unimpaired capital and surplus" means shares, as defined in Section 1.1 of the ~~Illinois Credit Union~~ Act ~~[205 ILCS 305/1.1]~~, and undivided earnings.

E) If the investment limits described in this subsection (d)(2) are reached or exceeded because of the profitability of the CUSO and the related GAAP valuation of the investment under the equity method, without an additional cash outlay by the credit union, divestiture is not required. A credit union may continue to invest up to the authorized amount without regard to the increase in the GAAP valuation resulting from a CUSO's profitability.

3) All dealings between the credit union's directors, officers, employees, their family members or any corporation, partnership, proprietorship or association in which these individuals hold interest and the CUSO are disclosed. Any agreements between these individuals, businesses or associations and the CUSO must be structured to project economic benefit, increased efficiencies and/or cost effective service to the credit union and must not project a detrimental effect on the earnings or sound operation of the credit union. For purposes of this subsection (d)(3) "family member" means a spouse or a child, parent, grandchild, grandparent, brother or sister, or the spouse of any such individual.

4) All agreements between the credit union and the CUSO must be structured to project economic benefit, increased efficiencies and/or cost effective service to the credit union and must not project a detrimental effect on the earnings or sound operation of the credit union.

e) Prior to investing in or lending to the CUSO, the credit union must enter into a written agreement with the CUSO.

1) The written agreement must contain clauses that state the CUSO will:

A) Provide the Department with complete access to any books and records of the CUSO, with the costs of examining these records borne by the credit union served in accordance with the per diem rate set out in Section 12 of the Act~~ [205 ILCS 305/12]~~.

B) Follow GAAP~~Generally Accepted Accounting Principles (Wiley GAAP, published by John Wiley & Sons, 605 Third Avenue, New York, NY 10158-0012, 1997 edition, no subsequent dates or editions)~~.

C) Provide the credit union with the financial statements of the CUSO on at least a quarterly basis and Certified Public Accountant (CPA) audited financial statements on an annual basis.

2) The agreement must also contain a clause reciting that the parties agree to terminate their contractual relationship:

A) Upon 90 days written notice to the parties by the Secretary~~Director~~ that the safety and soundness of the credit union is threatened pursuant to the Department's cease and desist and suspension authority as outlined in Sections~~Section~~ 8(4), 8(5) and 61 of the Act~~ [205 ILCS 305/8(4) and (5) and 61]~~.

B) Immediately upon the parties' receipt of written notice from the Secretary when~~Director where~~ the Secretary~~Director~~ reasonably concludes, based upon specific facts set forth in the notice to the parties, that the credit union will suffer immediate, substantial and irreparable injury or loss if it remains a party to the service contract.

3) The termination of the underlying agreement between the CUSO and the credit union shall in no way operate to relieve the CUSO of repaying any investment, indebtedness or other obligation due and owing the credit union at the time of termination. Any CUSO that was in existence prior to

the effective date of this rule and that was legally operating in a manner that, although inconsistent with this rule, was not in contravention of the ~~Illinois Credit Union~~ Act, may continue its operation until August 27, 1987~~one year from the effective date of this rule~~.

f) In recording all transactions with the CUSO, GAAP~~Generally Accepted Accounting Principles (see subsection (e)(1)(B))~~ shall be followed by the credit union.

(Source: Amended at 37 Ill. Reg. 12450, effective July 16, 2013)

Section 190.15 Civil Penalty

As provided in Section 8(6) of the Act, the amount of time specified by the Department, at the Secretary's or his or her designee's discretion, within which the credit union must remediate the specific violations shall depend on the nature and extent of the remedial action to be taken. All remedial actions must be performed to the satisfaction of the Secretary or his or her designee. Additional time for remediation may be granted at the Secretary's or his or her designee's discretion for good cause upon written request made in good faith by the credit union.

(Source: Added at 37 Ill. Reg. 12450, effective July 16, 2013)

Section 190.20 Hearings

a) Upon written request, made within 90 days after any administrative action or regulatory decision made pursuant to the Act, the Secretary~~Director~~ will authorize a formal hearing to review the propriety of administrative actions and regulatory decisions by issuing a notice of hearing.

b) The notice shall be served personally or by certified or registered mail or as otherwise provided by law upon the parties or their agents appointed to receive service of process and shall include the following:

1) A statement of the time, place~~,~~ and nature of the hearing.

2) A statement of the legal authority and jurisdiction under which the hearing is to be held.

3) A reference to the particular Sections of the substantive and procedural

statutes and rules involved.

4) Except when~~where~~ a more detailed statement is otherwise provided for by law, a short and plain statement of the matters asserted, the consequences of a failure to respond, and the official file or other reference number.

5) The names and mailing addresses of the hearing officer, all parties~~,~~ and all other persons to whom the agency gives notice of the hearing, unless otherwise confidential by law.

c) An opportunity shall be afforded all parties to be represented by legal counsel and to respond and present evidence and argument.

d) Unless precluded by law, disposition may be made of any contested case by stipulation, agreed settlement, consent order~~,~~ or default.

e) Hearing Officers~~.~~

1) The hearing officer designated by the Secretary~~Director~~ shall be an attorney licensed to practice in Illinois and shall have the authority to:

A) examine or permit examination of any witness under oath;

B) determine the order of appearance of all parties;

C) receive all evidence and testimony and rule on its admissibility as well as require the production of any relevant document or witness;

D) rule on objections to evidence; and

E) make a written report with recommendations to the Secretary that~~Director which~~ shall include findings of fact and conclusions of law with respect to the claim. Findings of fact shall be based exclusively on the evidence and on matters officially noticed.

2) Petitioner or respondent~~Respondent~~ may petition the Secretary~~Director~~ to disqualify the appointed hearing officer for bias or conflict of interest by presenting the Secretary~~Director~~ with convincing and compelling evidence of the hearing officer's bias or conflict of interest. An adverse ruling shall

not constitute bias or conflict of interest.

f) General Provisions~~.~~

1) When a hearing is scheduled pursuant to this Part, the petitioner or his or her attorney shall be notified by certified or registered mail, return receipt requested, at least 10~~ten~~ days prior to the date set for the hearing. Delivery of notice to the United States Postal Service shall constitute delivery.

2) A continuance shall be granted for good cause by the hearing officer. The continuance shall be:

A) in writing, in duplicate and signed by the petitioner or his or her attorney and shall state the reasons for the request;

B) delivered to the hearing officer at least three days prior to the scheduled hearing.

3) For the purposes of subsection (f)(2), good cause shall require the petitioner~~Petitioner~~ to demonstrate real and compelling need for additional time. It shall include but not be limited to illness, service in the armed forces, etc.

4) Failure to attend a hearing shall result in the dismissal of the party's petition and the assessment of the costs for such a hearing upon the party. A person whose petition has been so dismissed shall not resubmit until the assessed costs have been paid.

5) Any party to a proceeding may order a court reporter to transcribe the proceeding. If the petitioner makes the request, he or she shall pay all costs associated with the transcript. If the court reporter is ordered by the hearing officer, any party may purchase a transcript.

6) The Secretary~~Director~~ shall assess all costs and attorneys' fees against any party who has unreasonably delayed a proceeding or has filed a claim in bad faith. "Unreasonable delay of a proceeding" shall be determined to exist upon a preponderance of evidence indicating that the petitioner is purposely delaying the hearing either actively or through inattention to

detail. A determination of "filing a claim in bad faith" requires a preponderance of evidence that the hearing petition was filed merely to stay Division action with no intent for expeditious resolution of the contested issue.

g) Conduct of Hearings~~.~~

1) The hearing officer shall open the hearing by presenting for the record his or her letter of authorization from the Secretary~~Director~~.

2) The rules of evidence and privilege as applied in civil cases in Illinois Circuit Courts shall be followed. The hearing officer may admit evidence not admissible under those rules if the~~such~~ evidence could be relevant to the case. Irrelevant, immaterial~~,~~ or unduly repetitious evidence shall be excluded. Evidence not admissible under those rules of evidence may be admitted (except when~~where~~ precluded by statute) if it is a type commonly relied upon by reasonably prudent men in the conduct of their affairs. Objections to evidentiary offers may be made and shall be noted in the record. Subject to these requirements, when a hearing will be expedited and the interests of the parties will not be prejudiced, any part of the evidence may be received in written form.

3) The hearing officer may, on his or her own motion or the motion of one of the parties, take notice of matters of which Illinois Circuit Courts may take judicial notice. *Notice may be taken of generally recognized technical or scientific facts within the* Division's *specialized knowledge if parties are notified, before or during the hearing, and if afforded an opportunity to contest the material so noticed* [5 ILCS 100/10-40(c)]. The burden of opposing any material admitted upon notice shall be upon the party so opposing.

4) No Division employee or hearing officer shall, after notice of a hearing, communicate with any party or his or her attorney in connection with any issue in the hearing except upon notice and opportunity for all parties to participate.

5) The record of any hearing shall include:

A) all pleadings, and evidence received whether admitted or excluded;

B) a statement of all matters officially noticed;

C) all offers of proof, objections, and rulings on objections~~thereon~~;

D) all proposed findings and exceptions;

E) any decision, opinion~~,~~ or report by the hearing officer;

F) any communication prohibited by this Part, although the communication shall not form the basis for any finding of fact;

G) any evidence excluded by the hearing officer, even though that~~such~~ evidence is not used in the determination of the claim;

H) a proceeding transcript recorded by any means that will adequately insure the preservation of the testimony.

6) Within 90 days after the hearing or the receipt of all necessary documents, the hearing officer shall report to the Secretary~~Director~~, pursuant to 38 Ill. Adm. Code 190.20.

7) Within 30 days after receiving the report of the hearing officer, the Secretary~~Director~~ shall issue a decision, which shall be served on the claimant and other parties personally or by registered or certified mail, return receipt requested. Copies of the hearing officer's report to the Secretary~~Director~~ are available upon written request.

h) Petition to Reconsider~~.~~

1) Within 30 days after receipt of the Secretary's~~Director's~~ decision, any party may petition the Secretary~~Director~~ for reconsideration based upon a verified petition. An affidavit shall accompany the petition stating that the decision was against the manifest weight of the evidence, was contrary to law, or was arbitrary or capricious, and is affected by newly discovered evidence not in existence at the time of the initial hearing or that~~which~~ could not have been discovered using due diligence at that time.

2) The Secretary~~Director~~ shall determine within 15 days whether to

reconsider the case. If reconsideration is allowed, a hearing shall be held pursuant to this Part and shall be limited to the issues raised by the petition and affidavit. If reconsideration is denied, the Secretary's~~Director's~~ initial decision shall be the final administrative decision of the Division.

(Source: Amended at 37 Ill. Reg. 12450, effective July 16, 2013)

Section 190.30 Cease and Desist Procedures

a) *The Secretary~~Director~~ shall issue a cease and desist order to any credit union which either knowingly~~willfully~~ violates or the Secretary~~Director~~ has reasonable cause to believe is about to violate the Act or rules or any condition imposed in writing by the* Division *or commits random violations which jeopardize the safety and soundness of the credit union.* The~~Such~~ Order shall be sent to the Chairman of the credit union by certified mail, with a copy to each member of the board ~~Board~~ of directors~~Directors~~.

b) Within 10 days after~~of~~ the receipt of the Order, the credit union shall respond in writing to request a review of the~~such~~ exceptions. If no response is received, or the Order is agreed to in writing, the credit union shall be deemed to have consented to the issuance of the cease and desist order.

c) If a review of the Order is requested in writing by the credit union and after ~~such~~ review of the circumstances and record by the Secretary~~Director~~ or his or her designated agent, the Secretary~~Director~~ finds a circumstance described in Section 8(4) of the ~~Illinois Credit Union~~ Act ~~[205 ILCS 305/8(4)]~~, then the Secretary~~Director~~ shall issue or extend, as appropriate, an order to cease and desist to the credit union from any such practice or violation. The Order~~Such order~~ shall require the credit union and its directors, officers, committee members, employees and agents to cease and desist from the~~such~~ violations and to take affirmative action to correct the conditions resulting from any ~~such~~ violation. If the credit union has specific grounds for believing that the evidence upon which the Order~~order~~ is based is not factual then the credit union may request a formal hearing under Section~~38 Ill. Adm. Code~~ 190.20.

d) A cease and desist order shall become effective upon receipt by the credit union and shall remain effective until it is terminated by action of the Secretary~~Director~~ or a reviewing court. Delivery to the United States Postal Service shall be presumed to constitute delivery to the credit union.

(Source: Amended at 37 Ill. Reg. 12450, effective July 16, 2013)

Section 190.40 Removal or Suspension Procedures

a) Under circumstances ~~as~~ described in Section 8(5) of the ~~Illinois Credit Union~~ Act ~~[205 ILCS 305/8(5)]~~, the Secretary~~Director~~ or his or her agent shall issue and serve upon a director, officer or committee member a written Order of Suspension to remove the named persons from office and/or to prohibit their further participation in any manner in the conduct of the affairs of the~~such~~ credit union.

b) The~~Such~~ Order, which shall contain a statement of the facts constituting the grounds for the Order~~therefore~~, shall be sent by certified mail to the Chairman, with a copy to each member of the affected credit union's board ~~Board~~ of directors~~Directors~~ and the President, if not a director, and shall become effective upon service and, unless stayed by a court, shall remain in effect pending the completion of administrative proceedings as outlined in this Part~~therein~~.

c) Within 15 days after~~of~~ the mailing of the Order, the named persons shall respond in writing to request an administrative ~~Administrative~~ review of the Order. If no response is received or the Order is agreed to in writing, the persons shall be deemed to have consented to the issuance of an Order of Suspension, thereby prohibiting the named individuals from further participation in any manner in the conduct of affairs of any credit union chartered under the Act. The~~Such~~ order shall remain effective until it is terminated by action of the Secretary~~Director~~ or reviewing court.

d) Within 10 days after~~of~~ receipt of the conclusions of the administrative review by the Secretary~~Director~~, if the persons named have specific grounds for believing that the evidence upon which the Order~~order~~ is based is not factual, then the persons~~person(s)~~ may request a formal hearing under Section~~38 Ill. Adm. Code~~ 190.20.

e) In the event that all of the directors of a credit union are suspended or removed, the Secretary~~Director~~, under authority of Section 61(4) of the ~~Illinois Credit Union~~ Act ~~[205 ILCS 305/61(4)]~~, shall appoint a Manager-Trustee to manage the affairs of the credit union until ~~such time as~~ the Secretary~~Director~~ appoints interim successors to the directors to serve until the next annual members'~~members~~ meeting.

(Source: Amended at 37 Ill. Reg. 12450, effective July 16, 2013)

Section 190.50 Fees

The schedule of annual regulatory fees is contained in Section 12 of the ~~Illinois Credit Union~~ Act. In addition, pursuant to Sections 8 and 9 of the ~~Illinois Credit Union~~ Act, the Secretary~~Director~~ prescribes the following fees:

a) Service Fee Charges:

1) Investigation of application for permission to organize a new credit union $250

2) Preparation and/or approval of an amendment to the Articles of Incorporation or to the By-Laws:

Other than to add or convert to a community common bond:

Credit unions with assets less than $5 million..... $10

Credit unions with assets of $5 million and less than $30 million..... $15

Credit unions with assets of $30 million and greater..... $25

To add or convert to a community common bond (irrespective of credit union asset size) $250

3) Preparation and/or approval of standard revised set of By-Laws..... $50

4) Preparation and/or approval of non-standard revised set of By-Laws (excluding individual or minor revisions)..... $250

5) Photocopy of any documents per page $1

6) Late filing of any report for each day late (excluding 5300 Reports):

Credit unions with assets less than $5 million $15

Credit unions with assets of $5 million and less than $30 million $25

Credit unions with assets of $30 million and greater $50

7) Late filing of any 5300 Report for any credit union for each day late:

Credit unions with assets less than $5 million..... $25

Credit unions with assets of $5 million and greater $50

Credit unions with assets of $50 million and greater $100

8) Preparation of a list of credit unions by name and address..... $100

9) Credit Union Act, Rules & Regulations and standard By-Laws in hardback binder $200

Credit Union Act (no binder) $50

Rules & Regulations (no binder)..... $50

Standard By-Laws (no binder) $50

Hardback Binder..... $50

b) Mergers, Conversions, Investigations, Hearings and Failure to Maintain Books:

1) Supervision of merger or conversion, including completion of transfer of accounting records of merging credit union to surviving credit union's records (excluding involuntary or unsolicited mergers for which there shall be no fee) $250

2) Special investigation or examination of a credit union when, in the opinion of the Secretary~~Director~~, there is reasonable cause to believe the credit union is engaged or has engaged, or is about to engage in an unsafe or unsound practice, or is violating or has violated a law, rule or regulation or any condition imposed in writing by the Division, or to enable the Secretary~~Director~~ to determine the safety of a credit union's operation or its solvency.

Charge per examiner per day or part thereof assessed pursuant to the following scale based on total assets of credit union:*

$5,000,000 or less $190

Greater than $5,000,000 - $100,000,000 ..... $245

Greater than $100,000,000..... $380
~~..... *$190~~

* Provided that the~~such~~ charges may not exceed the annual regulatory fee provided in Section 12 of the ~~Illinois Credit Union~~ Act for an annual examination.

3) The cost of any formal hearing requested by a credit union in accordance with Section~~procedures in 38 Ill. Adm. Code~~ 190.20 will be assessed by the Secretary~~Director~~.

4) A credit union failing to have its books and records available and currently posted* when contacted by the Division's examiner for examination, resulting in

the Division's inability to conduct the examination, will be assessed a fee of:

Credit unions with assets of less than $1 million	$65~~$50~~
Credit unions with assets of $1 million and less than $5 million.....	$130~~$100~~
Credit unions with assets of $5 million and less than $10 million.....	$325~~$250~~
Credit unions with assets of $10 million and less than $30 million.....	$650~~$500~~
Credit unions with assets of $30 million and less than $100 million.....	$1,300 ~~$1,000~~
Credit unions with assets of $100 million and less than $500 million.....	$3,250 ~~$2,500~~
Credit unions with assets of $500 million and greater.....	$6,500 ~~$5,000~~

* Currently posted means that the accounts are posted by the 15th of the following month.

The fee authorized under this subsection (b)(4) shall not be assessed if an immaterial number of accounts is not posted by the 15th day of the following month, as determined under GAAP~~generally accepted accounting principles (Wiley GAAP, published by John Wiley & Sons, 605 Third Avenue, New York NY 110158-0012, 2002, no later editions or amendments included)~~, or more frequently than annually.

c) Payment:

1) A credit union shall pay any fee listed in subsections (a) and (b) of this Section no later than 20 days after receipt of an invoice from the Division.

2) Individuals, partnerships or other corporations shall pay in advance any fee to be charged for the preparation of the work requested. The Division, upon request, shall provide an estimated cost of the work requested.

3) Fees shall be waived by the Secretary~~Director~~ for forms and copies supplied to another agency of government or when~~where~~ the fee was not imposed according to the Act or this Part. Fees listed in subsections (a) and (b)~~ of this Section~~ may be waived, in whole or in part, by the Secretary~~Director~~, upon a showing by the credit union satisfactory to the Secretary~~Director~~ that the imposition of the fee in the particular case would be inequitable or create a hardship for the credit union.

(Source: Amended at 37 Ill. Reg. 12450, effective July 16, 2013)

Section 190.60 General Accounting Procedures

a) All credit unions will maintain their books and records in accordance with GAAP~~generally accepted accounting principles (Wiley GAAP, published by John Wiley & Son, 605 Third Avenue, New York NY 110158-0112, 2002, no later editions or amendments included)~~, and in such a manner as to provided an accurate report of financial condition, with the exception of the selection of the accounting method to be used or when otherwise directed by statutory requirements. In the event that a credit union is using the modified cash basis of accounting, and the Secretary~~Director~~ determines that~~ such~~ method causes a material misstatement of the financial condition of the credit union, he or she shall require that the credit union convert to the full accrual method of accounting, except when~~where~~ factors such as prohibitive cost or lack of expertise are evident. The Division shall notify in writing any credit union required to convert to the full accrual method and provide 60 days to review and respond.

b) If the credit union does not concur with the Division's requirement, it may request a formal hearing under Section ~~38 Ill. Adm. Code~~ 190.20. The order to change accounting procedures is stayed pending the final outcome of the hearing.

c) Regardless of the method of accounting in use, the following items must be accrued or amortized:

1) Dividends on Classes of Shares;

2) Premiums and Discounts on purchased investments;

3) Depreciation of Fixed Assets;

4) Interest on investments when paid less frequently than once a year.

d) If a credit union uses the accrual method to recognize interest income on consumer loans, the~~such~~ accrual must be stopped and income recognized on a cash basis whenever the borrower is three months or more delinquent in contractual payments.

e) Credit unions' charts of accounts must be kept in sufficient detail to allow accurate and full completion of all reports required by Section 9 of the Act~~[205 ILCS 305/9]~~.

f) Pursuant to the authority granted the Secretary~~Director~~ by Section 60(B) of the Act~~[205 ILCS 305/60]~~ to decrease the reserve requirement set forth in Section 60(A) of the Act, a credit union is exempt from the reserve requirement of Section 60(A) provided:

1) The credit union's net worth to asset ratio is 7% or greater; or

2) If the credit union's net worth to asset ratio at the end of a calendar quarter is less than 7%, the credit union transfers an amount equal to .1% of the credit union's assets from undivided earnings to regular reserve at the end of the next calendar quarter and quarterly thereafter until the net worth to assets ratio is equal to or greater than~~then~~ 7%.

(Source: Amended at 37 Ill. Reg. 12450, effective July 16, 2013)

Section 190.70 Loan Loss Accounting Procedures

a) For the purpose of absorbing and reporting loan losses, all credit unions must establish, at a minimum, the following accounts in the general ledger:

1) Allowance for Loan Losses (ALL) – A portion of the statutory Regular Reserve segregated and reported as a direct reduction of loans. The ALL shall fairly present the value of loans and probable losses for all categories of loans. Adjustments to the ALL shall be made prior to the distribution

or posting of any dividend to the accounts of members.

2) Provision for Loan Losses (PLL) – An expense account, immediately preceding dividend expense, used to reflect the cost of losses on loans. Replenishment of the allowance for loan losses must be expensed using the PLL account.

b) The ALL shall be established and maintained subject to the following requirements:

1) The ALL shall be established based upon separate loss calculations reflecting loans secured by real estate and loans not secured by real estate. A credit union may further segment its loan portfolio, to recognize loss contingencies, by identifying risk characteristics that are common to groups of loans. Portfolio segmentation and impairment measurement may be based upon many factors, including without limitation major loan types and product line segments with differing risk characteristics.

2) The ALL shall be maintained at a level equivalent to an amount computed using an historical loan loss experience ratio and an individual classification of probable losses for all consumer and real estate loans. *In determining the appropriate balance in the* ALL, *a credit union may determine its historical loss rate using a defined period of time of less than 5 years, provided that:*

A) The credit union employs a certified public accountant to perform its annual external independent audit;

B) *The methodology* developed by the credit union *to determine the defined period of time is formally documented in the credit union's policies and procedures* or management memoranda, *and is appropriate to the credit union's size, business strategy and loan portfolio characteristics, and the economic environment of the areas and employers served by the credit union;*

C) *Supporting documentation is maintained* by the credit union for a period of no less than three audit cycles *for the technique used to develop the credit union loss rates, including the period of time*

used to accumulate historical loss data and the factors considered in establishing the time frames; and

D) *The external auditor conducting the credit union's financial statement audit has analyzed the methodology employed by the credit union and concludes that the financial statements, including the allowance for loan losses, are fairly stated in all material respects in accordance with U.S. Generally Accepted Accounting Principles, as promulgated by the Financial Accounting Standards Board.* [205 ILCS 305/34(4)]

3) To the extent consistent with GAAP~~U.S. Generally Accepted Accounting Principles~~, the design and implementation of ALL methodologies and supporting documentation practices shall be in accordance with the National Credit Union Administration's Interpretive Ruling and Policy Statement (IRPS) 02-3 (NCUA, 1775 Duke Street, Alexandria VA 22314-3428, Allowance for Loan and Lease Losses Methodologies and Documentation for Federally-Insured Credit Unions, 67 Fed. Reg. 37445~~; May 29, 2002~~).

4) A credit union that does not employ a certified public accountant to perform an annual external independent audit shall utilize the five-year period preceding the subject fiscal period to compute its historical loan loss experience ratio. A credit union not employing a certified public accountant to perform its annual external independent audit may adjust the five-year historical time period to more accurately reflect its loan loss experience, upon application to and receipt of written approval from the Secretary~~Director~~.

5) Historical Loss Experience Ratio

A) The historical loss experience ratio is computed by dividing the total net loan losses for the appropriate period of time determined by the credit union under subsection (b)(2) or (b)(4), as applicable, by an amount representing the average loan balances for the defined period. The resulting ratio is multiplied by the total loans outstanding, less:

i) loans that have been classified individually; and

ii) pools of homogenous loans for which an estimated loss percentage has been utilized.

B) A new credit union will determine its historical loss experience ratio using available data. As used in this subsection (b)(5), "net loan losses" means loan chargeoffs, less loan recoveries, for the defined period of time.

6) If a pool consists of a large group of homogeneous loans, a credit union may utilize an estimated loss percentage on the pool to be determined by collectively evaluating the pool of loans for impairment in accordance with GAAP~~U.S. Generally Accepted Accounting Principles~~. The portion of the ALL attributable to the pool of loans may be determined by applying the estimated loss percentage to the total outstanding balance of the loans comprising the pool instead of individually classifying delinquent loans in the pool.

7) Notwithstanding anything to the contrary in this subsection (b), a credit union that employs a certified public accountant to perform its annual external independent audit must formally document its methodology to support:

A) Its utilization of any defined period of time in determining its historical loss rate; and

B) Its decision to change its defined period of time in determining its historical loss rate.

c) Delinquency is defined as the failure to make a required payment on or before the contractual due date. Loans delinquent more than 60 days, bankruptcy and loans that exhibit deficiencies that impair their full collectability~~collectibility~~ shall be classified as either substandard, doubtful or loss.

1) Substandard Loans – A substandard loan is one that is inadequately protected by the current sound worth and paying capacity of the obligee or of the collateral pledged. Loans classified as substandard have a well defined weakness or weaknesses that jeopardized the liquidation of the debt. They are characterized by the distinct possibility that the credit

union will sustain some loss if the deficiencies are not corrected. Loans in this category shall generally be listed in a range from zero to under 50 percent potential loss.

2) Doubtful Loans – A loan classified doubtful has all the weaknesses inherent in a loan classified substandard, with the added characteristic that the weaknesses make collection or liquidation in full, on the basis of currently existing facts, conditions and values, highly questionable and improbable. The possibility of loss is extremely high, but because of certain important and reasonable specific pending factors that~~which~~ may work to the advantage and strengthening of the loan, its classification as an estimated loss is deferred until a more exact status may be determined. Loans in this category shall be listed at a minimum 50 percent potential loss.

3) Loss Loans – Loans classified as loss loans are considered uncollectible and shall be listed at 100 percent potential loss. Loans considered loss loans include, but are not limited to:

A) Any loan 180 days or more delinquent without a payment of at least 75% of the contractual payment within the last 90 days. Involuntary transfers from shares and proceeds from the sale of collateral and insurance settlement shall not be considered as payments.

B) Any loan that is 180 days or more delinquent and referred to an attorney or a collection agency.

C) Any loan that~~which~~ was previously 180 days or more delinquent, has been refinanced or extended and has subsequently become 90 days or more delinquent. In instances in which~~where~~ a delinquent loan is refinanced or extended and does not fully and fairly disclose the delinquency as determined in a statutory examination of the credit union, the loan shall be immediately classified as a loss loan.

D) Any loan with respect to which the borrower has filed a Chapter 7 bankruptcy petition and has been granted a discharge by the court.

E) Any loan with respect to which the borrower has filed a Chapter 13 bankruptcy and the credit union has not received a payment within 180 days or more after the confirmation of the plan, unless the plan stipulates repayment of the loan in full and the credit union has determined from the Trustee that plan payments are being made on a timely basis to the Trustee but have not yet been disbursed to the credit union.

F) Any loan with respect to which the borrower's whereabouts is unknown (a "skip"), unless there is a comaker whose whereabouts is known and the loan is less than 180 days delinquent.

G) Any loan where a "deficiency balance" has resulted from the sale of collateral or an insurance settlement unless there is documented evidence of periodic payments on a consistent basis in an amount sufficient to retire the deficiency balance in a reasonable time.

4) When~~Where~~ there is evidence of collectability~~collectibility~~ of loans meeting the loss loans criteria of subsection (c)(3)~~ of this Section~~, the credit union's records shall list the loans and classify them as substandard or doubtful and detail the evidence of collectability~~collectibility~~ used to exclude each loan from the loss loan category. Evidence of collectability~~collectibility~~ shall be the following collection activities and remedies:

A) Execution and filing of an enforceable reaffirmation agreement on the loan in a Chapter 7 bankruptcy proceeding prior to completion of the Division's loan analysis in any statutory examination of the credit union.

B) Voluntary repayment of the loan pursuant to section~~Section~~ 524(f) of the federal Bankruptcy Code (11 USC 524(f)).

C) Collection of the loan pursuant to repossession of collateral without judicial process, or by replevin, detinue, forcible entry and detainer or mortgage foreclosure proceedings.

D) Collection of the loan pursuant to post-judgment enforcement remedies including wage deduction, garnishment and turnover

orders entered in citation to discover assets supplementary proceedings.

E) The entry of a judgment pay plan order providing for repayment of the loan in a judicial proceeding.

F) Documented evidence of repayment of that portion of the loan covered by collateral protection or other insurance policies.

G) Documented evidence of periodic payments on a consistent basis in an amount sufficient to retire the loan balance in a reasonable time.

5) Before every dividend declaration or every closing date, all delinquent and bankrupt loans shall be individually classified as either substandard, doubtful or loss. All loans classified as losses must be charged off to the ALL.

d) Nothing in this Section shall be applicable to the establishment of an Allowance for Loan Losses account for business loans. Business loans shall be classified pursuant to Section 190.165.

(Source: Amended at 37 Ill. Reg. 12450, effective July 16, 2013)

Section 190.90 Fixed Asset Investments

a) Definitions

"Fixed assets" means premises and furniture, fixtures and equipment, as those terms are defined in this Section:

"Premises" includes any office, branch office, suboffice, service center, parking lot, other facility, or real estate where the credit union transacts or will transact business.

"Furniture, fixtures and equipment" includes all office furnishings, office machines, computer hardware and software, automated terminals, and heating and cooling equipment.

"Investment in fixed assets" means:

any investment in real property (improved or unimproved) that is being used or is intended to be used as premises, excluding premises leased for five years or less;

any leasehold improvement on premises;

the present value of the aggregate of all capital lease payments pursuant to lease agreements for fixed assets, excluding lease payments for premises leased for five years or less;

any investment in the bonds, stock, debentures, or other obligations of a partnership or corporation or limited liability entity, including a credit union service organization, holding any fixed assets used by the credit union and any loans to that~~such~~ partnership or corporation or limited liability entity; and

any investment in furniture, fixtures and equipment.

"Retained earnings" includes undivided earnings, regular reserve, other reserves, and any other appropriations designated by management or regulatory authorities.

b) Investment in Fixed Assets

1) Credit unions with assets of less than $1,000,000 that choose to invest in premises must apply to the Division for approval.

2) Credit unions with assets of $1,000,000 or more may invest in fixed assets, without the prior approval of the Division, subject to the following conditions:

A) the aggregate amount of the investments does not exceed the lesser of 70% of the credit union's retained earnings or 6% of total assets; or

B) the aggregate amount of the investments exceeds the lesser of 70% of the credit union's retained earnings or 6% of total assets, provided the credit union has:

i) a current net worth of 9% or, if applicable, 200 basis points over its risk based net worth level, whichever is higher;

ii) a composite CAMEL rating of 1 or 2 for 2 consecutive examinations; and

iii) a consistency in management evidenced by retention of the same chief management official during the 2-year period preceding the subject fixed asset investment.

c) Whenever a fixed asset investment in premises does not require Division approval, the credit union shall give the Division notice of the credit union's intent to make the investment, at least 14 days prior to becoming obligated on the investment in premises.

1) The notice to the Division shall include the following information:

A~~1~~) the credit union's calculation of its total fixed asset investment authority;

B~~2~~) the estimated total cost of the planned fixed asset investment in premises;

C~~3~~) a general description of the planned fixed asset investment in premises.

2) Notice under this subsection (c) is effective as of the date the notice is transmitted from the credit union.

d) Credit unions with assets of less than $1,000,000 seeking to invest in premises or credit unions with assets of $1,000,000 or more seeking to invest in fixed assets in an amount that exceeds the lesser of 70% of retained earnings or 6% of total assets and not exempted from obtaining approval by subsection (b)(2)(B)~~ of this Section~~ must submit to the Division an application for approval. The application for approval must contain the following minimum supporting documentation:

1) why the purchase and/or lease is necessary to serve the credit union's members;

2) details of the proposed transaction including:

A) location and full description of the fixed asset;

B) if a purchase of premises is involved, current valuation by an independent appraiser;

C) purchase price or lease details;

D) current owners and their relationship to the credit union or to any members of the credit union;

E) how the project will be financed;

F) if a purchase, lease or improvement of premises is involved, a summary of planned due diligence inspections to verify building, building line and use or occupancy restrictions; conditions and covenants on record; zoning laws and ordinances; easements for public utilities; and other matters pertinent to the transaction; and

G) evidence that the increase in operating expenses caused by the project can be supported after accounting for the current level of expenses and dividend commitments;

3) the credit union's latest balance sheet, income statement and loan delinquency report;

4) a certified copy of Board minutes that contain approval for the project.

e) The Division shall respond to applications for approval of fixed asset investments as follows:

1) The Division shall inform the credit union applicant, in writing, of the date the letter of application was received.

2) Approval of applications shall be given in writing once it is determined by the Division that the proposal will not adversely affect the credit union's financial position. The determination will be based on the past history,

current financial condition, projections of the credit union, and whether the increase of operating expenses caused by the project can be supported after accounting for the current level of expense, dividend and reserve commitments.

3) An approval will state a dollar amount or percentage of retained earnings that may be invested in fixed assets by the credit union.

4) The Division shall provide to credit union applicants written notification of action taken within 45 calendar days after receipt of the complete package of supporting documentation from the credit union. If the credit union does not receive written notification of the action taken within 45 calendar days after the date the complete package of supporting documentation was received by the Division, the credit union may proceed with its proposed investment in fixed assets.

f) A credit union that has received approval for a specific fixed asset transaction from the Division prior to the date of promulgation of amendments to this Section shall continue to be eligible to consummate the transaction after the~~such~~ date of promulgation, without further Division approval.

g) In recording all transactions for fixed assets, GAAP shall~~generally accepted accounting principles will~~ be followed~~ (Wiley GAAP, published by John Wiley & Sons, 605 Third Avenue, New York NY 10158-0012, 2002 edition, no subsequent dates or editions)~~.

(Source: Amended at 37 Ill. Reg. 12450, effective July 16, 2013)

Section 190.120 Bond and Insurance Requirements

a) Bond:

1) The board~~Board~~ of directors~~Directors~~ or liquidating agent of each credit union shall provide a fidelity bond in a form determined by the Secretary~~Director~~ to meet the requirements of this Section and issued by a corporate surety authorized to do business in this State. The bond must provide coverage for the fraud and dishonesty of all employees, directors, officers~~,~~ and committee members (see Sections ~~205 ILCS 305/~~20(2), (3) and (4) and 30(13) of the Act) and for losses caused by persons outside of

the credit union due to theft, holdup, vandalism~~,~~ and other criminal acts. Coverage for the faithful performance of duty is an option the board~~Board~~ of directors~~Directors~~ may provide for all or selected employees, directors, officers~~,~~ and committee members.

2) Each bond shall require the surety to give a minimum of 30 days written notice to the Credit Union Division of the Division prior to cancellation of any or all coverages set out in the bond.

3) Any form of rider or exclusion added to the bond~~Bond~~ must have prior approval from the Secretary~~Director~~, to insure that at least the minimum bond is in effect and not compromised.

4) A copy of the Declaration Page describing the coverage of the bond~~Bond~~ and any riders or exclusions are to be forwarded 10 days prior to the anniversary date or a change in coverage to the Division by the surety. The Declaration Page must show at least the following: the form number of the bond~~Bond~~, the number of the bond~~Bond~~, the name of the credit union, the rating period, or anniversary date, the term of the bond~~Bond~~ and the maximum limits of liability under the insuring clauses.

b) Bond Schedule:

1) The minimum principal amount of the~~such~~ bond shall be based on the total assets of the credit union, according to the following schedule:

Total Assets	Minimum Coverage
$0 to $10,000	Coverage equal to the credit union's~~Credit Union's~~ assets~~.~~
$10,001 to $1,000,000	$10,000 for each $100,000 or fraction thereof~~.~~
$1,000,001 to $50,000,000	$100,000 plus $50,000 for each million or fraction thereof over $1,000,000
$50,000,001 to $295,000,000	$2,550,000 plus $10,000 for each

	million or fraction thereof over $50,000,000
Over $295,000,000	$5,000,000

2) Coverage in amounts in excess of the above minimum requirements may be purchased when the board of directors, in fulfilling its ~~their~~ duty to provide adequate fidelity bond coverage, determines the additional coverage is needed. Minimum coverage limits must be extended to cover the additional risk when, aside from events that~~which~~ cannot be expected to recur, the total of cash on premise or in transit exceeds the minimum coverage limits. For purposes of this Section, the term cash shall include currency, coin, share drafts, checks, banknotes, Federal Reserve notes, revenue stamps, postage stamps and SNAP benefits~~food stamps~~.

3) The board of directors shall review the bond coverage at least once each year to determine that the bond coverage is adequate and at a minimum, is in compliance with the above scheduled requirements. The board of directors may, consistent with the requirements of this Section, elect to purchase bond coverage subject to a deductible.

4) The maximum amount of deductibles allowed shall be based on the total assets of the credit union according to the following:

Assets	Maximum Deductibles
$0 to $100,000	No deductibles allowed
$100,001 to $250,000	$1,000
$250,001 to $1,000,000	$2,000
Over $1,000,000	$2,000 plus $^{1}/_{1000}$ of total assets up to a maximum deductible of $200,000.

5) No deductible shall exceed 10% of a credit union's Regular Reserve unless the credit union creates a segregated Contingency Reserve for the amount of the excess. The Reserve for Loan Losses account may not be

considered part of the Regular Reserve when determining the maximum deductible. The deductible shall not exceed the maximum amounts listed in subsection (b)(4) unless approved by the Secretary~~Director~~ in accordance with subsection (b)(6).

6) A deductible may be applied separately to one or more insuring clauses in a blanket bond. Deductibles in excess of those shown in this Section must have the written approval of the Secretary~~Director~~ at least 20 days prior to the effective date of the~~such~~ deductibles. For purposes of this Section, the Secretary~~Director~~ shall allow an excess deductible if the credit union will not be harmed~~ thereby~~. In making that determination, the Secretary~~Director~~ shall consider, but is not limited to, the adequacy of reserves, the current financial condition of the credit union, financial trends and the credit union's lending record.

7) The Secretary~~Director~~ will require increased bond requirements for any credit union when the Secretary~~Director~~ determines that current coverage is insufficient. In making that determination, the Secretary~~Director~~ shall consider the factors listed in subsection (b)(6). The board of directors of the credit union must obtain additional coverage within 30 days after the date of written notice from the Secretary~~Director~~.

(Source: Amended at 37 Ill. Reg. 12450, effective July 16, 2013)

Section 190.130 Verification of Share and Loan Accounts

a) The Supervisory Committee must make or cause to be made at least once each year a reasonable percentage verification of members' share and loan accounts. Except when~~where~~ prior written permission is given by the Division, for good cause shown, the verification results are to be reported in the Supervisory Committee Report filed with the Division. The verification shall be conducted by the Committee, or by a registered public accountant, under the supervision of the Committee.

b) Verifications Conducted~~conducted~~ by the Supervisory Committee~~.~~

1) The Committee must test 100% of the accounts at least once every two years; however, the Committee may submit a modified program using generally accepted auditing standards for approval by the Division. When

conducting the verification, the Committee must establish the following controls:

A) The commencement of the verification must be on a surprise basis, including taking possession and control of ~~such~~ books and records, or copies thereof, ~~as are~~ necessary for the audit.

B) All work is to be done by the Supervisory Committee or its designated agents; all credit union staff, employees~~,~~ and other directors shall not be involved, other than to explain exceptions.

C) General notice of the verification is to be publicized to the membership in the credit union offices and by other appropriate means.

D) Separate records of members' share and loan account trial balances are to be maintained by the Committee; the Committee must also maintain a separate list of members that~~which~~ is to be updated from the Board minutes for new and terminated members.

E) All responses and communications to the verifications by members must be to the Supervisory Committee or its agents.

F) All records supporting the verification are to be retained by the Supervisory Committee.

2) Verification requests may be of either the positive kind, which requires a direct reply or attestation by the member as to the correctness or the balances, or the negative kind, which require replies only if the information listed is, in the opinion of the member, incorrect. Provided however, that the following accounts must be verified using the positive method:

A) Inactive or dormant accounts – members' accounts that~~which~~ show no member initiated activity for at least 3 years.

B) Accounts with recent activity following a period of at least 3 years of dormancy.

C) Accounts that show unusually large share withdrawals.

D) Accounts that have delinquent loans.

E) Share and loan accounts closed or charged off since the last verification was conducted.

F) Accounts where negative requests are returned due to an inaccurate address.

G) Any other accounts with unusual or significant activity, or which, in the judgment~~judgement~~ of the Committee, should be done on a positive basis to verify the integrity of the negative verification requests.

3) All discrepancies reported should be resolved~~,~~ and, if known, the reason for the error shall be reported to the board~~Board~~, along with the results of the audit.

c) Verification Conducted~~conducted~~ by a CPA Firm~~firm~~ or Individual Registered~~individual registered~~ with the State of Illinois to Practice~~practice~~ as a Public Accountant~~.~~

1) When the Supervisory Committee's audit is performed by a CPA or a Registered Public Accountant, either positive or negative verification requests may be used. The extent and nature of all tests is to be decided jointly by the Committee and the CPA or Registered Public Accountant.

2) At the conclusion of the audit, a statement must be given that~~which~~ reflects the work performed and the responsibilities accepted by the firm or individual. This statement shall be signed by the person in charge of the audit, or by the person who accepts responsibility for the firm, and shall be attached to the audit report given to the board~~Board~~ of directors~~Directors~~.

(Source: Amended at 37 Ill. Reg. 12450, effective July 16, 2013)

Section 190.140 Real Estate Lending

a) A credit union~~Credit Union~~ with total assets greater than $1 million may, following a resolution of its board~~Board~~, make loans secured by a lien on real estate, including an assignment of a beneficial interest in a land trust, subject to the following procedures:

Total Assets of a Credit Union	Maximum Amount of Loans Secured by Real Estate	Aggregate of All First Mortgage Loans Secured by Real Estate
Under $1 million	Lending Limits for Consumer Loans	0% of total assets
$1 - 2.5 million	$165,000*	25% of total assets
$2.5 - 5 million	$250,000*	30% of total assets
$5 - 10 million	$330,000	35% of total assets
$10 - 30 million	$580,000	40% of total assets
$30 - 100 million	$825,000	45% of total assets
Over $100 million	$1,000,000	50% of total assets

* The aggregate loans to one member may not exceed the aggregate limit referenced in subsection (e).

b) Credit unions with assets under $1 million may make home equity and second mortgage loans subject to the lending limits for consumer loans set forth in Section 190.160. Credit unions~~Unions~~ with assets under $1 million shall not make first mortgage real estate loans.

c) Credit unions shall not make first mortgage real estate loans for more than the estimated market value or appraised value of the real estate securing the loans. Real estate loans, other than first mortgage loans, shall be limited to the value of the member-borrower's equity in the real estate securing the loan, provided a credit union may consider as equity any outstanding loan amount secured by the real estate if the outstanding loan will be repaid with the proceeds of the credit union's loan.

d) The maximum individual lending limit and the maximum ratio of first mortgage real estate loans may be increased by obtaining written approval from the Secretary~~Director~~. Approval~~Such approval~~ is to be based upon the need of the members and the credit union's real estate lending record.

e) The maximum limit on an individual loan by credit unions with assets greater

than $1 million is in addition to the secured and unsecured lending limits of Section 190.160~~ of this Part~~; provided, however, in no event shall all loans to any member exceed in the aggregate 10% of the credit union's unimpaired capital and surplus as defined in Section 190.2~~ of this Part~~. Loans subject to the requirements for business loans set forth in Section 190.165~~ of this Part~~ shall be subject to the appraisal requirements of subsection (h), but shall not be subject to the other provisions of this Section.

f) The maximum maturity of a loan secured by a first mortgage shall not exceed 40 years.

g) Procedures

1) All loans secured by a lien on real estate shall be made based upon prudent written lending policies and sound lending practices as documented in each member's loan file. Unless waived by the Secretary~~Director~~, lending policies shall include, without limitation, acceptable debt-to-income and loan-to-value ratios that will be considered the types of real estate security that will be accepted and any other prudent data considered necessary to determine the appropriateness of a loan request. All applicable Illinois and federal~~Federal~~ statutes shall be observed.

2) All accounting for real estate loan transactions shall be in accordance with GAAP~~generally accepted accounting principles~~.

h) Documentation

1) Any credit union granting loans secured by a lien in real estate must procure and retain the following documentation in its files:

A) A loan application that specifies the purpose of the loan (equity, purchase, construction, refinance, etc.). The application must contain sufficient information to support the approval of the loan. The~~Such~~ information shall include without limitation: the amount of the loan requested; the purchase price (if applicable); a listing of the borrower's assets and liabilities; a statement of the borrower's income; a specific identification of the property; and an explanation of the source of the borrower's down payment. If the loan proceeds will be used for the purchase of the property, a copy

of the real estate sale contract shall be included as an attachment to the application.

B) A legal opinion from the credit union's attorney, or a title insurance policy that identifies the credit union's lien position on the property used to secure the loan. In the case of home equity lines of credit, second mortgages, and non-purchase money first mortgage transactions, a title search prepared by a service provider capable of conducting ~~such~~ a search shall be acceptable.

C) For transactions of $250,000 or less, a written estimate of market value of the property securing the loan, performed by an individual having no direct or indirect interest in the property and experienced to perform ~~such~~ estimations of value for the type and amount of credit being considered. For transactions over $250,000, an appraisal by a state certified or licensed appraiser that~~which~~ estimates the market value of the property used as security for the loan.

D) A credit report prepared by the credit union or a credit reporting agency. The report, in conjunction with the information contained in subsection (h)(1)(A), must demonstrate the applicant's past history of repayment and ability to repay the loan in question.

E) A duly executed note and mortgage agreement that outline the borrower's agreement to repay the loan on the terms agreed, and the borrower's agreement to provide the credit union with a valid security interest in the subject property. The mortgage agreement must contain an accurate legal description of the subject property and be duly recorded in the office of the appropriate county recorder of deeds.

F) A settlement statement reflecting all costs of closing and all disbursements of funds at closing for real estate loans that require the use of a settlement statement under the federal Real Estate Settlement Procedures Act (RESPA) (12 USC 2601).

G) On any loan for which~~where~~ the lesser of the loan-to-value ratio or loan-to-purchase price ratio exceeds 80%, the credit union may

require the borrower to obtain private mortgage insurance insuring the excess of the loan above the 80% factor.

H) In the event the subject loan is to be used for the construction of a residential dwelling that is or will be the principal residence of the member-borrower and the loan will be secured by a perfected first lien or first security interest in favor of the credit union, the credit union must obtain satisfactory evidence of the payment in full of the costs of furnishing labor and material in connection with the~~such~~ construction. The~~Such~~ evidence shall include receipt of an owner's statement, under oath, setting forth the names of all parties with whom the owner has contracted for the furnishing of labor and material; a general contractor's sworn statement from each of the parties named in the owner's statement; a subcontractor's sworn statement from each subcontractor named in the general contractor's statement; and partial and final unconditional lien waivers from the general contractor and all subcontractors and materialmen indicating that they have completed their respective portion of the work and been paid in full. The credit union must inspect, or cause to be inspected by a third party, the completion of each phase of the work for which an advance of any portion of the loan proceeds is sought. Any such inspections must be clearly documented in the file as to the date of the inspection and a brief explanation of the work progression. Additionally, the credit union must obtain a borrower payment authorization, in connection with each payment to the general contractor. This subsection (h)(1)(H) shall not apply to a loan to finance the repair, alteration or improvement of a residential dwelling which is the residence of the member-borrower.

2) A loan secured by a lien on real estate is exempt from the requirements of subsections (h)(1)(B), (C) and (G) of this Section if the loan complies with the following criteria:

A) The loan is not used for the purchase or refinancing of the real estate securing the loan.

B) The lien on real estate is taken as collateral solely through an abundance of caution.

C) The terms of the transaction are not more favorable than they would have been in the absence of the lien on real estate.

D) The transaction complies with the lending limits and other requirements for consumer loans set forth in Section 190.160~~ of this Part~~.

i) Sale of Real Estate Loans

1) A credit union may sell, in whole or in part, any loan secured by real estate to:

A) Federal National Mortgage Association (FNMA).

B) Government National Mortgage Association.

C) Federal Home Loan Mortgage Corporation.

D) Federal, Illinois and Local Housing Authorities.

E) Federal or Illinois Chartered Credit Unions, Banks, and Savings and Loan Associations.

F) Residential mortgage licensees properly registered with and licensed by the Department of Financial and Professional Regulation-Division of Banking~~Illinois Director of Banks and Real Estate~~.

G) Other~~Such other~~ institutions ~~as~~ approved by the Secretary~~Director~~.

2) All such sales shall not be subject to recourse or repurchase that enables the credit union to retain control over the transferred assets. The credit union shall have surrendered control over the transferred assets if:

A) The transferred assets have been put presumptively beyond the reach of the credit union transferring the assets and its creditors;

B) The purchaser has the right to pledge or exchange the assets; and

C) The credit union does not maintain effective control over the transferred assets through an agreement that both entitles and obligates the credit union to repurchase the assets before their maturity.

3) A limited recourse provision in a sale agreement that obligates the credit union transferring assets to purchase the assets because of breach of warranty or misrepresentation shall be considered a sale.

(Source: Amended at 37 Ill. Reg. 12450, effective July 16, 2013)

Section 190.150 Reverse Mortgage

a) "Reverse Mortgage" loans shall be granted by credit unions authorized to make real estate loans under Section 46(2) of the ~~Illinois Credit Union~~ Act ~~[205 ILCS 305/46(2)]~~ and for the purposes stated in Section 46(3) of the ~~Illinois Credit Union~~ Act. The~~Such~~ loans must be on forms and in a manner consistent with all relevant statutory and regulatory authority, including Section 190.140.

b) The~~Such~~ loans shall be based upon prudent lending and underwriting standards and procedures.

c) No such loan, including any existing liens, shall exceed 80% of the appraised value of the real estate.

d) The total of all these~~such~~ loans may not, without prior approval of the Secretary~~Director~~, exceed one third of all real estate loans outstanding.

(Source: Amended at 37 Ill. Reg. 12450, effective July 16, 2013)

Section 190.160 Lending Limits – Consumer Loans

a) The board~~Board~~ of directors~~Directors~~ of a credit union shall, for loans other than loans secured by an interest in real estate, establish the maximum lending limits that~~which~~ shall not exceed the limits in the following schedule. A credit union may request approval from the Secretary~~Director~~ for an exception to these limits, which shall be in writing substantiating the need for higher limits, shall detail the credit union's record of lending activity, and shall include financial statements

reflecting sound fiscal history. In no event shall all loans to any member exceed, in the aggregate, 10% of the credit union's unimpaired capital and surplus as defined in Section 190.2~~ of this Part~~.

Total Credit Union Assets	Maximum Unsecured Limit, Including Unsecured Credit Cards	Maximum Secured Limit
$0 - 500,000	$4,000*$~~3,500*~~	$30,000*~~$25,000*~~
$500,000 - 1 million	$8,000~~$6,500~~	$38,000~~$31,500~~
$1 - 5 million	$15,000~~$12,500~~	$60,000~~$50,000~~
$5 - 10 million	$18,000~~$15,000~~	$75,000~~$62,500~~
10 - 30 million	$24,000~~$20,000~~	$98,000~~$81,500~~
$30 - 100 million	$30,000~~$25,000~~	$120,000~~$100,000~~
Over $100 million	$48,000~~$40,000~~	$180,000~~$150,000~~

* The aggregate loans to one member may not exceed the aggregate limit referenced in subsection (a).

b) The unsecured loan limits, including unsecured credit cards, and secured loan limits are separate limits for each member. Subject to the member aggregate loan limit referenced in subsection (a) and provided a member is credit worthy, the credit union may lend a total amount equal to the secured and unsecured loan limit in a single loan to any one member.

c) The above limits may be extended by the amount of the member's unencumbered share accounts, which must be pledged and frozen for the loan amount in excess of the limits.

d) All loans are to be granted based upon prudent lending practice and procedures and in accordance with written lending policies and procedures prescribed by the board~~Board~~ of directors~~Directors~~.

(Source: Amended at 37 Ill. Reg. 12450, effective July 16, 2013)

Section 190.165 Business Loans

a) The following are definitions applicable in this Section:~~.~~

1) "Associated member~~Member~~" means any member with a shared~~common~~ ownership, investment or other pecuniary interest in a business or commercial endeavor with the borrower.

2) "Construction or development loan" is a financing arrangement for acquiring property or rights to property, including land or structures, with the intent to convert it to income-producing property such as residential housing for rental or sale; commercial use; industrial use; or similar uses. Construction or development loan includes a financing arrangement for the major renovation or development of property already owned by the borrower that will convert the property to income producing property or convert the use of income producing property to a different use from its use before the major renovation or development or is a major expansion of its current use. Construction or development loan does not include loans to finance maintenance, repairs or improvements to an existing income producing property that do not change its use.~~A "Business Loan" is defined as any loan, line of credit, letter of credit (including any unfunded commitments), to a member of the credit union, for which the proceeds will be used to finance a commercial, corporate, other business investment property or venture, or agricultural purpose, including any interest the credit union obtains in a loan made by another lender to a member or nonmember of the credit union pursuant to Section 51 of the Act if the loan would constitute a business loan if made by the credit union, except that the effect of any interest obtained in nonmember business loans on a credit union's aggregate member business loan limit will be as set forth in subsection (g)(2)(D).~~

3) "Immediate family member" means a spouse or other family member living in the same household.~~"Net Worth" means retained earnings as defined under GAAP. Retained earnings include regular reserves, undivided earnings and any other appropriations designated by management or regulatory authorities or Surplus, excluding the Allowance for Loan Losses Accounts.~~

4) "Loan-to-value ratio" is the aggregate amount of all sums borrowed, including outstanding balances plus any unfunded commitment or line of credit from all sources on an item of collateral divided by the market value of the collateral used to secure the loan.~~"Net Member Business Loan Balance" means the outstanding loan balance plus any unfunded~~

~~commitments, reduced by any portion of the loan that is secured by shares in the credit union, or by shares or deposits in other financial institutions, or by a lien in the member's primary residence, or insured or guaranteed by any agency of the federal government, a state or any political subdivision of such state, or subject to an advance commitment to purchase by any agency of the federal government, a state or any political subdivision of such state, or sold as a participation interest without recourse and qualifying for true sales accounting under generally accepted accounting principles.~~

5) "Member business loan" includes any loan, line of credit, or letter of credit (including any unfunded commitments) in which the borrower uses the proceeds for the following purposes:

A) Commercial;

B) Corporate;

C) Other business investment property or venture; or

D) Agricultural.

~~"Primary Residence" means the address at which one resides.~~

6) "Net worth" has the same meaning as set forth in Section 190.2~~"Immediate Family Member" means a spouse or other family member living in the same household~~.

7) "Net member business loan balance" means the outstanding loan balance plus any unfunded commitments, reduced by any portion of the loan that is secured by shares in the credit union, or by shares or deposits in other financial institutions, or by a lien in the member's primary residence, or insured or guaranteed by any agency of the federal government, a state or any political subdivision of a state, or subject to an advance commitment to purchase by any agency of the federal government, a state or any political subdivision of a state, or sold as a participation interest without recourse and qualifying for true sales accounting under GAAP.

8) "Primary residence" means the address at which one resides.

b) Exceptions to and inclusions in the definition of "member business loan":

1) The following are not member business loans:

A) A loan fully secured by a lien on a 1 to 4 family dwelling that is the member's primary residence;

B) A loan fully secured by shares in the credit union making the extension of credit or deposits in other financial institutions;

C) Loans to a member or an associated member that, when the net member business loan balances are added together, are equal to less than $50,000;

D) A loan in which a federal or state agency (or its political subdivision) fully insures repayment, or fully guarantees repayment, or provides an advance commitment to purchase in full; or

E) A loan granted by a corporate credit union to another credit union.

2) This Part does not apply to loans made by a credit union to credit unions or loans made by a credit union to credit union service organizations (CUSOs), as defined in Section 190.5.

3) Any interest a federally-insured credit union obtains in a loan that was made by another lender to the credit union's member is a member business loan, for purposes of this Section and the risk weighting standards of part 702 of the National Credit Union Administration (NCUA) Regulations (12 CFR 702 (2013, with no later editions or amendments)) to the same extent as if made directly by the credit union to its member.

4) Any interest a federally-insured credit union obtains in a nonmember loan, pursuant to applicable NCUA Regulations (12 CFR 701 (2007, with no later editions or amendments)), is treated the same as a member business loan for purposes of this Section and the risk weighting standards under part 702 of the NCUA Regulations, except that the effect of the interest on a credit union's aggregate member business loan limit will be as set forth in subsection (g)(2).

~~b) Nothing in this Section shall be applicable to:~~

~~1) loans fully secured by shares in the credit union or deposits in other financial institutions.~~

~~2) net member business loan balances in an aggregate amount of $50,000 or less to one member or associated member for which the proceeds may be used for a commercial business or agricultural purpose.~~

~~3) loans to credit union service organizations (CUSO) as defined under Section 190.5 of this Part.~~

~~4) loans for any one to four family owner-occupied parcel of real estate as long as the borrower/owner maintains the subject property as his primary residence.~~

~~5) loans fully secured or fully guaranteed by, or subject to an advance commitment to purchase in full by, an agency of the federal government or of a state or any of its political subdivisions.~~

~~6) loans granted by a credit union to another credit union.~~

c) Prohibited Activities

1) A credit union may not grant a member business loan to the following:

A) Chief executive officer;

B) Any assistant chief executive officers;

C) Chief financial officer;

D) Any associated member or immediate family member of anyone listed in subsections (c)(1)(A) through (c)(1)(C).

2) A credit union may not grant a member business loan to a director that is compensated as an officer of ~~director unless~~ the board of directors, unless

the board of directors approves granting the loan and the compensated director is recused from the decision making process.

3) Equity agreements/joint ventures. A credit union may not a grant a member business loan if any additional income received by the credit union or senior management employees is tied to the profit or sale of the business or commercial endeavor for which the loan is made.

d) Credit unions with assets greater than $30 million may make business loans in accordance with specific lending policies adopted by the board of directors. The policies shall be reviewed annually and ~~which~~ shall address~~, but not be limited to~~:

1) Types of business loans to be made within a designated trade area.

2) A requirement to analyze and document the ability of the borrower to repay the loan consistent with appropriate underwriting and due diligence standards, which also addresses the need for periodic financial statements, credit reports, and other data when necessary to analyze future loans and lines of credit, such as, borrower's history and experience, balance sheet, cash flow analysis, income statements, tax data, environmental impact assessment, and comparison with industry averages, depending upon the loan purpose.

3) Expertise Requirement

A) Provisions for ensuring the utilization of services of experienced personnel with at least 2 years of direct experience with the type of business loans the credit union will be making. The experience must provide the credit union sufficient expertise given the complexity and risk exposure of the loans in which the credit union intends to engage. A credit union may comply with this experience requirement without hiring staff as long as the credit union ensures that the expertise is available. For example, a credit union may use the services of a CUSO, an employee of another credit union, an independent contractor, or other third parties. However, the actual decision to grant a loan must reside with the credit union.

B) Any third party used by a credit union to meet the requirements of subsection (d)(3)(A) must be independent from the transaction and a credit union is prohibited from using a third party to meet the requirements of this subsection (d) if the credit union is purchasing a business loan, or a participating interest in a business loan, from the third party responsible for reviewing the loan, or if the third party has an interest in the collateral securing a business loan that~~which~~ the third party is responsible for reviewing, with the following exceptions:

i) The third party may provide a service to the credit union related to the transaction, such as loan servicing;

ii) The third party may provide the requisite experience to the credit union and purchase a loan or a participation interest in a loan originated by the credit union that the third party reviewed; or

iii) A credit union may use the services of a CUSO that otherwise meets the requirements of subsection (d)(3)(A) even though the CUSO is not independent from the transaction, provided the credit union has a controlling financial interest in the CUSO as determined under GAAP~~generally accepted accounting principles~~.

4) The maximum amount of the credit union's assets, in relation to net worth, that will be invested in secured and unsecured business loans, provided credit unions subject to section 107A of the Federal Credit Union Act (12 USC 1757a) may not exceed the limit set forth in subsection (g)~~ to any one member or group of associated members, provided it does not exceed the limits as set forth in subsections (f) and (h)~~.

5) The maximum~~aggregate~~ amount of the credit union assets, in relation to net worth, that will be invested in a given category or type of business loans~~, provided credit unions subject to section 107A of the Federal Credit Union Act (12 USC 1757a) may not exceed the limit set forth in subsection (g)~~.

6) The maximum amount of credit union assets in relation to net worth that the credit union will loan to any one member or group of associated members, subject to the limits set forth in subsections (f) and (h)~~will be allotted to given types of business loans~~.

7) Collateral requirements, including, but not limited to:

A) Loan-to-value ratios;

B) Determination of value;

C) Determination of ownership;

D) Steps to secure various types of collateral; and

E) How often the credit union will re-evaluate the value and marketability of collateral.

8) Defined interest rates and defined maturities of business loans.

9) Loan monitoring, servicing~~,~~ and follow-up procedures, including collection procedures.

10) Identification of those individuals prohibited from receiving member business loans.

e) Business loans shall not be granted by credit unions with assets of $30 million or less unless the Division has approved a credit union's request for a business loan amendment to its bylaws. The request must be accompanied with specific lending policies including but not limited to the criteria listed in subsection (d). All approval of requests shall be based upon the history of the credit union, current financial condition and the adequacy of applicable operating policies as documented in the Division's statutory or special examination. Evaluation of the history, current financial condition, and operating policies of the credit union will include, but not be limited to, the credit union's capital adequacy, asset quality, management policies, earnings~~,~~ and liquidity. These factors must be reflective of a safe and sound financial operation (in accordance with Sections ~~205 ILCS 305/~~8, 9, 36 and 61 of the Act). A credit union with assets of $30 million or less that

receives approval from the Division for a business loan bylaw amendment shall comply with all other provisions of this Part.

f) The net member business loan balances of any one member or group of associated members shall not exceed 15% of the credit union's net worth. Credit unions seeking an exception to this limit must request a waiver in writing. The maximum limit on a member business loan is in addition to the secured and unsecured limits established in Sections 190.160 and 190.140, provided however, in no event shall all loans to any member exceed in the aggregate 10% of the credit union's unimpaired capital and surplus.

g) Aggregate Member Business Loan Limit

1) The aggregate limit on the net member business loan balances of a credit union subject to section 107A of the Federal Credit Union Act (12 USC 1757a), excluding any business loans exempted from the aggregate member business loan limit by section 107A of the Federal Credit Union Act or partPart 723 of the National Credit Union Administration Regulations (12 CFR 723, (2012 2004, no subsequent amendmentsdates or editions)), is the greater of:

A) 1.75 times the credit union's net worth or 12.25% of the credit union's assets, whichever is less; or

B) the aggregate member business loan limit authorized by section 107A of the Federal Credit Union Act.

2) Unless the credit union member has first received approval from the Division, pursuant to subsection (g)(2)(B):

A) If the interest held by a credit union in any loans made by another lender to a nonmember of the credit union would constitute a member business loan if made to a member of the credit union, the total of the credit union's net member business loan balances and nonmember business loan balances must not exceed the aggregate member business loan limit authorized by section 107A of the Federal Credit Union Act, unless the credit union has first received approval from the Division pursuant to subsection (g)(2)(B).

B) To request approval from the Division, a credit union must submit an application that:

i) Includes a current copy of the credit union's member business loan policies;

ii) Confirms that the credit union is in compliance with all other aspects of this Section;

iii) States the credit union's proposed limit on the total amount of nonmember business loan interests that the credit union may acquire if the application is granted; and

iv) Attests that the acquisition of an interest in nonmember business loans is not being used, in conjunction with one or more other credit unions, to have the effect of trading member business loans that would otherwise exceed the aggregate limit.

C) If the Division approves the request of a state chartered federally insured credit union, the Division will forward the application and its decision to the NCUA regional director. An approved application is not effective until it is approved by the NCUA regional director.

~~Exceptions to the aggregate loan limit for a credit union include:~~

~~A) Credit unions that have a low-income designation or participate in the Community Development Financial Institutions program;~~

~~B) Credit unions that were chartered for the purpose of making member business loans and can provide documentary evidence (such evidence includes but is not limited to the original charter, original bylaws, original business plan, original field of membership, board minutes and loan portfolio).~~

~~C) Credit unions that have a history of primarily making member business loans, meaning that either member business loans comprise at least 25% of the credit union's outstanding loans (as evidenced in any call report or any equivalent documentation~~

~~including financial statements) or member business loans comprise the largest portion of the credit union's loan portfolio (as evidenced in any call report or any equivalent documentation including financial statements). For example, if a credit union makes 23% member business loans, 22% first mortgage loans, 22% new automobile loans, 20% credit cards loans, and 13% total other real estate loans, then the credit union meets this exception.~~

~~D) If the interest held by a credit union in any loans made by another lender to a nonmember of the credit union would constitute a business loan if made to a member of the credit union, the total of the interest held in such nonmember business loans plus the credit union's net member business loan balances must not exceed the aggregate limit set forth in subsection (g)(1), unless the credit union has requested approval from the Division, by submitting an application that:~~

~~i) Includes a current copy of the credit union's member business loan policies;~~

~~ii) Confirms that the credit union is in compliance with all other aspects of this Section;~~

~~iii) States the credit union's proposed limit on the total amount of nonmember business loan interests that the credit union may acquire if the application is granted; and~~

~~iv) Attests that the acquisition of an interest in nonmember business loans is not being used, in conjunction with one or more other credit unions, to have the effect of trading member business loans that would otherwise exceed the aggregate limit.~~

3) Exceptions to the aggregate loan limit for a credit union include:

A) Credit unions that have a low-income designation or participate in the federal Community Development Financial Institutions program (see 12 USC 4701 et seq.);

B) Credit unions that were chartered for the purpose of making member business loans and can provide documentary evidence (such evidence includes but is not limited to the original charter, original bylaws, original business plan, original field of membership, board minutes and loan portfolio).

C) Credit unions that have a history of primarily making member business loans, meaning that either member business loans comprise at least 25% of the credit union's outstanding loans (as evidenced in any call report filed between January 1995 and September 1998 or any equivalent documentation, including financial statements) or member business loans comprise the largest portion of the credit union's loan portfolio (as evidenced in any call report filed between January 1995 and September 1998 or any equivalent documentation, including financial statements). For example, if a credit union makes 23% member business loans, 22% first mortgage loans, 22% new automobile loans, 20% credit cards loans, and 13% total other real estate loans, then the credit union meets this exception.

4) Request for Exception

A) An exception under subsection (g)(3)(A) is effective upon written notice to the Division of that designation or participation.

B) A request for an exception under subsection (g)(3)(B) or (g)(3)(C) must be submitted in writing to the Division, including documentation demonstrating that the credit union meets the criteria for the exception. Approval of an exception shall be given in writing to the credit union.

C) The Division shall notify the appropriate region of the NCUA of any exception authorized or granted under subsection (g)(3). Exceptions authorized or granted under subsection (g)(3) do not expire unless revoked by the Division. The Division may revoke an exception upon written notice to the credit union, for reasons including, without limitation, the lack of continuing qualification for the exception, submittal of fraudulent documentation to procure the exception, or adverse impact on safety and soundness.

~~Request for Exception~~

~~A) An exception under subsection (g)(2)(A) is effective upon written notice to the Division of such designation or participation.~~

~~B) An exception under subsection (g)(2)(B) or (g)(2)(C) must be submitted in writing to the Division, including documentation demonstrating that the credit union meets the criteria for the exception.~~

~~i) Approval of an exception shall be given in writing to the credit union.~~

~~ii) The exception does not expire until revoked for safety and soundness reasons by the Division.~~

~~iii) The Division shall notify the respective Region of the NCUA of the decision on the request.~~

h) Collateral

1) Unless the Division grants a waiver, all member business loans, except those made under subsections (h)~~(2),~~ (3), ~~and~~ (4) and (5), must be secured by collateral. The maximum loan to value (LTV) ratios for all liens shall not exceed 80%, unless the loan amount in excess of 80% is covered through private mortgage or equivalent insurance, or is insured or guaranteed by, or subject to, an advance commitment to purchase by any agency of the federal government or a state or its political subdivisions, but in no case shall the LTV exceed 95%.

2) A federally insured credit union must obtain the personal liability and guarantee of principals of the borrowers except when the borrower is a not for profit organization as defined by the Internal Revenue Code (26 USC 501), or those for which the Division grants a waiver. A personal liability and guarantee of the principals of the borrowers is required for secured and unsecured member business loans.

3~~2~~) Unsecured member business loans may be made if:

A) The credit union has a current net worth of 7% or, if applicable, meets its risk based net worth ratio, whichever is higher, or, if it is a corporate credit union, maintains a minimum captial ratio as required by applicable rules of NCUA;

B) The aggregate of the unsecured outstanding member business loans to any one member or group of associated members does not exceed the lesser of $100,000 or 2.5% of the credit union's net worth; and

C) The aggregate of all unsecured outstanding member business loans does not exceed 10% of the credit union's net worth.

43) Credit card line of credit programs offered to nonnatural person members, or guaranteed by nonnatural persons, that are limited to routine purposes normally made available under those programs are exempt from the collateral requirement of subsections (h)(1) and (2) and the requirements of subsection (h)(3).

54) Credit unions may make vehicle loans under this Section without complying with the loan-to-value ratios in this Section, provided that the vehicle is a car, van, pick-up truck, or sports utility vehicle and not part of a fleet of vehicles.

i) Construction Loans
Unless the Division grants a waiver, loans granted for the construction or development of commercial or residential property are subject to the following additional requirements:

1) The aggregate of all construction and development net member business loan balances must not exceed 15% of the credit union's net worth. The following loans may be excluded from the calculation of the aggregate:

A) loans made to finance the construction of a single-family residence if a prospective homeowner has contracted to purchase the property; and

B) a loan to finance the construction of one single-family residence per member-borrower or group of associated member-borrowers,

irrespective of the existence of a contractual commitment from a prospective homeowner to purchase the property;

2) The borrower must have a minimum of 25% equity interest in the project being financed, the value of which is determined by the market value of the project at the time the loan is made, except that the loan to value requirements of subsection (h) shall apply in lieu of this equity interest requirement in the case of loans made to finance the construction of a single-family residence if a prospective homeowner has contracted to purchase the property and in the case of one loan to a member-borrower or group of associated member-borrowers to finance the construction of a single-family residence, irrespective of the existence of a contractual commitment from a prospective homeowner to purchase the property; and

3) The funds may be released only after on-site, written inspections by qualified personnel and according to a preapproved draw schedule and any other conditions as set forth in the loan documentation.

j) Request for Waiver

1) Credit unions may request a waiver for a category of business loans in the following areas:

A) Maximum secured and unsecured loan amounts to one borrower or associated group of borrowers under subsections (f) and (h);

B) Maximum aggregate unsecured member business loan limit under subsection (h) and the requirements of subsection (h)(3)~~(2)~~;

C) Collateral requirements under subsection (h), including, without limitation, the requirement for personal liability and guarantee;

D) The aggregate amount of construction loans and the minimum equity interest in construction loans under subsection (i); and

E) Any appraisal requirements imposed by this Part ~~190~~ with respect to loans secured by real estate.

2) A request for a waiver must be submitted in writing to the Division. The waiver request must contain the following:

A) A copy of the credit union's business lending policy;

B) The waiver sought;

C) An explanation of the higher limits sought (if applicable);

D) Documentation supporting the credit union's ability to manage this activity; and

E) An analysis of the credit union's prior experience in making member business loans, including the credit union's history of loan losses and delinquency, volume and cyclical or seasonal patterns, diversification, concentrations of credit to one borrower or group of borrowers in excess of 15% of net worth, underwriting standards and practices, types of loans grouped by purpose and collateral, and the qualifications of personnel responsible for underwriting and administering member business loans.

3) The Division shall consider standard criteria when determining whether to grant a waiver requested by a credit union as provided in subsection (j)(1). The criteria include but are not limited to:

A) The two most recent Division examinations;

B) The credit union's reserve/equity position;

C) The credit union's current delinquency and loan loss trends; and

D) The credit union's Business Lending Policy and Procedures.

4) The Division shall respond to requests for waivers as follows:

A) The Division shall inform the credit union in writing of the date the written request for waiver was received.

B) Approval of waivers shall be given in writing within 45 calendar days from receipt of the waiver request and supporting documents listed in subsection (j)(2), if it is determined by the Division that the waiver will not adversely affect the credit union's financial position.

C) A~~If a~~ waiver approved by the Division for a federally insured state chartered credit union must also be approved by ~~the National Credit Union Administration (~~NCUA~~)~~, except that approval by the Division of a request under subsection (e) for a business loan bylaw amendment by a credit union with assets of $30 million or less shall not require the approval of NCUA, nor shall approval by the Division of a waiver under subsection (f) to the maximum aggregate net member business loan balance to any one member or group of associated members if the waiver to exceed 15% of the credit union's net worth is for less than $100.000.~~,~~ Following its approval of a waiver for a federally insured state chartered credit union, the Division shall forward the waiver request and supporting documents to the NCUA regional director~~Regional Director~~ and provide the credit union with written notice of the date the request was forwarded. A waiver is not effective for the credit union until it is approved by the NCUA regional director.

D) If a waiver request does not require NCUA approval, the credit union may assume approval of the waiver request if it does not receive notification within 45 days after the date the request was received by the Division.

k) Recordkeeping Requirements
Business loans must be separately identified in a credit union's records and separately identified in the aggregate on a credit union's financial reports.

l) Allowance for Loan Losses for Business Loans

~~1)~~ Allowance for Loan Losses for Business Loans will be determined in accordance with GAAP. The external auditor conducting the credit union's financial statement audit shall analyze the methodology employed by the credit union and conclude that the financial statements, including

the allowance for loan losses, are fairly stated in all material respects in accordance with GAAP.~~and accounted for by the credit union as follows:~~

~~A) Substandard Loans – A substandard loan is one that is inadequately protected by the current sound worth and paying capacity of the obligor or of the collateral pledged. Loans classified substandard have a well-defined weakness or weaknesses that jeopardize the liquidation of the debt. They are characterized by the distinct possibility that the credit union will sustain some loss if the deficiencies are not corrected. Loans listed in this category shall generally be listed in a range from zero to under 50% potential loss.~~

~~B) Doubtful Loans – A loan classified doubtful has all the weaknesses inherent in a loan classified substandard, with the added characteristic that the weaknesses make collection or liquidation in full, on the basis of currently existing facts, conditions, and values, highly questionable and improbable. The possibility of loss is extremely high, but because of certain important and reasonable specific pending factors that may work to the advantage and strengthening of the loan, its classification as an estimated loss is deferred until a more exact status may be determined. Pending factors include: proposed merger, acquisition, or liquidation actions; capital injection; perfecting liens on collateral; and refinancing plans. Loans in this category shall be listed at a minimum 50% potential loss.~~

~~C) Loss Loans – Loans classified loss are considered uncollectible and of such little value that their continuance as loans on the credit union balance sheet is not warranted. This classification does not necessarily mean that the loan has absolutely no recovery or salvage value, but rather, it is not practical or desirable to defer writing off the asset even though partial recovery may occur in the future. Loans in this category shall be listed at 100% potential loss.~~

~~D) Loans may be excluded from the "loss loans" category and classified as either substandard or doubtful if there is evidence of~~

~~collectibility. Evidence of collectibility shall include, without limitation, the following collection activities and remedies:~~

~~i) Execution and filing of an enforceable reaffirmation agreement on the loan in a Chapter 7 bankruptcy (11 USC 701 et seq.) proceeding prior to completion of the Division's loan analysis in any statutory examination of the credit union.~~

~~ii) Receipt of payments on the loan in a Chapter 13 bankruptcy (11 USC 1301 et seq.) within 180 days after the confirmation of the plan; or, if the plan stipulates repayment of the loan in full but payments have not yet been disbursed to the credit union, the credit union has determined from the Trustee that plan payments are being made on a timely basis to the Trustee.~~

~~iii) Receipt of payments on the loan in a Chapter 11 bankruptcy reorganization (11 USC 1101 et seq.) or Chapter 12 bankruptcy family farm reorganization (see 11 USC 1201 et seq.) within 180 days after the confirmation of the plan.~~

~~iv) Voluntary repayment of the loan pursuant to section 524(f) of the federal Bankruptcy Code (11 USC 524(f)).~~

~~v) Collection of the loan pursuant to repossession of collateral without judicial process, or by replevin, detinue, forcible entry and detainer or mortgage foreclosure proceedings.~~

~~vi) Collection of the loan pursuant to post-judgment enforcement remedies, including wage deduction, garnishment and turnover orders entered in citation to discover assets supplementary proceedings.~~

~~vii) The entry of a judgment pay plan order providing for repayment of the loan in a judicial proceeding.~~

~~viii) Documented evidence of repayment of that portion of the loan covered by collateral protection or other insurance policies.~~

~~ix) Documentation evidence of periodic payments on a consistent basis in an amount sufficient to retire the loan balance in a reasonable time.~~

~~2) Non-delinquent loans may be classified in the above categories by the Division, dependent upon an evaluation of factors, including, but not necessarily limited to, the adequacy of the credit union's analysis and documentation of the loan application, and the credit union's collateral requirements. Subsection (d)(2) contains analysis and documentation requirements.~~

(Source: Amended at 37 Ill. Reg. 12450, effective July 16, 2013)

Section 190.180 Investments

The board~~Board~~ of directors~~Directors~~ of a credit union shall use the following procedures in managing and investing funds not being used for loans to members.

a) The board~~Board~~ must develop a written investment policy that~~which~~ includes, at a minimum:

1) persons authorized to take investment actions and the kinds of investments permitted the designated person or committee;

2) limits by amount and term of the investments;

3) procedure for approval of all broker or advisor relationships;

4) procedure for safekeeping of securities.

b) All investments are to be recorded on the books and records in accordance with GAAP~~generally accepted accounting principles~~ and so as to enable the Division to readily ascertain the financial condition of the credit union.

c) Investments are limited to the direct purchase of securities listed in Section 59 of

the Act, and common trust or mutual funds whose investment authority is limited solely to securities and investments listed in Section 59~~ of the Illinois Credit Union Act~~.

d) Credit unions may invest in privately issued collateralized mortgage obligations (CMOs). A~~ a~~ CMO is a corporate bond secured by mortgage pass-through certificates of the Government National Mortgage Association or the Federal National Mortgage Association (FNMA), provided the~~such~~ obligations receive the highest rating (either AAA or AA) by Standard and Poors ~~rating~~ or another comparable rating service.

e) Credit unions are not authorized to engage in speculative investment activities or transactions, including but not limited to:

1) short sales of securities;

2) adjusted trades;

3) standby commitments;

4) cash forward agreements in excess of 120 days from the trade date;

5) futures contracts; ~~or~~

6) the buying and carrying of securities on margin through the use of borrowed funds; or~~.~~

7) investment in fixed and variable annuities, except as provided in Section 59(c) of the Act.

(Source: Amended at 37 Ill. Reg. 12450, effective July 16, 2013)

Section 190.185 Investment in "Other Financial Institutions"

For purposes of Section 59(a)(7) of the Act, the term "other financial institution" means a bank established under the laws of this or any other state or established under the laws of the United States, a savings and loan association or savings bank established under the laws of this or any other state or established under the laws of the United States, a credit union established under the

laws of this or any other state or established under the laws of the United States, a licensee under the Sales Finance Agency Act [205 ILCS 660] or an insurance company.

(Source: Added at 37 Ill. Reg. 12450, effective July 16, 2013)

Section 190.190 Liquidation

A credit union may enter liquidation through actions initiated by its board~~Board~~ of directors~~Directors~~ to voluntarily dissolve or by actions initiated by the Secretary~~Director~~ of the Department~~Division of Financial Institutions~~ to involuntarily dissolve and be liquidated by a Liquidating Agent of one person or a committee under the following procedures:

a) Voluntary Liquidation:

1) After completing the requirements in Section 62 of the ~~Illinois Credit Union~~ Act, the Liquidating Agent~~,~~ must furnish a fidelity bond in compliance with section~~38 Ill. Adm. Code~~ 190.120.

2) Upon receipt and approval of the fidelity bond, the Secretary~~Director~~ shall issue a Certificate of Voluntary Dissolution attesting to ~~the~~ compliance with Section 62 of the ~~Illinois Credit Union~~ Act, stating the names of the Liquidating~~Liquidation~~ Agent~~,~~ and authorizing the taking of possession and control of the books, records and assets of the credit union for the purpose of conserving and collecting the assets, paying all indebtedness and distributing the remaining assets to the membership. Certified copies of the Certificate of Voluntary Dissolution shall be furnished to the Liquidating Agent for ~~his~~ use in securing access to the credit union's funds in depositories, withdrawal of investments or for any other purpose to carry out the liquidation.

b) Involuntary Liquidation:

1) Under the provisions of Sections~~Section~~ 61 and ~~Section~~ 62 of the ~~Illinois Credit Union~~ Act, the Secretary~~Director~~ shall issue to the credit union by certified mail, with a copy to each director, an order for Possession and Control for purpose of liquidation.

2) A Liquidating Agent (person or committee) shall be appointed by the Secretary~~Director~~ to carry out liquidation under the direction and control

of the Secretary~~Director~~. Except when~~where~~ the Liquidating Agent is the NCUA or other insurer~~insuror~~ or agent under the share insurance interest, the procedures listed in subsection (c) shall be followed.

c) The liquidation, whether voluntary or involuntary, shall be under the direction of the Secretary~~Director~~ and shall proceed in the following manner:

1) The Certificate shall be promptly filed at the County Recorder's office in the county~~County~~ in which the main office of the credit union is located and the recording information shall be forwarded to the Division.

2) An itemized inventory, in duplicate, as of the date of the Certificate listing the following, shall be prepared to include:

A) all assets;

B) all known liabilities;

C) a list of all members accounts' by name, address, account numbers, share and loan balances, notes payable on file, and security offered;

D) a balance sheet as of the date of the Certificate;

E) a Statement of Income and Expenses as of the date of the Certificate;

F) the name and address of all depositories, including the credit union's account numbers and balance.

3) A signed and dated copy of the items listed in~~under~~ subsections (c)(1) and (c)(2) shall be forwarded to the Division. One copy of each of the ~~above~~ items listed in subsections (c)(1) and (c)(2) is to be retained by the Liquidating Agent.

4) The books and records are to be kept posted currently throughout the liquidation.

5) All funds received shall be promptly deposited in the credit union's

depositories. The Secretary~~Director~~ shall approve a change in depositories upon receipt of written request from the agent stating the reason for the change.

6) All disbursement of funds shall have prior approval of the Division and be in accordance with the priority established in Section 62(7) of the ~~Illinois Credit Union~~ Act. The Division shall approve in writing disbursement of funds during liquidation upon written request from the Liquidating Agent~~liquidating agent~~. Each request must contain a current financial statement and a total dollar amount to be distributed pro rata to the shareholders~~share-holders~~.

7) Monthly reports, consisting of a balance sheet, statement of income and expense, and an analysis of funds received and expended, shall be prepared on forms furnished by the Division as of each month's end and forwarded to the Division on or before the 15th of the subsequent month.

8) An initial report on all accounts turned over to an attorney and/or collection agency for collection is to be forwarded to the Division with subsequent periodic reports showing collection activity on these accounts.

9) Subject to the prior approval of the Secretary~~Director~~, the Liquidating Agent may prosecute and defend all suits or intervene and execute all necessary deeds, releases or other instruments necessary to consummate any sale of real estate or personal property, or compromise any debt or claim to the same effect as if the instruments were executed by the officers of the credit union. The agent shall request approval, in writing, detailing the specific instances. The Secretary~~Director~~ shall base his or her approval on maximizing the return of funds and protecting the interests of the shareholders.

10) Compensation paid for the Liquidating Agent's services shall be determined by the Secretary~~Director~~, so as to maximize the return of shareholders'~~shareholder's~~ funds and to provide reasonable compensation for the professional services required.

11) All expenses incurred in the liquidation shall be paid out of the funds of the credit union.

12) Completion of the liquidation shall be in compliance with provisions of Section 62 of the ~~Illinois Credit Union~~ Act.

(Source: Amended at 37 Ill. Reg. 12450, effective July 16, 2013)

Section 190.200 Conversion of Charter

a) Conversion from a State of Illinois chartered credit union to a credit union chartered by NCUA~~the National Credit Union Administration~~ or by a state regulatory authority of credit unions of another state shall be authorized subject to the following requirements:

1) The proposal for the conversion of charter is approved by resolution of the board~~Board~~ of directors~~Directors~~.

2) Written notification is given of the intent to convert to the Secretary ~~Director~~ at least 30 days prior to the mailing to the members of the Notice of Meeting at which the question of conversion is to be voted.

3) Evidence is furnished to the Secretary~~Director~~ that ~~the~~ NCUA~~National Credit Union Administration~~ or the state regulatory authority for credit unions in the other state is agreeable to the conversion proposal.

4) The conversion proposal is approved by ⅔ of the members present or voting. Notice of the meeting must be given in accordance with Section 19(1) of the ~~Illinois Credit Union~~ Act and include:

A) the time, place~~,~~ and purpose of the meeting;

B) a brief and accurate statement of the reasons for or~~the~~ against the proposed conversion, including any effects it could have on the shareholdings of members and the policies and practices of the credit union;

C) a ballot and details of how the ballot may be voted.

5) Proxy voting is not permitted. Ballots will be distributed or mailed to the members and the returned ballots shall be counted with those ballots of members present at the meeting. Ballots must be distributed or mailed at

least 7 days before the date of the meeting. All ballots postmarked on or before the date of the meeting shall be included in the final vote computation.

6) A notarized report attesting to the accuracy of the voting shall be forwarded to the Secretary~~Director~~ within 10 days after the meeting and shall contain~~containing~~ the following information:

A) date of mailing and/or posting notice of the meeting;

B) date of members'~~members~~ meeting or any adjourned meetings;

C) number of members;

D) number of members present at meeting;

E) number of members voting for the proposal in person at the meeting and the number of members not at the meeting voting for the proposal by ballot.

7) If ⅔ of the voting members approve the proposal, and the appropriate federal or other state regulatory agency approves the conversion, a request to convert the charter shall be sent to the Secretary within 10 days after~~of~~ the members' meeting~~ to the Director~~. If the credit union is not subject to any formal supervisory restraints or other supervisory proceedings and if the conversion is in the best interests of the members, the Secretary~~Director~~ shall issue a Certificate of Conversion approving the change of chartering authority.

8) The credit union shall return its Illinois charter and Articles of Incorporation to the Secretary~~Director~~ and shall record the Certificate of Conversion in the County Recorder's Office in the Illinois county where the credit union's office is located and forward the recorded~~recording~~ information to the Secretary~~Director~~. The converted credit union shall be merely a continuation of the State of Illinois credit union under a new name and new jurisdiction and with ~~such~~ revision of its corporate structure ~~as is~~ necessary for its proper operation under the new jurisdiction. The effective date of the charter conversion will be the date that the Certificate of Conversion is recorded at the County Recorder's Office.

b) Conversion from a federally chartered credit union or from a credit union chartered by another state to a State of Illinois chartered credit union shall be authorized subject to the following requirements:

1) complying with all requirements of the Federal Credit Union Act or the applicable Act of the state under which it is organized;

2) filing with the Secretary~~Director~~ evidence of that compliance, which shall include a copy of the most recent examination by the regulatory agency, correspondence on exceptions noted, and a statement that the credit union is not subject to any formal supervisory restraint or proceeding that~~which~~ would be circumvented by the conversion;

3) filing with the Secretary~~Director,~~ Articles of Incorporation and By-laws as required by Section 2 of the ~~Illinois Credit Union~~ Act.

c)~~4)~~ The Secretary~~Director~~ may require that an examination of the credit union be conducted by the Division to verify the financial and operating condition of the credit union. The Secretary~~He or she~~ shall base his or her decision on the recency of the last examination, the nature of the exceptions noted, and the scope of the examination. A fee may be assessed for the~~such~~ examination not to exceed the limits ~~as~~ set forth either in Section 12 of the ~~Illinois Credit Union~~ Act or Section 190.50, as appropriate.

d)~~5)~~ Upon receipt of the materials listed in subsections (b)(2) and (b)(3)~~above~~, the Secretary~~Director~~ shall determine if all requirements for conversion of the credit union have been met~~,~~ and, if affirmative, the Secretary~~Director~~ shall issue a Certificate of Approval that~~which~~ must be filed as provided under Section 2(4) of the ~~Illinois Credit Union~~ Act. The effective date of the conversion will be the date, after the Certificate of Approval is recorded, that the credit union~~it~~ ceases to be a federal credit union or a credit union chartered by another state.

e)~~6)~~ The converted credit union shall be vested with all of the assets and is responsible for all of the obligations of its predecessor.

(Source: Amended at 37 Ill. Reg. 12450, effective July 16, 2013)

Section 190.220 Registration of Out of State Credit Unions

A credit union organized and duly chartered as a credit union in another state shall:

a) Registershall register with the SecretaryDirector prior to operating in this State, on a form specified by the SecretaryDirector, which shall include or be accompanied by the following information:

1) the name of the credit union and the county or state under which it is organized;

2) the common bond or field of membership the credit union is authorized to serve;

3) the proposed location of any branch or service center within this State; and

4) the credit union's most recent examination report and audited financial statement.

b) Updateshall update the information provided under subsection (a)(2) within 30 days after receiving approval of a change in common bond or field of membership from the credit union's chartering agency, on a form specified by the SecretaryDirector.

c) Updateshall update the information provided under subsection (a)(3) as to any proposed change in location or additional location for any branch or service center within this State, on a form specified by the SecretaryDirector.

d) Payshall pay to the Director an annual registration fee of $1000$500, plus $250$100 for each branch facility located in Illinois. The fee shall be payable to the Secretary by January 1 of each calendar year, for the current calendar year.

(Source: Amended at 37 Ill. Reg. 12450, effective July 16, 2013)

SUBPART B: HIGH RISK HOME LOANS

Section 190.500 Definitions

"Approved credit counselorCredit Counselor" means a credit counselor as

approved by the Secretary~~Director of the Division~~.

"Good faith" means honesty in fact in the conduct of the transaction.

"Home equity loan" means any loan secured by the borrower's primary residence, when ~~where~~ the proceeds are not used as purchase money for the residence.

"Points and fees" means:

all items required to be disclosed as points and fees under 12 CFR 226.32 (2013, with no later editions or amendments)~~(2000, no subsequent amendments or editions included)~~;

the premium of any single premium credit life, credit disability, credit unemployment, or any other life or health insurance that is financed directly or indirectly into the loan;

all compensation paid directly or indirectly to a mortgage broker, including a broker that originates a loan in its own name in a table funded transaction, not otherwise included in 12 CFR 226.4 (2013, with no later editions or amendments).

"Subject loan" is the term used to describe any loan to which this Subpart applies, pursuant to Section 190.505.

"Total loan amount" has~~is~~ the same meaning as ascribed ~~the term used~~ in 12 CFR 226.32 (2013, with no later editions or amendments)~~,~~ and shall be calculated in accordance with the Federal Reserve Board's Official Staff Commentary to that regulation.

(Source: Amended at 37 Ill. Reg. 12450, effective July 16, 2013)

Section 190.505 Applicability of Rule

a) This Subpart shall apply to a home equity loan in which:

1)~~a)~~ At the time of origination, the APR exceeds by more than 6 percentage points in the case of a first lien mortgage, or by more than 8 percentage points in the case of a junior mortgage, the yield on U.S. Treasury

securities having comparable periods of maturity to the loan maturity as of the 15th ~~fifteenth~~ day of the month immediately preceding the month in which the application for the loan is received by the lender; or

2)~~b)~~ The total points and fees payable by the consumer at or before closing will exceed the greater of 5% of the total loan amount or $800. The $800 figure shall be adjusted annually on January 1 by the annual percentage change in the Consumer Price Index.

b) However, this Subpart shall not apply to a loan that is made primarily for a business purpose unrelated to the residential real property securing the loan or to an open-end credit plan subject to 12 CFR 226 (2013, with no later editions or amendments) ~~(2000, no subsequent amendments or editions included)~~.

(Source: Amended at 37Ill. Reg. 12450, effective July 16, 2013)

Section 190.510 Good Faith Requirements

a) Any disclosure or action required by this Subpart shall be made in good faith.

b) No lender shall accept a fee or charge for a subject loan application unless the licensee is able to demonstrate to the Secretary~~Director~~ that, if its subject loan requirements are met, there is a reasonable likelihood that a loan commitment will be issued for the~~such~~ loan for the amount, term, rate, charges and other conditions set forth in the loan application and the applicable disclosures and documents required and that the loan has a reasonable likelihood of being repaid by the applicant.

c) A lender who has accepted an application for a subject loan shall make a good faith effort to process the application within the time specified in the loan application.

(Source: Amended at 37 Ill. Reg. 12450, effective July 16, 2013)

Section 190.555 Verification of Ability to Repay

No lender shall make a subject loan prior to verifying the borrower's ability to repay the loan. The~~Such~~ verification shall require, at a minimum, the following:

a) The borrower prepares and submits to the lender a personal income and expense statement in a form prescribed by the Secretary~~Director~~.

b) Income is verified by means of tax returns, pay stubs, accounting statements or other prudent means.

c) A credit report is obtained regarding the borrower.

(Source: Amended at 37 Ill. Reg. 12450, effective July 16, 2013)

Section 190.570 Mortgage Awareness Program

a) The Mortgage Awareness Program is a counseling and educational program that is provided by the Secretary~~Director~~.

b) The minimum requirements for the core curriculum of the Mortgage Awareness Program shall include an explanation of:

1) ~~Explanation of~~ the amount financed;

2) ~~Explanation of~~ the finance charge;

3) ~~Explanation of~~ the annual percentage rate;

4) ~~Explanation of~~ the total payments;

5) ~~Explanation of~~ the loan costs, including broker's fees, finance charges, points, origination fees and all other charges and fees;

6) ~~Explanation of~~ any right of rescission;

7) ~~Explanation of~~ foreclosure procedures;

8) ~~Explanation of~~ the debt ratio, including total debt to income ratio, loan debt to income ratio, and loan debt to value of residence;

9) ~~Explanation of~~ adjustable rate mortgage;

10) ~~Explanation of~~ balloon payments;

11) ~~Explanation of~~ credit options;

12) ~~Explanation of~~ each item that appears on the good faith estimate;

13) ~~Explanation of~~ pre-payment penalties.

c) Counseling session attendees must also complete a personal income and expense statement, as well as a balance sheet, on forms provided by the Secretary~~Director~~.

d) Prior to issuing a certificate of completion, counselors shall privately meet and discuss with each attendee that attendee's income and expense statement and balance sheet, as well as the terms of any loan the attendee currently has or is contemplating.

e) Counseling session attendees must also be provided with a brochure that contains information covered by the Mortgage Awareness Program.

(Source: Amended at 37 Ill. Reg. 12450, effective July 16, 2013)

Section 190.575 Offer of Mortgage Awareness Program

a) Any lender, prior to making a subject loan, shall inform the borrower in writing of the right to participate in the Mortgage Awareness Program.

b) No lender shall offer less favorable loan terms to a borrower due to a borrower's participation in a Mortgage Awareness Program.

c) The borrower may waive participation in the program, provided that the~~such~~ waiver occurs no less than 2 business days after the day that the borrower receives the written notice required by subsection (a) and that the~~such~~ waiver is in writing in a form approved by the Secretary~~Director~~.

(Source: Amended at 37 Ill. Reg. 12450, effective July 16, 2013)

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

NOTICE OF ADOPTED AMENDMENTS

1) Heading of the Part: Hospital Financial Assistance under the Fair Patient Billing Act

2) Code Citation: 77 Ill. Adm. Code 4500

3)

Section Numbers:	Adopted Action:
4500.10	New Section
4500.20	New Section
4500.30	New Section
4500.40	New Section
4500.50	New Section
4500.60	New Section
4500.APPENDIX A	New Section

4) Statutory Authority: Implementing and authorized by Section 27 of the Fair Patient Billing Act [210 ILCS 88/27]

5) Effective Date of Rulemaking: July 22, 2013

6) Does this rulemaking contain an automatic repeal date? No

7) Does this rulemaking contain incorporations by reference? No

8) A copy of the adopted rulemaking, including any material incorporated by reference, is on file and is available for public inspection in the Attorney General's principal office in Chicago (12th Floor, James R. Thompson Center).

9) Notice of Proposal published in *Illinois Register*: 37 Ill. Reg. 2621; March 8, 2013

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:

In Section 4500.30(a), the introductory clause "By no later than January 1, 2014," has been added to the first sentence.

In Section 4500.30(a), in the third paragraph of the Opening Statement, the phrase "after receipt of the form" has been replaced with "following the date of discharge or receipt of outpatient care."

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

NOTICE OF ADOPTED AMENDMENTS

In Section 4500.30(a), after "following the date of discharge or receipt of outpatient care," two new paragraphs were added:

> "Patient acknowledges that he or she has made a good faith effort to provide all information requested in the application to assist the hospital in determining whether the patient is eligible for financial assistance.
>
> NOTE: The requirement to complete and submit this form within 60 days following the date of discharge or receipt of outpatient care referenced in the Opening Statement may be increased by the hospital, but may not be decreased."

In Section 4500.30(b), a new subsection was added: "10) In cases in which a spouse or partner is guarantor for the patient or in which a parent or guardian is guarantor for a minor, the name, address and telephone number of the guarantor."

In Section 4500.30, after subsection (b)(10), a new sentence was added: "NOTE: The hospital may choose to not include the information in this subsection (b)(10)."

In Section 4500.30(d)(6), after "income" the phrase "including cases in which a spouse or partner is guarantor for the patient or in which a parent or guardian is guarantor for a minor" was added.

In Section 4500.30, after subsection (h), a new subsection was added: "(i) The application shall contain a notation that, if a patient meets the presumptive eligibility criteria established in Section 4500.40 or is otherwise presumptively eligible by virtue of the patient's family income, the patient shall not be required to complete the portions of the application addressing the monthly expense information and estimated expense figures set out in subsection (g)."

In Section 4500.40(a), the introductory clause "By no later than January 1, 2014," was added to the first sentence.

In Section 4500.40(a), after "hospital." a new sentence was added: "The presumptive eligibility criteria set forth in each hospital's Presumptive Eligibility Policy shall be applied to an uninsured patient as defined in Section 10 of the Act as soon as possible after receipt of health care services from a hospital by the patient and prior to the issuance of any bill for those health care services by the hospital."

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

NOTICE OF ADOPTED AMENDMENTS

In Section 4500.60(b), the phrase "60 days after the effective date of this Part" has been replaced with "by October 1, 2013."

In Section 4500.40(d)(5), the entire subsection has been deleted.

In Section 4500.40(e), a new subsection was added: "11) Enrollment in an organized community-based program providing access to medical care that assesses and documents limited low-income financial status as a criterion form membership."

The Table of Contents and Appendix A have been updated to include references to and figures from the 2013 Poverty Income Guidelines published at 78 Fed. Reg. 5182 through 5183 (January 24, 2013).

In addition, various stylistic changes were made in response to 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 rulemakings pending on this Part? No

15) Summary and Purpose of Rules: The Hospital Financial Assistance under the Fair Patient Billing Act rules are being adopted to identify informational items that must be included in the application for financial assistance provided by Illinois hospitals to patients and to identify informational items that may not be included in the application. The rules also establish criteria for the determination of "presumptive eligibility" for financial assistance from hospitals and other criteria to be used as an alternative means for finding a patient eligible for other financial assistance programs.

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

David Buysse
Deputy Chief, Public Interest Division
Office of the Attorney General
100 West Randolph Street, 12th Floor
Chicago, Illinois 60601

312/814-7236

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

NOTICE OF ADOPTED AMENDMENTS

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

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

NOTICE OF ADOPTED AMENDMENTS

TITLE 77: PUBLIC HEALTH
CHAPTER XVIII: OFFICE OF THE ATTORNEY GENERAL

PART 4500
HOSPITAL FINANCIAL ASSISTANCE
UNDER THE FAIR PATIENT BILLING ACT

Section
4500.10 Definitions
4500.20 Referenced Materials
4500.30 Hospital Financial Assistance Application Requirements
4500.40 Presumptive Eligibility Criteria
4500.50 Hospital Financial Assistance Electronic and Information Technology
4500.60 Hospital Financial Assistance Reporting Requirements
4500.APPENDIX A 2013 Poverty Income Guidelines

AUTHORITY: Implementing and authorized by Section 27 of the Fair Patient Billing Act [210 ILCS 88/27].

SOURCE: Adopted at 37 Ill. Reg. 12536, effective July 22, 2013.

Section 4500.10 Definitions

As used in this Part, the term:

"Act" means the Fair Patient Billing Act [210 ILCS 88].

"Critical Access Hospital" means a hospital that is designated as a critical access hospital under the federal Medicare Rural Hospital Flexibility Program (42 USC 1395i-4).

"Electronic and Information Technology" or "EIT" means electronic information, software, systems and equipment used in the creation, manipulation, storage, display or transmission of data, including Internet and intranet systems, software applications, operating systems, video and multimedia, telecommunications products, kiosks, information transaction machines, copiers, printers and desktop and portable computers.

"Family Income" means the sum of a family's annual earnings and cash benefits from all sources before taxes, less payments made for child support.

"Federal Poverty Income Guidelines" means the federal poverty guidelines updated periodically in the Federal Register by the United States Department of Health and Human Services under authority of 42 USC 9902(2). (See Appendix A.)

"Health Care Services" means any medically necessary inpatient or outpatient hospital service, including pharmaceuticals or supplies provided by a hospital to a patient.

"Hospital" means any facility or institution required to be licensed pursuant to the Hospital Licensing Act [210 ILCS 85] or operated under the University of Illinois Hospital Act [110 ILCS 330].

"Hospital Financial Assistance" means free or discounted health care services provided to patients who meet a hospital's criteria for financial assistance and are unable to pay for all or a portion of the health services. Hospital financial assistance does not include bad debt or uncollectible charges that the hospital recorded as revenue but wrote off due to a patient's failure to pay, or the cost of providing that care to patients; the difference between the cost of care provided under Medicaid or other means-tested government programs or under Medicare and the revenue derived from those programs; or contractual adjustments with any third party payors.

"Hospital Financial Assistance Application" means the form provided by a hospital and used by patients to apply for hospital financial assistance.

"Illinois Resident" means a person who lives in Illinois and who intends to remain living in Illinois indefinitely. Relocation to Illinois for the sole purpose of receiving health care benefits does not satisfy the residency requirement under this Part.

"Partner" means a person who has established a civil union pursuant to the Illinois Religious Freedom Protection and Civil Union Act [750 ILCS 75] or similar law.

"Patient" means the individual receiving services from the hospital or any individual who is the guarantor of the payment for services received from a hospital.

"Presumptive Eligibility" means eligibility for hospital financial assistance determined by reference to criteria demonstrating financial need on the part of a patient.

"Presumptive Eligibility Criteria" means the categories identified as demonstrating financial need on the part of a patient used by the hospital in the implementation of presumptive eligibility.

"Presumptive Eligibility Policy" means a written document that sets forth the presumptive eligibility criteria by which a patient's financial need is determined and used by the hospital to deem a patient eligible for hospital financial assistance without further scrutiny by the hospital.

"Rural Hospital" means a hospital that is located outside a metropolitan statistical area as defined by the United States Office of Management and Budget.

"Women, Infants and Children Nutrition Program" and "WIC" mean the federal Special Supplemental Nutrition Program for Women, Infants and Children authorized by section 17 of the Child Nutrition Act of 1966, as amended (42 USC 1786).

Section 4500.20 Referenced Materials

a) The following State statutes are referenced in this Part:

1) Fair Patient Billing Act [210 ILCS 88];

2) Community Benefits Act [210 ILCS 76];

3) Hospital Uninsured Patient Discount Act [210 ILCS 89].

b) The following Illinois administrative rules are referenced in this Part:

1) Supplemental Nutrition Assistance Program (SNAP) (89 Ill. Adm. Code 121);

2) Illinois Free Lunch and Breakfast Programs (23 Ill. Adm. Code 305.10);

3) Low Income Home Energy Assistance Program (47 Ill. Adm. Code 100);

4) Illinois Housing Development Authority's Rental Housing Support Program (47 Ill. Adm. Code 380);

5) Temporary Assistance for Needy Families (TANF) (89 Ill. Adm. Code 112).

Section 4500.30 Hospital Financial Assistance Application Requirements

By no later than January 1, 2014, hospital financial assistance applications shall be provided to patients on forms that are submitted annually, in conjunction with a hospital's filing of its Community Benefits Report as required by the Community Benefits Act or filing of Worksheet C as required by the Hospital Uninsured Patient Discount Act, to the Office of the Attorney General for review of compliance with this Part. Hospital Financial Assistance Applications for each hospital shall be in English and in any other language that is the primary language of at least 5% of the patients served by the hospital annually as identified for purposes of Section 15(c) of the Act. Information requested on the application shall include:

a) Opening Statement, which shall contain the following paragraphs:

Important: YOU MAY BE ABLE TO RECEIVE FREE OR DISCOUNTED CARE: Completing this application will help ____ Hospital determine if you can receive free or discounted services or other public programs that can help pay for your healthcare. Please submit this application to the hospital.

IF YOU ARE UNINSURED, A SOCIAL SECURITY NUMBER IS NOT REQUIRED TO QUALIFY FOR FREE OR DISCOUNTED CARE. However, a Social Security Number is required for some public programs, including Medicaid. Providing a Social Security Number is not required but will help the hospital determine whether you qualify for any public programs.

Please complete this form and submit it to the hospital in person, by mail, by electronic mail, or by fax to apply for free or discounted care within 60 days following the date of discharge or receipt of outpatient care.

Patient acknowledges that he or she has made a good faith effort to provide all information requested in the application to assist the hospital in determining whether the patient is eligible for financial assistance.

NOTE: The requirement to complete and submit this form within 60 days following the date of discharge or receipt of outpatient care referenced in the Opening Statement may be increased by the hospital, but may not be decreased.

b) Patient information, which shall be limited to the following:

1) Patient name;

2) Patient date of birth;

3) Patient address;

4) Whether patient was an Illinois resident when care was rendered by the hospital;

5) Whether patient was involved in an alleged accident;

6) Whether patient was a victim of an alleged crime;

7) Patient Social Security Number (not required if you are uninsured);

8) Patient telephone number or cell phone number;

9) Patient e-mail address;

10) In cases in which a spouse or partner is guarantor for the patient or in which a parent or guardian is guarantor for a minor, the name, address and telephone number of the guarantor.

NOTE: The hospital may choose to not include the information in this subsection (b)(10).

c) Family/household information, which shall be limited to the following:

1) Number of persons in the patient's family/household;

2) Number of persons who are dependents of the patient;

3) Ages of patient's dependents.

d) Patient's family income and employment information, which shall be limited to the following:

1) Whether patient or patient's spouse or partner is currently employed;

2) If patient is a minor, whether patient's parents or guardians are currently employed;

3) If patient or patient's spouse or partner is employed, name, address and telephone number of all employers;

4) If a minor patient's parents or guardians are employed, name, address and telephone number of all employers;

5) If patient is divorced or separated or was a party to a dissolution proceeding, whether the former spouse or partner is financially responsible for patient's medical care per the dissolution or separation agreement;

6) Gross monthly family income, including cases in which a spouse or partner is guarantor for the patient or in which a parent or guardian is guarantor for a minor, from sources such as:

A) Wages;

B) Self-employment;

C) Unemployment compensation;

D) Social Security;

E) Social Security Disability;

F) Veterans' pension;

G) Veterans' disability;

H) Private disability;

I) Workers' compensation;

J) Temporary Assistance for Needy Families;

K) Retirement income;

L) Child support, alimony or other spousal support;

M) Other income;

7) Documentation of family income from paycheck stubs, benefit statements, award letters, court orders, federal tax returns, or other documentation provided by the patient.

e) Insurance/benefit information, including but not limited to:

1) Health insurance;

2) Medicare;

3) Medicare Part D;

4) Medicare Supplement;

5) Medicaid;

6) Veterans' benefits.

f) Asset and estimated asset value information, which shall be limited to the following:

1) Checking;

2) Savings;

3) Stocks;

4) Certificates of deposit;

5) Mutual funds;

6) Automobiles or other vehicles;

7) Real property;

8) Health savings/Flexible Spending Account.

g) Monthly expense information and estimated expense figures, which shall be limited to the following:

1) Housing;

2) Utilities;

3) Food;

4) Transportation;

5) Child care;

6) Loans;

7) Medical expenses;

8) Other expenses.

h) Certification, which shall contain only the following paragraph:

I certify that the information in this application is true and correct to the best of my knowledge. I will apply for any state, federal or local

assistance for which I may be eligible to help pay for this hospital bill. I understand that the information provided may be verified by the hospital, and I authorize the hospital to contact third parties to verify the accuracy of the information provided in this application. I understand that if I knowingly provide untrue information in this application, I will be ineligible for financial assistance, any financial assistance granted to me may be reversed, and I will be responsible for the payment of the hospital bill.

Patient or Applicant Signature and Date.

i) The application shall contain a notation that, if a patient meets the presumptive eligibility criteria established in Section 4500.40 or is otherwise presumptively eligible by virtue of the patient's family income, the patient shall not be required to complete the portions of the application addressing the monthly expense information and estimated expense figures set out in subsection (g).

Section 4500.40 Presumptive Eligibility Criteria

a) By no later than January 1, 2014, each hospital shall develop and implement a Presumptive Eligibility Policy setting forth the presumptive eligibility criteria by which a patient's financial need is determined and used by the hospital to deem a patient eligible for hospital financial assistance without further scrutiny by the hospital. The presumptive eligibility criteria set forth in each hospital's Presumptive Eligibility Policy shall be applied to an uninsured patient as defined in Section 10 of the Act as soon as possible after receipt of health care services from a hospital by the patient and prior to the issuance of any bill for those health care services by the hospital.

b) Patients in hospitals that are not Critical Access Hospitals or rural hospitals shall be deemed presumptively eligible for hospital financial assistance if the patient demonstrates one or more of the following, which shall be included in the presumptive eligibility criteria for those hospitals:

1) Homelessness;

2) Deceased with no estate;

3) Mental incapacitation with no one to act on patient's behalf;

4) Medicaid eligibility, but not on date of service or for non-covered service;

5) Enrollment in the following assistance programs for low-income individuals having eligibility criteria at or below 200% of the federal poverty income guidelines:

A) Women, Infants and Children Nutrition Program (WIC);

B) Supplemental Nutrition Assistance Program (SNAP);

C) Illinois Free Lunch and Breakfast Program;

D) Low Income Home Energy Assistance Program (LIHEAP);

E) Enrollment in an organized community-based program providing access to medical care that assesses and documents limited low-income financial status as a criterion for membership;

F) Receipt of grant assistance for medical services.

c) Hospitals that are not Critical Access Hospitals or rural hospitals may include additional presumptive eligibility criteria, provided that the additional criteria are used for or have the effect of expanding a patient's presumptive eligibility for hospital financial assistance, which shall be included in the presumptive eligibility criteria for the particular hospital. These additional criteria may include, but are not limited to:

1) Recent personal bankruptcy;

2) Incarceration in a penal institution;

3) Affiliation with a religious order and vow of poverty;

4) Enrollment in the following assistance programs for low-income individuals:

A) Temporary Assistance for Needy Families (TANF);

B) IHDA's Rental Housing Support Program.

d) Patients in hospitals that are Critical Access Hospitals or rural hospitals shall be deemed presumptively eligible for hospital financial assistance if the patient demonstrates one or more of the following, which shall be included in the presumptive eligibility criteria for those hospitals:

1) Homelessness;

2) Deceased with no estate;

3) Mental incapacitation with no one to act on patient's behalf;

4) Medicaid eligibility, but not on date of service or for non-covered service.

e) Hospitals that are Critical Access Hospitals or rural hospitals may include additional presumptive eligibility criteria, provided that the additional criteria are used for or have the effect of expanding a patient's presumptive eligibility for hospital financial assistance, which shall be included in the presumptive eligibility criteria for those hospitals, such as:

1) Recent personal bankruptcy;

2) Incarceration in a penal institution;

3) Affiliation with a religious order and vow of poverty;

4) Patients who receive grant assistance for medical services;

5) Women, Infants and Children Nutrition Program (WIC);

6) Supplemental Nutrition Assistance Program (SNAP);

7) Illinois Free Lunch and Breakfast Programs;

8) IHDA's Rental Housing Support Program;

9) Low Income Home Energy Assistance Program (LIHEAP);

10) Temporary Assistance for Needy Families (TANF);

11) Enrollment in an organized community-based program providing access to medical care that assesses and documents limited low-income financial status as a criterion for membership.

Section 4500.50 Hospital Financial Assistance Electronic and Information Technology

a) Hospitals may utilize EIT in the implementation of Hospital Financial Assistance Application requirements set forth in this Part.

b) Hospitals may utilize EIT in the implementation of presumptive eligibility criteria requirements set forth in this Part.

Section 4500.60 Hospital Financial Assistance Reporting Requirements

a) Each hospital shall annually provide, in conjunction with the filing of its Community Benefits Report required by the Community Benefits Act or its Worksheet C Part I required by the Hospital Uninsured Patient Discount Act, a Hospital Financial Assistance Report to the Office of the Attorney General, which shall include the following:

1) A copy of the Hospital Financial Assistance Application;

2) A copy of the hospital's Presumptive Eligibility Policy, which shall identify each of the criteria used by the hospital to determine whether a patient is presumptively eligible for hospital financial assistance;

3) Hospital financial assistance statistics, which shall include:

A) The number of Hospital Financial Assistance Applications submitted to the hospital, both complete and incomplete, during the most recent fiscal year;

B) The number of Hospital Financial Assistance Applications the hospital approved under its Presumptive Eligibility Policy during the most recent fiscal year;

C) The number of Hospital Financial Assistance Applications the hospital approved outside its Presumptive Eligibility Policy during the most recent fiscal year;

D) The number of Hospital Financial Assistance Applications denied by the hospital during the most recent fiscal year; and

E) The total dollar amount of financial assistance provided by the hospital during the most recent fiscal year, based on actual cost of care.

b) The Office of the Attorney General shall develop a Hospital Financial Assistance Report form and make it available to hospitals by October 1, 2013.

c) Each hospital that annually files a Community Benefits Report with the Office of the Attorney General pursuant to the Community Benefits Act shall, at the same time, file its annual Hospital Financial Assistance Report jointly with its Community Benefits Report.

d) Each hospital that is not required to annually file a Community Benefits Report with the Office of the Attorney General shall file its annual Hospital Financial Assistance Report jointly with the Worksheet C Part I from its Medicare Cost Report most recently filed pursuant to the Hospital Uninsured Patient Discount Act.

e) Each hospital utilizing electronic and information technology in the implementation of the Hospital Financial Assistance Application requirements shall annually describe the EIT used and the source of the EIT to the Office of the Attorney General at the time of filing its Hospital Financial Assistance Report. The hospital shall certify annually that each of the Hospital Financial Assistance Application requirements set forth in this Part are included in applications processed by EIT.

f) Each hospital utilizing EIT in the implementation of the presumptive eligibility criteria shall annually describe the EIT used and the source of the EIT to the Office of the Attorney General at the time of filing its Hospital Financial Assistance Report. The hospital shall certify annually that each of the presumptive eligibility criteria requirements set forth in this Part are included in applications processed by EIT.

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

NOTICE OF ADOPTED AMENDMENTS

g) All records and certifications required to be filed under this Part in conjunction with the filing of a Community Benefits Report required by the Community Benefits Act shall be submitted to:

Charitable Trusts Bureau
Office of the Illinois Attorney General
100 West Randolph Street, 11th Floor
Chicago, Illinois 60601

h) All records and certifications required to be filed under this Part in conjunction with the filing of a Worksheet C required by the Hospital Uninsured Patient Discount Act shall be submitted to:

Health Care Bureau
Office of the Illinois Attorney General
100 West Randolph Street, 10th Floor
Chicago, Illinois 60601

OFFICE OF THE ATTORNEY GENERAL

NOTICE OF ADOPTED RULES

Section 4500.APPENDIX A 2013 Poverty Income Guidelines

2013 HEALTH AND HUMAN SERVICES POVERTY GUIDELINES

Persons in Family	Poverty Guideline
1	$11,490
2	$15,510
3	$19,530
4	$23,550
5	$27,570
6	$31,590
7	$35,610
8	$39,630
For additional persons, add	$ 4,020

NOTE: See 78 Fed. Reg. 5182 through 5183 (January 24, 2013).

DEPARTMENT OF PUBLIC HEALTH

NOTICE OF ADOPTED AMENDMENTS

1) Heading of the Part: Illinois Vital Records Code

2) Code Citation: 77 Ill. Adm. Code 500

3)

Section Numbers:	Adopted Action:
500.10	Amended
500.50	Amended

4) Statutory Authority: Illinois Vital Records Act [410 ILCS 535]

5) Effective Date of Rulemaking: July 19, 2013

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 rulemakings, 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 Rulemaking published in the *Illinois Register*: April 12, 2013; 37 Ill Reg. 4466

10) Has JCAR issued a Statement of Objection to this rulemaking? 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 Section 500.50(d)(2), 6th line, "register" was replaced by "registrar".

The following changes were made in response to comments and suggestions of JCAR:

In Section 500.50(c), 6th line, "permit" after "application" was stricken.

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 rulemakings pending on this Part? Yes

DEPARTMENT OF PUBLIC HEALTH

NOTICE OF ADOPTED AMENDMENTS

Section Numbers:	Proposed Action:	*Illinois Register* Citation:
500.10	Amendment	37 Ill. Reg. 5298; April 26, 2013
500.15	New Section	37 Ill. Reg. 5298; April 26, 2013
500.25	New Section	37 Ill. Reg. 5298; April 26, 2013

15) Summary and Purpose of Rulemaking: Part 500 has been amended to implement PA 96-338, which became effective on January 1, 2010. Section 21.5 was added to 410 ILCS 535 to allow for specific instances in which a permit for a group burial or a group cremation of fetuses under 20 weeks gestation may be issued without a fetal death certificate.

16) Information and questions regarding this adopted rulemaking 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: dph.rules@illinois.gov

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

DEPARTMENT OF PUBLIC HEALTH

NOTICE OF ADOPTED AMENDMENTS

TITLE 77: PUBLIC HEALTH
CHAPTER I: DEPARTMENT OF PUBLIC HEALTH
SUBCHAPTER e: VITAL RECORDS

PART 500
ILLINOIS VITAL RECORDS CODE

Section

500.10 Definitions
500.20 Access to Vital Records
500.30 Delayed Records of Birth
500.40 Amendments, Additions or Corrections to Vital Records
500.43 Amendments to Birth Records Following Gender Re-assignment
500.45 New Certificates of Birth
500.47 Illinois Adoption Registry and Information Exchange
500.50 Transportation and Disposition of Dead Human Body
500.60 Court Order to Restore Original Certificate of Birth
500.70 Availability of Medical and Health Information
500.80 Appointment and Removal of Local Registrars
500.90 Social Security Numbers of the Mother and Father of an Infant

500.APPENDIX A Birth Records
500.ILLUSTRATION A Certificate of Live Birth
500.ILLUSTRATION B Information For Medical and Health Use Only
500.ILLUSTRATION C Record of a Foreign Birth
500.ILLUSTRATION D Certificate of Birth – Foundling Child
500.ILLUSTRATION E Application for Search of Birth Record Files
500.ILLUSTRATION F Application for Correction of a Birth Certificate
500.APPENDIX B Delayed Birth Records
500.ILLUSTRATION A Instructions for Filing a Delayed Record of Birth for a Child Age One to Seven Years
500.ILLUSTRATION B Delayed Record of Birth
500.ILLUSTRATION C Filing a Delayed Record of Birth After the Seventh Birthday
500.ILLUSTRATION D Application for Delayed Record of Birth
500.ILLUSTRATION E Delayed Record of Birth (Registered After Seventh Birthday)
500.ILLUSTRATION F Affidavit in Support of an Application for a Delayed Registration of Birth

DEPARTMENT OF PUBLIC HEALTH

NOTICE OF ADOPTED AMENDMENTS

500.APPENDIX C Marriage Application and Record
500.APPENDIX D Certificate of Dissolution, Invalidity of Marriage or Legal Separation
500.APPENDIX E Adoption Records
500.ILLUSTRATION A Certificate of Adoption
500.ILLUSTRATION B Information Concerning Adoptive Parents
500.ILLUSTRATION C Information Concerning Parents
500.ILLUSTRATION D Instructions for Adoption Registry Forms
500.ILLUSTRATION E Birth Parent Registration Identification Form
500.ILLUSTRATION F Instructions for Adoptee Registration (Repealed)
500.ILLUSTRATION G Adopted Person Registration Identification Form
500.ILLUSTRATION H Information Exchange Authorization Form
500.ILLUSTRATION I Denial of Information Exchange Form
500.ILLUSTRATION J Instructions for Applying for a New Birth Certificate for a Legitimated Child
500.ILLUSTRATION K Surrendered Person Registration Identification Form
500.ILLUSTRATION L Non-surrendered Birth Sibling Registration
500.ILLUSTRATION M Adoptive Parent Registration Identification Form
500.ILLUSTRATION N Legal Guardian Registration Identification Form
500.ILLUSTRATION O Adoption Registry Application Form
500.ILLUSTRATION P Medical Questionnaire Form
500.APPENDIX F Death Records
500.ILLUSTRATION A Certificate of Fetal Death
500.ILLUSTRATION B Medical Examiner's – Coroner's Certificate of Death
500.ILLUSTRATION C Medical Certificate of Death
500.ILLUSTRATION D Application for Search of Death Record Files
500.ILLUSTRATION E Corrected Cause of Death Certification
500.ILLUSTRATION F Application for Correction of a Death Certificate
500.APPENDIX G Death Records
500.ILLUSTRATION A Report of Death
500.ILLUSTRATION B Necropsy (NEC)1
500.ILLUSTRATION C Permit for Disposition of Dead Human Body
500.ILLUSTRATION D Coroner's or Medical Examiner's Permit to Cremate a Dead Human Body
500.ILLUSTRATION E Application for Disinterment – Reinterment Permit
500.APPENDIX H Affidavits
500.ILLUSTRATION A Affidavit by Mother
500.ILLUSTRATION B Affidavit by Father
500.ILLUSTRATION C Affidavit and Certificate of Correction
500.ILLUSTRATION D Abstract of a Record

DEPARTMENT OF PUBLIC HEALTH

NOTICE OF ADOPTED AMENDMENTS

500.APPENDIX I Subregistrar's Appointment Blank

AUTHORITY: Implementing and authorized by the Vital Records Act [410 ILCS 535], Adoption Act [750 ILCS 50], and Jane Doe II v. Lumpkin, United States District Court, Central District of Illinois, Case No. 89-1224.

SOURCE: Amended April 7, 1976, effective May 1, 1976; amended at 6 Ill. Reg. 3880, effective March 29, 1982; codified at 8 Ill. Reg. 8917; emergency amendment at 15 Ill. Reg. 3593, effective February 20, 1991, for a maximum of 150 days; emergency expired July 22, 1991; amended at 15 Ill. Reg. 11706, effective August 1, 1991; emergency amendment at 24 Ill. Reg. 3885, effective February 25, 2000, for a maximum of 150 days; emergency expired July 24, 2000; amended at 24 Ill. Reg. 11882, effective July 26, 2000; amended at 35 Ill. Reg. 16682, effective October 3, 2011; amended at 37 Ill. Reg. 12555, effective July 19, 2013.

Section 500.10 Definitions

"Act" means the Vital Records Act [410 ILCS 535].

"Adoption Act" refers to the Act located at 750 ILCS 50.

"Affiant" means the person signing the correction form.

"Certificate" means an officially registered Certificate of Live Birth, Delayed Record of Birth, Medical Death, Medical Examiner's/Coroner's Death, or Fetal Death (Stillbirth).

"Certified court order", "court order", "appropriate court order", and "court determination" mean an order entered by a court of competent jurisidiction that~~which order~~ is certified by the clerk of the court, is dated, and ~~which order~~ includes the full information required by the State Registrar to amend, correct, replace, impound, open, or create a vital record without reference to any other document.

"Correction" means the administrative correction or amendment of a certificate to reflect the correct information at items where incorrect information has originally been entered; or the addition of correct information for items previously omitted from the certificate. "Correction" does not mean to enter on the certificate facts different from those which existed at the time of the event.

"Correction form" means the standard correction form, "Affidavit and Certificate of Correction," prescribed by the State Registrar.

"Court of competent jurisdiction" means any Circuit Court in Illinois, any United States District Court, any equivalent court in any state or United States territory, any tribal court of any of the Indian Nations located within the United States, and any appellate level court in the United States. "Court of competent jurisdiction" does not include any administrative body or tribunal without general trial jurisdiction.

"Custodian" means the State Registrar of Vital Records, local registrars, or county clerks.

"Delayed birth registration" means the registration of any birth that was not registered within three~~3~~ days after the event and includes:

the registration of a birth that occurred more than three~~3~~ days, but less than one year, prior to the application for registration;

the registration of a birth that occurred more than one year, but less than seven~~7~~ years, prior to the application for registration; and

the registration of a birth that occurred more than seven~~7~~ years prior to the application for registration.

"Department" means the Illinois Department of Public Health.

"Final disposition" means the burial, cremation, or other disposition of a dead human body, fetus, or parts of a dead human body or fetus, including depositing in a vault or tomb, removal from the State, or use by a hospital or other institution for medical or scientific study in accordance with the Cadaver Act [410 ILCS 510] ~~(~~and Section 8 of the Uniform Anatomical Gift Act [755 ILCS 50/8].

"Funeral director or person acting as a funeral director~~such~~" means a person licensed in the State of Illinois to practice funeral directing, or a person acting under the direction or supervision of an Illinois licensed funeral director as an employee or an associate of the funeral director.

"Legal representative" refers to:

an attorney acting on behalf of a person or persons~~person(s)~~ named on a birth certificate;

an agent authorized by power of attorney;

a court-appointed personal representative;

an agent with written, notarized authorization from a person or persons~~person(s)~~ named on a birth certificate for the purpose of obtaining a certified copy for that person; or

any other agent, approved by the State Registrar as a legal representative of the person to whom the birth certificate relates.

"Major correction" includes, but is not limited to, any administrative correction made more than one year after the date of the occurrence, or an administrative correction made within one year after~~of~~ the date of the occurrence relating to these items (except as provided in Section 500.40(f)(3)(D)~~ of this Part~~):

significant changes in the surname of the registered person;

on births, changes in the date or place of the occurrence; the parent's or parents' age or ages~~parent(s) age(s)~~, if changed more than two~~2~~ years;

changes in the cause of death;

the identity of the parent or parents~~parent(s)~~ on the birth certificate; changes in marital status; ~~or~~

the birth date~~birthdate~~ and/or age of the decedent on a death certificate; or~~,~~

other like circumstances.

Any other item corrected within one year after~~of~~ the occurrence is considered a "minor correction."

"Minor correction" means any administrative correction made within one year after~~of~~ the occurrence not meeting the criteria of a major correction.

"Personal services contract" means a contract between a unit of the State or local government body and an individual or a firm for the provision of services to the unit of the State or local government.

"State Registrar" means the State Registrar of Vital Records.

(Source: Amended at 37 Ill. Reg. 12555, effective July 19, 2013)

Section 500.50 Transportation and Disposition of Dead Human Body

a) A local registrar may issue a Permit for Disposition of Dead Human Body authorizing a hospital to incinerate a dead fetus (a product of gestation of 20 or more weeks) or the body of an infant who dies immediately after birth and prior to release from the hospital. This permit may be issued only to a funeral director or person acting as a funeral director~~such~~ and only upon the presentation of a completed Certificate of Death (infant death) or Fetal Death.

b) A local registrar may issue a Permit for Disposition of Dead Human Body authorizing the parents of a dead fetus or deceased infant to bury the body in a private burial plot, if ~~so~~ requested by a funeral director or person acting as a funeral director~~such~~. This permit may be issued only to the~~such~~ funeral director and only upon the presentation of a completed Certificate of Death or Fetal Death.

c) A Permit for Disposition of a Dead Human Body authorizing disinterment is required prior to the disinterment of a dead human body or fetus. The same permit may also authorize transportation of the body by common carrier, if desired. The permit~~Such Permit~~ shall~~is to~~ be issued by the local registrar of the District in which the disinterment is to be made and shall be issued only to a funeral director or person acting as a funeral director~~such~~. The application ~~permit~~ (VR207) shall be signed by the next of kin (if known). If the next of kin is unknown, the VR207 permit shall be signed by the party contracting with the funeral director for the disinterment. Investigations conducted by the coroner, medical examiner, state's attorney or any other related law enforcement official do not require the signature ~~and/~~or approval from the next of kin, and the VR207 should be signed by the appropriate official, or by order of a court. If~~In the event~~ several bodies ~~(~~or an entire cemetery is~~) are~~ to be disinterred, the local registrar may issue to a funeral director a single Permit for Disposition of Dead Human Body to which a complete list, ~~(~~insofar as possible,~~)~~ of the identity of all the

bodies is to be attached. The~~In any case, the~~ Permit for Disposition of Dead Human Body authorizing disinterment shall~~must~~ also show the final disposition of the body or bodies.

1) Disinterred human remains shall~~may~~ not be transported within the State unless accompanied by a Permit for Disposition of Dead Human Body. The transportation of disinterred remains by common carrier or by private conveyance is subject to the same requirements listed in subsections (e)(1) through (5)~~rules as~~ for any dead human body. However, the remains of repatriated U.S. war dead may be transported within Illinois on the basis of the burial-transit permit issued at the point of origin. This permit shall~~must~~ be exchanged for an Illinois Permit for Disposition of Dead Human Body prior to interment or cremation in Illinois (see subsection~~Section~~ ~~500.50~~(d)(6)).

2) Disinterred human remains shall~~may~~ not be reinterred within the State except as authorized~~upon explicit authorization to do so as evidenced~~ by a Permit for Disposition of Dead Human Body.

d) Disposition of Dead Human Body

1) A~~No~~ dead human body shall not~~may~~ be~~:~~ interred in a grave, vault~~,~~ or tomb,~~;~~ except as authorized by~~on authorization to do so on the basis of~~ a Permit for Disposition of Dead Human Body issued by the local registrar of the District in which the death occurred, if the death occurred in Cook County. If the death occurred in a county other than Cook County, the permit may be issued by the funeral director, except when the death was subject to investigation by the coroner, in which case the permit must be signed by the local registrar of the district where the death occurred. A~~No~~ dead human body shall not~~may~~ be surrendered to a physician, surgeon, medical college or school or other institution or school of mortuary science and later cremated, except as authorized by~~on authorization to do so on the basis of~~ a Permit for Disposition of Dead Human Body issued by the local registrar of the district in which the death occurred. This permit shall be issued to an Illinois licensed funeral director or person acting as a funeral director~~such~~, upon presentation of a completed Certificate of Death or Fetal Death.

2) A~~No~~ dead human body whose death was subject to the coroner's or

medical examiner's investigation shall not~~may~~ be disposed of ~~(~~in Cook County,~~)~~ except as authorized by~~on authorization to do so on the basis of~~ a Permit for Disposition of Dead Human Body issued by the local registrar of the district in which the death occurred or, ~~(~~in counties other than Cook~~)~~, the signing of Part II of the Report of Death by the local registrar of the district in which the death occurred. If disposition of any dead human remains is by cremation, the local registrar shall not issue a~~no~~ permit~~ may be issued by the local registrar~~, unless presented with a duly executed Coroner's or Medical Examiner's Permit to Cremate a Dead Human Body.

3) No Permit for Disposition of Dead Human Body is required for the disposition of ashes from cremation, unless the ashes are to be buried in a cemetery. In that case, any local registrar or any funeral director may issue the permit.

4) No Permit for Disposition of Dead Human Body is required for the disposal of a part of a living human body, such as an amputated arm or leg, except when the part is to be interred in a cemetery. In that case, upon being requested to do so, the local registrar of the registration district where the cemetery is located shall~~will~~ issue a Permit for Disposition of Dead Human Body. The~~Said~~ permit shall be issued upon receipt of a letter from the institution that performed the amputation or is in custody of the amputated part or parts~~part(s)~~.

5) A dead fetus resulting from a fetal death is considered to be a dead human body, and its transportation and disposition are subject to this Part. However, if the dead fetus was delivered before the 20th~~twentieth~~ week of gestation~~pregnancy~~, a Permit for Disposition of Dead Human Body is not required unless interment of the remains is to be made in a cemetery. In that case~~such cases~~, if the fetal death ~~occurred in Cook County, the local registrar will issue a permit upon presentation of a completed Certificate of Fetal Death. If the fetal death occurred in a county other than Cook County, and~~ was not subject to a~~the~~ coroner's investigation, any funeral director can issue the permit. If the fetal death was subject to a coroner's investigation, the local registrar of the district where death occurred shall sign the permit.

6) A permit for a group burial or group cremation (when the manner of death is "Natural") for fetuses under 20 weeks gestation may be issued without the completion and filing of a fetal death certificate.

A) In the case of group burial, when the fetal death is under 20 weeks gestation and not subject to coroner's/medical examiner's jurisdiction, a burial/transit permit can be issued by any Illinois licensed funeral director or person acting as a funeral director without a fetal death certificate.

B) In the case of group cremation, when the fetal death is under 20 weeks gestation and not subject to coroner's/medical examiner's jurisdiction, hospital personnel will provide copies of the signed Fetal Death Disposition-Notification Form for each fetus to an Illinois licensed funeral director or person acting as a funeral director, to be presented to the coroner/medical examiner in the county where the fetal death occurred. The coroner/medical examiner will issue one cremation permit for all fetuses or individual cremation permits for each fetus in the group cremation. Upon receipt of the authorized cremation permit or permits, any Illinois licensed funeral director or person acting as a funeral director will then issue the Permit for Disposition of Dead Human Body (VR 205). The funeral director or person acting as the funeral director will provide the VR 205 and the authorized cremation permit to the local registrar in the registration district where the fetal death occurred. The local registrar shall sign the Permit for Disposition of Dead Human Body (VR 205).

C) In any case that the coroner/medical examiner deems necessary to investigate and to certify the cause of death, a fetal death certificate shall be completed and filed irrespective of the fetus' weeks of gestation.

7~~6~~) A permit for Disposition of Dead Human Body authorizing the disposition of the remains of the repatriated U.S. war dead shall be issued to the receiving funeral director by the local registrar of the district in which the body is to be interred or cremated. This Permit for Disposition of Dead Human body shall be issued in exchange for the burial-transit papers accompanying the body.

e) Transportation of Dead Human Body

1) No~~When a death occurs in Cook County, no~~ dead human body from Cook County may be transported within the State of Illinois except as authorized by~~upon explicit authorization to do so on the basis of~~ a Permit for Disposition of Dead Human Body issued by the appropriate local or sub-registrar~~subregistrar~~ of vital records, to an Illinois licensed funeral director ~~(~~or a person acting in his/her behalf~~)~~. During the first 72 hours after death, the~~such~~ funeral director may move a dead body that~~which~~ is not subject to the Medical Examiner's investigation from the place of death to a mortuary in this State without first having obtained a Permit for Disposition of Dead Human body.

2) When a death occurs outside of Cook County, no dead human body may be transported within the State of Illinois until a Report of Death has been filed with the local registrar of the district where the death occurred. During the first 24 hours after death, the funeral director or person acting as a funeral director~~such~~ may move a dead body that~~which~~ is not subject to a coroner's investigation from the place of death to a mortuary in the State~~state~~. In this case~~such cases~~, the Report of Death shall be mailed or otherwise filed within 24 hours after~~of~~ death.

3) No dead human body may be transported into the State of Illinois, unless it is accompanied by a burial-transit permit properly issued in accordance with the laws of the state from which~~whence~~ the body was transported, showing that all precautions required by the State of Illinois have been observed. The~~Such~~ burial-transit permit is sufficient authority also for interment or cremation of the body in Illinois, provided that the~~said~~ permit specifies the place and ~~or~~ type of disposition, except in municipalities where local ordinance requires the issuance of a local permit prior to disposition, and except for repatriated U.S. war dead (see Section 500.50(d)(6)).

4) No dead human body shall be transported by common carrier in Illinois, unless accompanied by a Permit for Disposition of Dead Human Body issued by a local registrar of this State. In the~~ or, in~~ case of a body shipped from another state, the body shall be accompanied by a transit or burial-transit permit issued in accordance with the laws of the state from

which~~whence~~ the body is shipped.

5) No dead human body shall be transported from Illinois to a point outside this State~~,~~ unless the body has been prepared in accordance~~conformity~~ with the laws and regulations of the states through which and to which ~~such~~ transportation is made.

6) Presumptive records of death prepared upon the order of a court of competent jurisdiction shall show, as the date of death, the date the order was entered by the court, unless otherwise specified in the order.

f) Upon the death of a person who had or is suspected of having an infectious or communicable disease or who was known to be a carrier or known to be sub-clinically~~subclinically~~ infected with a disease that could be transmitted through contact with the person's body or bodily fluids, the body shall be labeled "Infectious Hazard~~,~~", or with an equivalent term to inform persons having subsequent contact with the body, including any funeral director or embalmer~~, to take suitable precautions~~.

1) The label shall be prominently displayed on and affixed to the outer wrapping or covering of the body if the body is wrapped or covered in any manner.

2) Responsibility for ~~such~~ labeling shall lie with the attending physician or coroner who certifies death~~,~~ or, if the death occurs in a health care facility, with the~~such~~ staff member ~~as may be~~ designated by the administrator of the facility.

~~3) Suitable precautions consist of following the guidelines of the Centers for Disease Control (CDC) "Recommendations for Prevention of HIV Transmission in Health-Care Settings." (See 77 Ill. Adm. Code 690.1010(a)(2))~~

(Source: Amended at 37 Ill. Reg. 12555, effective July 19, 2013)

SECRETARY OF STATE

NOTICE OF ADOPTED AMENDMENT

1) Heading of the Part: Uniform Partnership Act (1997)

2) Code Citation: 14 Ill. Adm. Code 166

3) Section Number: 166.45 — Adopted Action: Amendment

4) Statutory Authority: Implementing and authorized by Section 1208 of the Uniform Partnership Act [805 ILCS 206/1208]

5) Effective Date of Rulemaking: July 17, 2013

6) Does this rulemaking contain an automatic repeal date? No

7) Does this rulemaking contain incorporations by reference? No

8) A copy of the adopted rulemaking, including any material incorporated by reference, is on file in the Agency's principal office and is available for public inspection.

9) Notice of Proposed published in the *Illinois Register*: April 5, 2013; 37 Ill. Reg. 4203

10) Has JCAR issued a Statement of Objection to this rulemaking? No

11) Differences between Proposal and Final Version: No substantive changes were made during the First Notice period. All technical changes recommended by JCAR were made.

12) Have all the changes agreed upon by the Agency and JCAR been made as indicated in the agreements issued by JCAR? Yes

13) Will this rulemaking replace any emergency rulemaking currently in effect? No

14) Are there any rulemakings pending on this Part? No

15) Summary and Purpose of Rulemaking: Updates the list of documents required to be filed with the Office of Secretary of State to include most recent versions and forms.

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

Michelle Nijm
Assistant General Counsel

SECRETARY OF STATE

NOTICE OF ADOPTED AMENDMENT

100 W. Randolph, Ste. 5-400
Chicago, IL 60601

312/814-7246

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

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

SECRETARY OF STATE

NOTICE OF ADOPTED AMENDMENT

TITLE 14: COMMERCE
SUBTITLE A: REGULATION OF BUSINESS
CHAPTER I: SECRETARY OF STATE

PART 166
UNIFORM PARTNERSHIP ACT (1997)

Section

166.10 Prohibited Terms in Title
166.15 Improper Names
166.20 Definitions
166.25 Applicability
166.30 Filing Location
166.35 Business Hours
166.40 Filing Requirements
166.45 Additional Requirements for Forms
166.50 Renewal Reports
166.55 Payment of Fees
166.60 Sale of Information
166.65 Refunds
166.70 Service of Process
166.75 Interrogatories
166.80 Right to Counsel

AUTHORITY: Implementing and authorized by Section 1208 of the Uniform Partnership Act [805 ILCS 206/1208].

SOURCE: Adopted at 32 Ill. Reg. 332, effective January 7, 2008; amended at 33 Ill. Reg. 9129, effective July 6, 2009; amended at 35 Ill. Reg. 8226, effective May 13, 2011; amended at 37 Ill. Reg. 12568, effective July 17, 2013.

Section 166.45 Additional Requirements for Forms

a) All documents required by this Act to be filed in the Office of the Secretary of State shall be made on the most recent version of forms prescribed and furnished by the Secretary of State. The Secretary of State employs the following forms:

1) Form UPA 303 Statement of Partnership Authority (see 805 ILCS 206/303);

2) Form UPA 304 Statement of Denial (see 805 ILCS 206/304);

3) Form UPA 704 Statement of Dissociation (see 805 ILCS 206/704);

4) Form UPA 805 Statement of Dissolution of Statement of Partnership Authority (see 805 ILCS 206/805);

5) Form UPA 907 LLP/LP Statement of Merger (see 805 ILCS 206/907);

6) Form UPA 908 LLP/LLC Statement of Merger (see 805 ILCS 206/908);

7) Form UPA 1001 Limited Liability Partnership Statement of Qualification (see 805 ILCS 206/1001);

8) Form UPA 1001(e)/1101(f) Statement of Withdrawal (see 805 ILCS 206/1001(e) and 1102(f));

9) Form UPA 1001(h)/1102(g) Statement of Amendment (see 805 ILCS 206/1001(h) and 1102(g));

10) Form UPA 1003(D) Application for Renewal of Domestic Limited Liability Partnership (see 805 ILCS 206/1003);

11) Form UPA 1003(F) Renewal Statement of Foreign Limited Liability Partnership (see 805 ILCS 206/1003);

12) Form UPA 1004 Reinstatement of Limited Liability Partnership Status (see 805 ILCS 206/1004);

13) Form UPA 1005 Resignation of Agent for Service of Process upon a Limited Liability Partnership (see 805 ILCS 206/1005);

14~~12~~) Form UPA 1102 Limited Liability Partnership Statement of Foreign Qualification (see 805 ILCS 206/1102);

15~~13~~) Form UPA 1103 Affidavit of Compliance for Service on Secretary of State (see 805 ILCS 206/1103(e) and 14 Ill. Adm. Code 166.70);~~.~~

16) Form UPA 1106 Resignation of Agent for Service of Process upon a Foreign Limited Liability Partnership (see ILCS 206/1106).

b) Fees for the above forms can be found at 805 ILCS 206/108.

c) All documents filed with the Department shall contain the federal employer identification number of the limited liability partnership with respect to which the document was filed.

d) All documents and attachments submitted by a limited liability partnership shall be typewritten on 8½ x 11" white paper.

(Source: Amended at 37 Ill. Reg. 12568, effective July 17, 2013)

SECRETARY OF STATE

NOTICE OF ADOPTED AMENDMENT

1) Heading of the Part: Uniform Limited Partnership Act (2001)

2) Code Citation: 14 Ill. Adm. Code 171

3) Section Number: 171.50 — Adopted Action: Amendment

4) Statutory Authority: Implementing and authorized by Sections 108, 108.5, 109 and 902 of the Illinois Uniform Limited Partnership Act [805 ILCS 215/108, 108.5, 109 and 902]

5) Effective Date of Rulemaking: July 17, 2013

6) Does this rulemaking contain an automatic repeal date? No

7) Does this rulemaking contain incorporations by reference? No

8) A copy of the adopted rulemaking, including any material incorporated by reference, is on file in the Agency's principal office and is available for public inspection.

9) Notice of Proposed published in the *Illinois Register*: April 5, 2013; 37 Ill. Reg. 4208

10) Has JCAR issued a Statement of Objection to this rulemaking? No

11) Differences between Proposal and Final Version: No substantive changes were made during the First Notice period. All technical changes recommended by JCAR were made.

12) Have all the changes agreed upon by the Agency and JCAR been made as indicated in the agreements issued by JCAR? Yes

13) Will this rulemaking replace any emergency rulemaking currently in effect? No

14) Are there any rulemakings pending on this Part? No

15) Summary and Purpose of Rulemaking: Updates the list of documents required to be filed with the Office of Secretary of State to include most recent versions and forms.

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

Michelle Nijm
Assistant General Counsel

SECRETARY OF STATE

NOTICE OF ADOPTED AMENDMENT

100 W. Randolph, Ste. 5-400
Chicago, IL 60601

312/814-7246

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

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

SECRETARY OF STATE

NOTICE OF ADOPTED AMENDMENT

TITLE 14: COMMERCE
SUBTITLE A: REGULATION OF BUSINESS
CHAPTER I: SECRETARY OF STATE

PART 171
UNIFORM LIMITED PARTNERSHIP ACT (2001)

Section

171.10 Prohibited Terms in Title
171.15 Improper Names
171.20 Assumed Names
171.25 Definitions
171.30 Applicability
171.35 Filing Location
171.40 Business Hours
171.45 Filing Requirements
171.50 Additional Requirements for Forms
171.55 Payment of Fees
171.60 Sale of Information
171.65 Refunds
171.70 Service of Process
171.75 Interrogatories
171.80 Right to Counsel
171.85 New Practices and Technologies

AUTHORITY: Implementing and authorized by Sections 108, 108.5, 109 and 902 of the Illinois Uniform Limited Partnership Act [805 ILCS 215/108, 108.5, 109 and 902].

SOURCE: Adopted at 29 Ill. Reg. 19696, effective November 28, 2005; amended at 32 Ill. Reg. 346, effective January 7, 2008; amended at 32 Ill. Reg. 17971, effective December 1, 2008; amended at 35 Ill. Reg. 8233, effective May 13, 2011; amended at 37 Ill. Reg. 12573, effective July 17, 2013.

Section 171.50 Additional Requirements for Forms

a) All documents required by the ULPA to be filed in the Office of the Secretary of State shall be made on the most recent version of forms prescribed and furnished by the Secretary of State. Fees for the forms can be found at 805 ILCS 215/1302. The Secretary of State employs the following forms:

SECRETARY OF STATE

NOTICE OF ADOPTED AMENDMENT

1) Form LP 108.5 Application to Adopt, Change or Cancel an Assumed Name (see 805 ILCS 215/108.5);

2) Form LP 108.5(e) Assumed Name Renewal Application (see 805 ILCS 215/108.5(e));

3) Form LP 109 Application to Reserve Name, Cancellation of Reserved Name, Transfer of Reserved Name (see 805 ILCS 215/109);

4) Form LP 115 Change of Designated Office or Agent for Service of Process (see 805 ILCS 215/115);

5) Form LP 116 Resignation of Agent for Service of Process (see 805 ILCS 215/116);

6) Form LP 117 Affidavit of Compliance for Service on Secretary of State (see 805 ILCS 215/117);

7) Form LP 201 Certificate of Limited Partnership (see 805 ILCS 215/201);

8) Form LP 202 Amendment to the Certificate of Limited Partnership (see 805 ILCS 215/202);

9) Form LP 202-RECE Restated Certificate of Limited Partnership (see 805 ILCS 215/202);

10) Form LP 203 Statement of Termination of the Certificate of Limited Partnership (see 805 ILCS 215/203);

11) Form LP 207 Statement of Correction (see 805 ILCS 215/207);

12) Form LP 210 Annual Report (see 805 ILCS 215/210);

13) Form LP 810/906.5 Application for Reinstatement (see 805 ILCS 215/810);

14) Form LP 902 Application for Certificate of Authority (see 805 ILCS 215/902);

15) Form LP 902.5 Amended Application for Certificate of Authority (see 805 ILCS 215/902);

16) Form LP 906.5 Reinstatement Following Revocation (see 805 ILCS 215/906.5);

17~~16~~) Form LP 907 Cancellation of Certificate of Authority (see 805 ILCS 215/907);

18~~17~~) Form LP 1104 Articles of Conversion (see 805 ILCS 215/1104);

19~~18~~) Form LP 1108 Articles of Merger (see 805 ILCS 215/1108).

b) All documents filed with the Department, except the original certificates of limited partnership and applications for admission of a foreign limited partnership shall contain the file number assigned to the partnership by the Department.

c) All documents and attachments submitted by a limited partnership or limited liability partnership shall be typewritten on 8½ x 11" white paper.

(Source: Amended at 37 Ill. Reg. 12573, effective July 17, 2013)

SECRETARY OF STATE

NOTICE OF ADOPTED AMENDMENTS

1) Heading of the Part: Certificates of Title, Registration of Vehicles

2) Code Citation: 92 Ill. Adm. Code 1010

3)

Section Numbers:	Adopted Action:
1010.458	Amendment
1010.465	Amendment

4) Statutory 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)]

5) Effective Date of Rulemaking: July 17, 2013

6) Does this rulemaking contain an automatic repeal date? No

7) Does this rulemaking contain incorporations by reference? No

8) A copy of the adopted rulemaking, including any material incorporated by reference, is on file in the Agency's principal office and is available for public inspection.

9) Notice of Proposed published in the *Illinois Register*: April 19, 2013; 37 Ill. Reg. 5133

10) Has JCAR issued a Statement of Objection to this rulemaking? No

11) Differences between Proposal and Final Version: No substantive changes were made during the First Notice period. All technical changes recommended by JCAR were made.

12) Have all the changes agreed upon by the Agency and JCAR been made as indicated in the agreements issued by JCAR? Yes

13) Will this rulemaking replace any emergency rulemaking currently in effect? No

14) Are there any rulemakings pending on this Part? No

15) Summary and Purpose of Rulemaking: The adopted rulemaking decreases the number of requests for license plates required to participate in the Collegiate License Plates program, but requires that the requests be accompanied by the appropriate fee for the plates. It also updates requirements for any organization seeking to change the design of its license plate.

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

Nathan Maddox
Office of the Secretary of State
Senior Legal Advisor
298 Howlett Building
Springfield, IL 62756

217/785-3094
nmaddox@ilsos.net

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

SECRETARY OF STATE

NOTICE OF ADOPTED AMENDMENTS

TITLE 92: TRANSPORTATION
CHAPTER II: SECRETARY OF STATE

PART 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
1010.200 Homemade Trailers − Title and Registration
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 Secretary of State
1010.245 Electronic Registration and Titling (ERT) Program Provisions

1010.250 Applications For Reassignment

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 Seven 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
1010.465 Requests for General Issuance Specialty License Plates
1010.470 Dealer Plate Records
1010.480 State of Illinois In-Transit Plates

SECRETARY OF STATE

NOTICE OF ADOPTED AMENDMENTS

SUBPART F: FEES

Section
1010.510 Determination of Registration Fees
1010.520 When Fees Returnable
1010.530 Circuit Breaker Registration Discount
1010.540 Fees
1010.550 Determining Age of Vehicle

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
1010.APPENDIX C Affirmation Supporting Salvage Certificate
1010.APPENDIX D Specialty License Plates Request Form

SECRETARY OF STATE

NOTICE OF ADOPTED AMENDMENTS

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)].

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; amended at 32 Ill. Reg. 17253, effective October 15, 2008; amended at 32 Ill. Reg. 17590, effective October 16, 2008; amended at 34 Ill. Reg. 3673, effective March 5, 2010; amended at 34 Ill. Reg. 10202, effective June 29, 2010; amended at 35 Ill. Reg. 1652, effective January 13, 2011; amended at 35 Ill. Reg. 8240, effective May 16, 2011; amended at 36 Ill. Reg. 7674, effective May 2, 2012; amended at 36 Ill. Reg. 14745, effective September 24, 2012; amended at 36 Ill. Reg. 17094, effective November 20, 2012; emergency amendment at 36 Ill. Reg. 17580, effective November 28, 2012, for a

maximum of 150 days; amended at 37 Ill. Reg. 4340, effective March 22, 2013; amended at 37 Ill. Reg. 8941, effective June 14, 2013; amended at 37 Ill. Reg. 12578, effective July 17, 2013.

SUBPART E: SPECIAL PERMITS AND PLATES

Section 1010.458 Collegiate License Plates

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

"College" or "University" – any accredited not-for-profit institution of higher learning, public or private, located in the State of Illinois, as specified in Section 10 of the Illinois Higher Education Student Assistance Act [110 ILCS 947/10].

"First Division vehicles" – motor vehicles ~~which are~~ designed for carrying ~~of~~ not more than 10~~ten (10)~~ persons as defined in Section 1-146 of the Illinois Vehicle Code [625 ILCS 5/1-146].

"Second Division vehicles" – motor vehicles ~~which are~~ designed for carrying more than 10~~ten (10)~~ persons, ~~those~~ motor vehicles designed or used for living quarters, ~~those~~ motor vehicles ~~which are~~ designed for pulling or carrying freight, cargo, or implements of husbandry, and ~~those~~ motor vehicles of the First Division remodeled for use and used as motor vehicles of the Second Division as defined in Section 1-146 of the Illinois Vehicle Code [625 ILCS 5/1-146].

"State College and University Trust Fund" – a special fund created in the State Treasury. Monies collected are to be distributed to each public university or college in proportion to the number of plates sold in regard to that university or college. These monies are to be distributed to the college or university for the sole purpose of scholarship grant awards.

"University Grant Fund" – a special fund created in the State Treasury. Monies collected are to be appropriated to the Illinois Student Assistance Commission for grant awards.

b) Any college of university wishing to participate in the Collegiate license plate program shall submit a written request to the Secretary of State. The request must originate from the Chief Executive of that institution.

c) The college or university must provide~~guarantee~~ a minimum ~~order quantity~~ of 1500 requests for the~~1700 sets of~~ license plates. All requests must be

accompanied by the additional fee associated with the collegiate license plate.

d) Plate design shall consist of a background color (white) with a limit or two ~~(2)~~ additional colors for depicting the school logo. All plate designs must be approved by the Secretary of State.

1) Any school's logo having a copyright attached must submit written permission from the copyright holder prior to final approval of the plate design.

2) Upon final approval of the plate design, the Secretary of State shall have a minimum of 180 days to prepare and begin issuance of that college or university license plate.

e) Any resident of the State of Illinois may purchase Collegiate license plates in accordance with Section 3-629 of the Illinois Vehicle Code [625 ILCS 5/3-629]. These special registration plates shall only be issued for first division vehicles and second division vehicles weighing ~~eight thousand (~~8,000~~)~~ pounds or less.

f) An applicant wishing to obtain Collegiate plates shall complete an application as prescribed by the Secretary. In accordance with Section 3-629 of the Illinois Vehicle Code [625 ILCS 5/3-629], applicants shall also submit an original issuance fee of $40 plus the statutory annual registration fee as specified in Section 3-806 of the Illinois Vehicle Code [625 ILCS 5/3-806]. An additional $27 fee is applicable at each renewal.

g) Of the $40 fee, $25 is deposited into the State College and University Trust Fund or the University Grant Fund whichever is appropriate, $15 is deposited into the Secretary of State Special License Plate Fund as outlined in Section 2-119(1) of the Illinois Vehicle Code [625 ILCS 5/2-119(1)].

h) In order to obtain Collegiate license plates:

1) if the present Illinois plates expire within ~~sixty (~~60~~)~~ days, upon receipt of the preprinted renewal application, the applicant shall submit the renewal application, the original issuance fee of $40 as cited in subsection (f) of this Section, and the registration fee as specified in Section 3-806 of the Illinois Vehicle Code [625 ILCS 5/3-806].

2) if the present plates do not expire within ~~sixty (~~60~~)~~ days, the applicant

shall submit the appropriate completed application with a copy of his/her current registration identification card. The applicant shall also pay a reclassification fee as provided in Section 5/3-802 of the Illinois Vehicle Code [625 ILCS 5/3-802] plus the additional $40 fee as provided in subsection (f)~~ of this Section~~.

i) Applications are available from, and should be submitted to:

Office of the Secretary of State
Non-Standard Plates Section
Michael J. Howlett Building
Springfield, IL 62756

(Source: Amended at 37 Ill. Reg. 12578, effective July 17, 2013)

Section 1010.465 Requests for General Issuance Specialty License Plates

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

"General Issuance Specialty Plate" means registration plates that have been authorized by Illinois statute with the primary goal of raising funds for a specific organization or organizations. These plates are available to the general public and not awarded based on any specific qualifying criteria.

b) The Secretary will begin production of a new general issuance license specialty plate category only after receiving 1,500 requests for that particular plate. If 1,500 requests are not received within 2 years after the effective date of the authorizing legislation, the license plate category will no longer be considered for production.

c) All requests will be on a form designated by the Secretary and will be accompanied by the fundraising organization's portion of the additional fee associated with that plate. All fees collected under this Section are non-refundable and will be deposited in the special fund as designated in the enabling legislation, regardless of whether the plate is produced. The form can be found in Appendix D and at the Secretary of State website, specifically http://www.cyberdriveillinois.com/publications/pdf_publications/vsd702.pdf.

d) The design and color of the plates is wholly within the discretion of the Secretary, except the Illinois State Police, the Secretary of State Police and either the Illinois

Sheriff's Association or the Illinois Association of Chiefs of Police must approve the design.

e) Any fundraising organization seeking to change the design of the plate must meet the following requirements:

1) The organization's plate must have been produced and available to the general public for no less than 10 years; and

2) The organization must agree to reimburse the Secretary for the following costs:

A) $12 replating cost for each vehicle currently displaying the organization's license plate;

B) the contracted price paid by the Secretary for any unissued license plates; and

C) the contracted price paid by the Secretary for any unused license plate sheeting.

f) Any license plate that is redesigned under the provisions of subsection (e) must meet the requirement set forth in subsection (d) prior to issuance by the Secretary.

(Source: Amended at 37 Ill. Reg. 12578, effective July 17, 2013)

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

NOTICE OF PEREMPTORY AMENDMENTS

1) Heading of the Part: Pay Plan

2) Code Citation: 80 Ill. Adm. Code 310

3)

Section Numbers:	Peremptory Action:
310.APPENDIX A TABLE C	Amendment
310.APPENDIX A TABLE E	Amendment

4) Reference to the Specific State or Federal Court Order, Federal Rule or Statute which Requires this Peremptory Rulemaking: The Department of Central Management Services (CMS) is amending the Pay Plan (80 Ill. Adm. Code 310) Sections 310.Appendix A Tables C and E to reflect two bargaining unit agreements.

CMS is amending Section 310.Appendix A Table C to reflect the Agreement by and between the Illinois Federation of Public Employees, Local 4408 AFT/AFL-CIO and the Department of Central Management Services State of Illinois for RC-056 effective July 1, 2012 – June 30, 2015 signed June 29, 2013. Step 1a, 1b and 1c shall be implemented for all employees hired on or after May 1, 2013 with a 3% step differential. Effective July 1, 2013, the pay rates for all bargaining unit employees shall be increased by 2%. Effective July 1, 2013, an employee on Step 8, having ten years of continuous service and three years creditable service at Step 8, shall be paid $75 per month. Effective July 1, 2013, an employee on Step 8, having fifteen years of continuous service and three years creditable service at Step 8, shall be paid $100 per month. Effective July 1, 2014, the pay rates for all bargaining unit employees shall be increased by 2%.

CMS is amending Section 310.Appendix A Table E to reflect the Agreement between the Departments of Corrections, Human Services, State Police, Veterans' Affairs and Transportation and Local #330, General Chauffeurs, Sales Drivers and Helpers (Fox Valley) effective July 1, 2012 through June 30, 2015 signed June 26, 2013. The Heavy Construction Equipment Operator title is added to those receiving the July 1, 2011 clothing allowance. Effective July 1, 2013, pay rates for bargaining unit classes shall be raised by 2%. Employees shall receive a one-time 2.25% stipend which will not be added to the base salary based on the employee's base salary effective June 1, 2013. Permanent part-time employees will be paid a pro-rated stipend based upon their regular work schedule which will not be added into the base salary. To be eligible for this stipend, the employee must be on the payroll as of June 1, 2013. Employees on leave of absence who would otherwise be eligible will receive the lump sum stipend to which they are entitled upon return to the active payroll during the fiscal year 2013. New hire rates for the 2008-2012 Collective Bargaining Agreement shall continue in effect as was

amended to 75%. All classifications shall have a 75% new hire rate for all employees hired on or after July 1, 2013. Employees who are promoted and are in the new hire progression will promote to the next step of the new hire rate of the higher classification. In addition, temporary assignments shall also be calculated at the new hire rates. Employees in the new hire rates will receive a 5% increase each year for five years on their anniversary date in order to obtain the full rate. All full scale employees will be promoted to full-scale rate of the next higher classification. Effective July 1, 2014, pay rates for bargaining unit classes shall be raised by 2%.

5) Statutory Authority: Authorized by Sections 8, 8a and 9(7) of the Personnel Code [20 ILCS 415/8, 20 ILCS 415/8a and 20 ILCS 415/9(7)], subsection (d) of Section 1□5 of the Illinois Administrative Procedure Act [5 ILCS 100/1-5(d)] and by Sections 4, 6, 15 and 21 of the Illinois Public Labor Relations Act [5 ILCS 315/4, 5 ILCS 315/6, 5 ILCS 315/15 and 5 ILCS 315/21]

6) Effective Date: July 19, 2013

7) Complete Description of the Subjects and Issues Involved: In Section 310.Appendix A Table C, the outdated rate table is removed. The rate table effective January 1, 2012 has its effective date changed to July 1, 2012. New rate tables are added. In the Note, the outdated longevity pay provision is removed and the one effective July 1, 2013 is added.

In Section 310.Appendix A Table E, a full scale rate table is added. The outdated full scale table is removed. New hire rate tables for all titles are added. The outdated new hire rate table for Highway Maintainer, Highway Maintainer (Bridge Crew) and Highway Maintainer (Drill Rig) are removed. The Note is changed to include current clothing allowance, stipend and new hire information.

8) Does this rulemaking contain an automatic repeal date? No

9) Date filed with the Index Department: July 19, 2013

10) This and other Pay Plan amendments are available in the Division of Technical Services of the Bureau of Personnel.

11) Is this rulemaking in compliance with Section 5-50 of the Illinois Administrative Procedure Act? Yes

12) Are there any other proposed rulemakings pending on this Part? Yes

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

NOTICE OF PEREMPTORY AMENDMENTS

Section Numbers:	Proposed Action:	*Illinois Register* Citation:
310.50	Amendment	37 Ill. Reg. 10740; July 19, 2013
310.280	Amendment	37 Ill. Reg. 10740; July 19, 2013
310.495	Amendment	37 Ill. Reg. 10740; July 19, 2013
310.600	Repealed	37 Ill. Reg. 10740; July 19, 2013
310.610	Repealed	37 Ill. Reg. 10740; July 19, 2013
310.620	Repealed	37 Ill. Reg. 10740; July 19, 2013
310.630	Repealed	37 Ill. Reg. 10740; July 19, 2013
310.640	Repealed	37 Ill. Reg. 10740; July 19, 2013
310.650	Repealed	37 Ill. Reg. 10740; July 19, 2013
310.660	Repealed	37 Ill. Reg. 10740; July 19, 2013
310.670	Repealed	37 Ill. Reg. 10740; July 19, 2013
310.680	Repealed	37 Ill. Reg. 10740; July 19, 2013
310.690	Repealed	37 Ill. Reg. 10740; July 19, 2013
310.Appendix A Table A	Amendment	37 Ill. Reg. 10740; July 19, 2013
310.Appendix A Table W	Amendment	37 Ill. Reg. 10740; July 19, 2013
310.Appendix A Table Y	Amendment	37 Ill. Reg. 10740; July 19, 2013
310.Appendix A Table AA	Amendment	37 Ill. Reg. 10740; July 19, 2013
310.Appendix A Table AD	Amendment	37 Ill. Reg. 10740, July 19, 2013
310.Appendix B	Repealed	37 Ill. Reg. 10740; July 19, 2013
310.Appendix B Table A	Repealed	37 Ill. Reg. 10740; July 19, 2013
310.Appendix B Table C	Repealed	37 Ill. Reg. 10740; July 19, 2013
310.Appendix B Table H	Repealed	37 Ill. Reg. 10740; July 19, 2013
310.Appendix B Table I	Repealed	37 Ill. Reg. 10740; July 19, 2013
310.Appendix B Table J	Repealed	37 Ill. Reg. 10740; July 19, 2013
310.Appendix B Table K	Repealed	37 Ill. Reg. 10740; July 19, 2013
310.Appendix B Table M	Repealed	37 Ill. Reg. 10740; July 19, 2013
310.Appendix B Table N	Repealed	37 Ill. Reg. 10740; July 19, 2013
310.Appendix B Table O	Repealed	37 Ill. Reg. 10740; July 19, 2013
310.Appendix B Table P	Repealed	37 Ill. Reg. 10740; July 19, 2013
310.Appendix B Table R	Repealed	37 Ill. Reg. 10740; July 19, 2013
310.Appendix B Table S	Repealed	37 Ill. Reg. 10740; July 19, 2013
310.Appendix B Table T	Repealed	37 Ill. Reg. 10740; July 19, 2013
310.Appendix B Table V	Repealed	37 Ill. Reg. 10740; July 19, 2013
310.Appendix B Table W	Repealed	37 Ill. Reg. 10740; July 19, 2013
310.Appendix B Table X	Repealed	37 Ill. Reg. 10740; July 19, 2013
310.Appendix B Table Y	Repealed	37 Ill. Reg. 10740; July 19, 2013
310.Appendix B Table Z	Repealed	37 Ill. Reg. 10740; July 19, 2013

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

NOTICE OF PEREMPTORY AMENDMENTS

310.Appendix B Table AB	Repealed	37 Ill. Reg. 10740; July 19, 2013
310.Appendix B Table AD	Repealed	37 Ill. Reg. 10740; July 19, 2013
310.Appendix B Table AE	Repealed	37 Ill. Reg. 10740; July 19, 2013
310.Appendix D	Amendment	37 Ill. Reg. 10740; July 19, 2013
310.Appendix G	Amendment	37 Ill. Reg. 10740; July 19, 2013

13) Statement of Statewide Policy Objective: This rulemaking affects only the employees subject to the Personnel Code and does not set out any guidelines that affect local or other jurisdictions in the State.

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

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

217/782-7964
Fax: 217/524-4570
CMS.PayPlan@Illinois.gov

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

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

NOTICE OF PEREMPTORY AMENDMENTS

TITLE 80: PUBLIC OFFICIALS AND EMPLOYEES
SUBTITLE B: PERSONNEL RULES, PAY PLANS, AND POSITION CLASSIFICATIONS
CHAPTER I: DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

PART 310
PAY PLAN

SUBPART A: NARRATIVE

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

SUBPART B: SCHEDULE OF RATES

Section
310.205 Introduction
310.210 Prevailing Rate
310.220 Negotiated Rate
310.230 Part-Time Daily or Hourly Special Services Rate (Repealed)
310.240 Daily or Hourly Rate Conversion
310.250 Member, Patient and Inmate Rate
310.260 Trainee Rate

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

NOTICE OF PEREMPTORY AMENDMENTS

310.270 Legislated Rate
310.280 Designated Rate
310.290 Out-of-State Rate (Repealed)
310.295 Foreign Service Rate (Repealed)
310.300 Educator Schedule for RC-063 and HR-010
310.310 Physician Specialist Rate
310.320 Annual Compensation Ranges for Executive Director and Assistant Executive Director, State Board of Elections (Repealed)
310.330 Excluded Classes Rate (Repealed)

SUBPART C: MERIT COMPENSATION SYSTEM

Section

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

SUBPART D: FROZEN NEGOTIATED-RATES-OF-PAY DUE TO FISCAL YEAR APPROPRIATIONS AND EXPIRED SALARY SCHEDULES IN COLLECTIVE BARGAINING UNIT AGREEMENTS

Section

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

NOTICE OF PEREMPTORY AMENDMENTS

310.600 Jurisdiction
310.610 Pay Schedules
310.620 In-Hiring Rate
310.630 Definitions
310.640 Increases in Pay
310.650 Other Pay Provisions
310.660 Effective Date
310.670 Negotiated Rate
310.680 Trainee Rate
310.690 Educator Schedule for Frozen RC-063 and Frozen HR-010

310.APPENDIX A Negotiated Rates of Pay
310.TABLE A RC-104 (Conservation Police Supervisors, Laborers' – ISEA Local #2002)
310.TABLE B VR-706 (Assistant Automotive Shop Supervisors, Automotive Shop Supervisors and Meat and Poultry Inspector Supervisors, Laborers' – ISEA Local #2002)
310.TABLE C RC-056 (Site Superintendents and Departments of Veterans' Affairs, Natural Resources, Human Services and Agriculture and Historic Preservation Agency Managers, IFPE)
310.TABLE D HR-001 (Teamsters Local #700)
310.TABLE E RC-020 (Teamsters Local #330)
310.TABLE F RC-019 (Teamsters Local #25)
310.TABLE G RC-045 (Automotive Mechanics, IFPE)
310.TABLE H RC-006 (Corrections Employees, AFSCME)
310.TABLE I RC-009 (Institutional Employees, AFSCME)
310.TABLE J RC-014 (Clerical Employees, AFSCME)
310.TABLE K RC-023 (Registered Nurses, INA)
310.TABLE L RC-008 (Boilermakers)
310.TABLE M RC-110 (Conservation Police Lodge)
310.TABLE N RC-010 (Professional Legal Unit, AFSCME)
310.TABLE O RC-028 (Paraprofessional Human Services Employees, AFSCME)
310.TABLE P RC-029 (Paraprofessional Investigatory and Law Enforcement Employees, IFPE)
310.TABLE Q RC-033 (Meat Inspectors, IFPE)
310.TABLE R RC-042 (Residual Maintenance Workers, AFSCME)
310.TABLE S VR-704 (Departments of Corrections, Financial and Professional Regulation, Juvenile Justice and State Police Supervisors, Laborers' – ISEA Local #2002)

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

NOTICE OF PEREMPTORY AMENDMENTS

310.TABLE T HR-010 (Teachers of Deaf, IFT)
310.TABLE U HR-010 (Teachers of Deaf, Extracurricular Paid Activities)
310.TABLE V CU-500 (Corrections Meet and Confer Employees)
310.TABLE W RC-062 (Technical Employees, AFSCME)
310.TABLE X RC-063 (Professional Employees, AFSCME)
310.TABLE Y RC-063 (Educators and Educator Trainees, AFSCME)
310.TABLE Z RC-063 (Physicians, AFSCME)
310.TABLE AA NR-916 (Departments of Central Management Services, Natural Resources and Transportation, Teamsters)
310.TABLE AB RC-150 (Public Service Administrators Option 6, AFSCME) (Repealed)
310.TABLE AC RC-036 (Public Service Administrators Option 8L Department of Healthcare and Family Services, INA)
310.TABLE AD RC-184 (Public Service Administrators Option 8X Department of Natural Resources, SEIU Local 73)
310.TABLE AE RC-090 (Internal Security Investigators, Metropolitan Alliance of Police Chapter 294)

310.APPENDIX B Frozen Negotiated-Rates-of-Pay

310.TABLE A Frozen RC-104-Rates-of-Pay (Conservation Police Supervisors, Laborers' – ISEA Local #2002)
310.TABLE C Frozen RC-056-Rates-of-Pay (Site Superintendents and Departments of Veterans' Affairs, Natural Resources, Human Services and Agriculture and Historic Preservation Agency Managers, IFPE)
310.TABLE H Frozen RC-006-Rates-of-Pay (Corrections Employees, AFSCME)
310.TABLE I Frozen RC-009-Rates-of-Pay (Institutional Employees, AFSCME)
310.TABLE J Frozen RC-014-Rates-of-Pay (Clerical Employees, AFSCME)
310.TABLE K Frozen RC-023-Rates-of-Pay (Registered Nurses, INA)
310.TABLE M Frozen RC-110-Rates-of-Pay (Conservation Police Lodge)
310.TABLE N Frozen RC-010 (Professional Legal Unit, AFSCME)
310.TABLE O Frozen RC-028-Rates-of-Pay (Paraprofessional Human Services Employees, AFSCME)
310.TABLE P Frozen RC-029-Rates-of-Pay (Paraprofessional Investigatory and Law Enforcement Employees, IFPE)
310.TABLE R Frozen RC-042-Rates-of-Pay (Residual Maintenance Workers, AFSCME)
310.TABLE S Frozen VR-704-Rates-of-Pay (Departments of Corrections, Financial and Professional Regulation, Juvenile Justice and State Police Supervisors, Laborers' – ISEA Local #2002)

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

NOTICE OF PEREMPTORY AMENDMENTS

310.TABLE T Frozen HR-010-Rates-of-Pay (Teachers of Deaf, IFT)
310.TABLE V Frozen CU-500-Rates-of-Pay (Corrections Meet and Confer Employees)
310.TABLE W Frozen RC-062-Rates-of-Pay (Technical Employees, AFSCME)
310.TABLE X Frozen RC-063-Rates-of-Pay (Professional Employees, AFSCME)
310.TABLE Y Frozen RC-063-Rates-of-Pay (Educators and Educator Trainees, AFSCME)
310.TABLE Z Frozen RC-063-Rates-of-Pay (Physicians, AFSCME)
310.TABLE AB Frozen RC-150-Rates-of-Pay (Public Service Administrators Option 6, AFSCME) (Repealed)
310.TABLE AD Frozen RC-184-Rates-of-Pay (Public Service Administrators Option 8X Department of Natural Resources, SEIU Local 73)
310.TABLE AE Frozen RC-090-Rates-of-Pay (Internal Security Investigators, Metropolitan Alliance of Police Chapter 294)
310.APPENDIX C Comparison of Pay Grades or Salary Ranges Assigned to Classifications
310.ILLUSTRATION A Classification Comparison Flow Chart: Both Classes are Whole
310.ILLUSTRATION B Classification Comparison Flow Chart: One Class is Whole and One is Divided
310.ILLUSTRATION C Classification Comparison Flow Chart: Both Classes are Divided
310.APPENDIX D Merit Compensation System Salary Schedule
310.APPENDIX E Teaching Salary Schedule (Repealed)
310.APPENDIX F Physician and Physician Specialist Salary Schedule (Repealed)
310.APPENDIX G Broad-Band Pay Range Classes Salary Schedule

AUTHORITY: Implementing and authorized by Sections 8 and 8a of the Personnel Code [20 ILCS 415/8 and 8a].

SOURCE: Filed June 28, 1967; codified at 8 Ill. Reg. 1558; emergency amendment at 8 Ill. Reg. 1990, effective January 31, 1984, for a maximum of 150 days; amended at 8 Ill. Reg. 2440, effective February 15, 1984; emergency amendment at 8 Ill. Reg. 3348, effective March 5, 1984, for a maximum of 150 days; emergency amendment at 8 Ill. Reg. 4249, effective March 16, 1984, for a maximum of 150 days; emergency amendment at 8 Ill. Reg. 5704, effective April 16, 1984, for a maximum of 150 days; emergency amendment at 8 Ill. Reg. 7290, effective May 11, 1984, for a maximum of 150 days; amended at 8 Ill. Reg. 11299, effective June 25, 1984; emergency amendment at 8 Ill. Reg. 12616, effective July 1, 1984, for a maximum of 150 days; emergency amendment at 8 Ill. Reg. 15007, effective August 6, 1984, for a maximum of 150 days; amended at 8 Ill. Reg. 15367, effective August 13, 1984; emergency amendment at 8 Ill.

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

NOTICE OF PEREMPTORY AMENDMENTS

Reg. 21310, effective October 10, 1984, for a maximum of 150 days; amended at 8 Ill. Reg. 21544, effective October 24, 1984; amended at 8 Ill. Reg. 22844, effective November 14, 1984; emergency amendment at 9 Ill. Reg. 1134, effective January 16, 1985, for a maximum of 150 days; amended at 9 Ill. Reg. 1320, effective January 23, 1985; amended at 9 Ill. Reg. 3681, effective March 12, 1985; emergency amendment at 9 Ill. Reg. 4163, effective March 15, 1985, for a maximum of 150 days; emergency amendment at 9 Ill. Reg. 9231, effective May 31, 1985, for a maximum of 150 days; amended at 9 Ill. Reg. 9420, effective June 7, 1985; amended at 9 Ill. Reg. 10663, effective July 1, 1985; emergency amendment at 9 Ill. Reg. 15043, effective September 24, 1985, for a maximum of 150 days; amended at 10 Ill. Reg. 3230, effective January 24, 1986; peremptory amendment at 10 Ill. Reg. 3325, effective January 22, 1986; emergency amendment at 10 Ill. Reg. 8904, effective May 13, 1986, for a maximum of 150 days; peremptory amendment at 10 Ill. Reg. 8928, effective May 13, 1986; emergency amendment at 10 Ill. Reg. 12090, effective June 30, 1986, for a maximum of 150 days; peremptory amendment at 10 Ill. Reg. 13675, effective July 31, 1986; peremptory amendment at 10 Ill. Reg. 14867, effective August 26, 1986; amended at 10 Ill. Reg. 15567, effective September 17, 1986; emergency amendment at 10 Ill. Reg. 17765, effective September 30, 1986, for a maximum of 150 days; peremptory amendment at 10 Ill. Reg. 19132, effective October 28, 1986; peremptory amendment at 10 Ill. Reg. 21097, effective December 9, 1986; amended at 11 Ill. Reg. 648, effective December 22, 1986; peremptory amendment at 11 Ill. Reg. 3363, effective February 3, 1987; peremptory amendment at 11 Ill. Reg. 4388, effective February 27, 1987; peremptory amendment at 11 Ill. Reg. 6291, effective March 23, 1987; amended at 11 Ill. Reg. 5901, effective March 24, 1987; emergency amendment at 11 Ill. Reg. 8787, effective April 15, 1987, for a maximum of 150 days; emergency amendment at 11 Ill. Reg. 11830, effective July 1, 1987, for a maximum of 150 days; peremptory amendment at 11 Ill. Reg. 13675, effective July 29, 1987; amended at 11 Ill. Reg. 14984, effective August 27, 1987; peremptory amendment at 11 Ill. Reg. 15273, effective September 1, 1987; peremptory amendment at 11 Ill. Reg. 17919, effective October 19, 1987; peremptory amendment at 11 Ill. Reg. 19812, effective November 19, 1987; emergency amendment at 11 Ill. Reg. 20664, effective December 4, 1987, for a maximum of 150 days; amended at 11 Ill. Reg. 20778, effective December 11, 1987; peremptory amendment at 12 Ill. Reg. 3811, effective January 27, 1988; peremptory amendment at 12 Ill. Reg. 5459, effective March 3, 1988; amended at 12 Ill. Reg. 6073, effective March 21, 1988; emergency amendment at 12 Ill. Reg. 7734, effective April 15, 1988, for a maximum of 150 days; peremptory amendment at 12 Ill. Reg. 7783, effective April 14, 1988; peremptory amendment at 12 Ill. Reg. 8135, effective April 22, 1988; peremptory amendment at 12 Ill. Reg. 9745, effective May 23, 1988; emergency amendment at 12 Ill. Reg. 11778, effective July 1, 1988, for a maximum of 150 days; emergency amendment at 12 Ill. Reg. 12895, effective July 18, 1988, for a maximum of 150 days; peremptory amendment at 12 Ill. Reg. 13306, effective July 27, 1988; corrected at 12 Ill. Reg. 13359; amended at 12 Ill. Reg. 14630, effective September 6, 1988; amended at 12 Ill. Reg. 20449, effective November 28, 1988; peremptory

amendment at 12 Ill. Reg. 20584, effective November 28, 1988; peremptory amendment at 13 Ill. Reg. 8080, effective May 10, 1989; amended at 13 Ill. Reg. 8849, effective May 30, 1989; peremptory amendment at 13 Ill. Reg. 8970, effective May 26, 1989; emergency amendment at 13 Ill. Reg. 10967, effective June 20, 1989, for a maximum of 150 days; emergency amendment expired November 17, 1989; amended at 13 Ill. Reg. 11451, effective June 28, 1989; emergency amendment at 13 Ill. Reg. 11854, effective July 1, 1989, for a maximum of 150 days; corrected at 13 Ill. Reg. 12647; peremptory amendment at 13 Ill. Reg. 12887, effective July 24, 1989; amended at 13 Ill. Reg. 16950, effective October 20, 1989; amended at 13 Ill. Reg. 19221, effective December 12, 1989; amended at 14 Ill. Reg. 615, effective January 2, 1990; peremptory amendment at 14 Ill. Reg. 1627, effective January 11, 1990; amended at 14 Ill. Reg. 4455, effective March 12, 1990; peremptory amendment at 14 Ill. Reg. 7652, effective May 7, 1990; amended at 14 Ill. Reg. 10002, effective June 11, 1990; emergency amendment at 14 Ill. Reg. 11330, effective June 29, 1990, for a maximum of 150 days; amended at 14 Ill. Reg. 14361, effective August 24, 1990; emergency amendment at 14 Ill. Reg. 15570, effective September 11, 1990, for a maximum of 150 days; emergency amendment expired February 8, 1991; corrected at 14 Ill. Reg. 16092; peremptory amendment at 14 Ill. Reg. 17098, effective September 26, 1990; amended at 14 Ill. Reg. 17189, effective October 2, 1990; amended at 14 Ill. Reg. 17189, effective October 19, 1990; amended at 14 Ill. Reg. 18719, effective November 13, 1990; peremptory amendment at 14 Ill. Reg. 18854, effective November 13, 1990; peremptory amendment at 15 Ill. Reg. 663, effective January 7, 1991; amended at 15 Ill. Reg. 3296, effective February 14, 1991; amended at 15 Ill. Reg. 4401, effective March 11, 1991; peremptory amendment at 15 Ill. Reg. 5100, effective March 20, 1991; peremptory amendment at 15 Ill. Reg. 5465, effective April 2, 1991; emergency amendment at 15 Ill. Reg. 10485, effective July 1, 1991, for a maximum of 150 days; amended at 15 Ill. Reg. 11080, effective July 19, 1991; amended at 15 Ill. Reg. 13080, effective August 21, 1991; amended at 15 Ill. Reg. 14210, effective September 23, 1991; emergency amendment at 16 Ill. Reg. 711, effective December 26, 1991, for a maximum of 150 days; amended at 16 Ill. Reg. 3450, effective February 20, 1992; peremptory amendment at 16 Ill. Reg. 5068, effective March 11, 1992; peremptory amendment at 16 Ill. Reg. 7056, effective April 20, 1992; emergency amendment at 16 Ill. Reg. 8239, effective May 19, 1992, for a maximum of 150 days; amended at 16 Ill. Reg. 8382, effective May 26, 1992; emergency amendment at 16 Ill. Reg. 13950, effective August 19, 1992, for a maximum of 150 days; emergency amendment at 16 Ill. Reg. 14452, effective September 4, 1992, for a maximum of 150 days; amended at 17 Ill. Reg. 238, effective December 23, 1992; peremptory amendment at 17 Ill. Reg. 498, effective December 18, 1992; amended at 17 Ill. Reg. 590, effective January 4, 1993; amended at 17 Ill. Reg. 1819, effective February 2, 1993; amended at 17 Ill. Reg. 6441, effective April 8, 1993; emergency amendment at 17 Ill. Reg. 12900, effective July 22, 1993, for a maximum of 150 days; amended at 17 Ill. Reg. 13409, effective July 29, 1993; emergency amendment at 17 Ill. Reg. 13789, effective August 9, 1993, for a maximum of 150 days; emergency amendment at 17 Ill. Reg. 14666, effective August 26,

1993, for a maximum of 150 days; amended at 17 Ill. Reg. 19103, effective October 25, 1993; emergency amendment at 17 Ill. Reg. 21858, effective December 1, 1993, for a maximum of 150 days; amended at 17 Ill. Reg. 22514, effective December 15, 1993; amended at 18 Ill. Reg. 227, effective December 17, 1993; amended at 18 Ill. Reg. 1107, effective January 18, 1994; amended at 18 Ill. Reg. 5146, effective March 21, 1994; peremptory amendment at 18 Ill. Reg. 9562, effective June 13, 1994; emergency amendment at 18 Ill. Reg. 11299, effective July 1, 1994, for a maximum of 150 days; peremptory amendment at 18 Ill. Reg. 13476, effective August 17, 1994; emergency amendment at 18 Ill. Reg. 14417, effective September 9, 1994, for a maximum of 150 days; amended at 18 Ill. Reg. 16545, effective October 31, 1994; peremptory amendment at 18 Ill. Reg. 16708, effective October 28, 1994; amended at 18 Ill. Reg. 17191, effective November 21, 1994; amended at 19 Ill. Reg. 1024, effective January 24, 1995; peremptory amendment at 19 Ill. Reg. 2481, effective February 17, 1995; peremptory amendment at 19 Ill. Reg. 3073, effective February 17, 1995; amended at 19 Ill. Reg. 3456, effective March 7, 1995; peremptory amendment at 19 Ill. Reg. 5145, effective March 14, 1995; amended at 19 Ill. Reg. 6452, effective May 2, 1995; peremptory amendment at 19 Ill. Reg. 6688, effective May 1, 1995; amended at 19 Ill. Reg. 7841, effective June 1, 1995; amended at 19 Ill. Reg. 8156, effective June 12, 1995; amended at 19 Ill. Reg. 9096, effective June 27, 1995; emergency amendment at 19 Ill. Reg. 11954, effective August 1, 1995, for a maximum of 150 days; peremptory amendment at 19 Ill. Reg. 13979, effective September 19, 1995; peremptory amendment at 19 Ill. Reg. 15103, effective October 12, 1995; amended at 19 Ill. Reg. 16160, effective November 28, 1995; amended at 20 Ill. Reg. 308, effective December 22, 1995; emergency amendment at 20 Ill. Reg. 4060, effective February 27, 1996, for a maximum of 150 days; peremptory amendment at 20 Ill. Reg. 6334, effective April 22, 1996; peremptory amendment at 20 Ill. Reg. 7434, effective May 14, 1996; amended at 20 Ill. Reg. 8301, effective June 11, 1996; amended at 20 Ill. Reg. 8657, effective June 20, 1996; amended at 20 Ill. Reg. 9006, effective June 26, 1996; amended at 20 Ill. Reg. 9925, effective July 10, 1996; emergency amendment at 20 Ill. Reg. 10213, effective July 15, 1996, for a maximum of 150 days; amended at 20 Ill. Reg. 10841, effective August 5, 1996; peremptory amendment at 20 Ill. Reg. 13408, effective September 24, 1996; amended at 20 Ill. Reg. 15018, effective November 7, 1996; peremptory amendment at 20 Ill. Reg. 15092, effective November 7, 1996; emergency amendment at 21 Ill. Reg. 1023, effective January 6, 1997, for a maximum of 150 days; amended at 21 Ill. Reg. 1629, effective January 22, 1997; amended at 21 Ill. Reg. 5144, effective April 15, 1997; amended at 21 Ill. Reg. 6444, effective May 15, 1997; amended at 21 Ill. Reg. 7118, effective June 3, 1997; emergency amendment at 21 Ill. Reg. 10061, effective July 21, 1997, for a maximum of 150 days; emergency amendment at 21 Ill. Reg. 12859, effective September 8, 1997, for a maximum of 150 days; peremptory amendment at 21 Ill. Reg. 14267, effective October 14, 1997; peremptory amendment at 21 Ill. Reg. 14589, effective October 15, 1997; peremptory amendment at 21 Ill. Reg. 15030, effective November 10, 1997; amended at 21 Ill. Reg. 16344, effective December 9, 1997; peremptory amendment at 21 Ill. Reg. 16465, effective December 4, 1997; peremptory

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

effective September 6, 2001; amended at 25 Ill. Reg. 15560, effective November 20, 2001; peremptory amendment at 25 Ill. Reg. 15671, effective November 15, 2001; amended at 25 Ill. Reg. 15974, effective November 28, 2001; emergency amendment at 26 Ill. Reg. 223, effective December 21, 2001, for a maximum of 150 days; amended at 26 Ill. Reg. 1143, effective January 17, 2002; amended at 26 Ill. Reg. 4127, effective March 5, 2002; peremptory amendment at 26 Ill. Reg. 4963, effective March 15, 2002; amended at 26 Ill. Reg. 6235, effective April 16, 2002; emergency amendment at 26 Ill. Reg. 7314, effective April 29, 2002, for a maximum of 150 days; amended at 26 Ill. Reg. 10425, effective July 1, 2002; emergency amendment at 26 Ill. Reg. 10952, effective July 1, 2002, for a maximum of 150 days; amended at 26 Ill. Reg. 13934, effective September 10, 2002; amended at 26 Ill. Reg. 14965, effective October 7, 2002; emergency amendment at 26 Ill. Reg. 16583, effective October 24, 2002, for a maximum of 150 days; emergency expired March 22, 2003; peremptory amendment at 26 Ill. Reg. 17280, effective November 18, 2002; amended at 26 Ill. Reg. 17374, effective November 25, 2002; amended at 26 Ill. Reg. 17987, effective December 9, 2002; amended at 27 Ill. Reg. 3261, effective February 11, 2003; expedited correction at 28 Ill. Reg. 6151, effective February 11, 2003; amended at 27 Ill. Reg. 8855, effective May 15, 2003; amended at 27 Ill. Reg. 9114, effective May 27, 2003; emergency amendment at 27 Ill. Reg. 10442, effective July 1, 2003, for a maximum of 150 days; emergency expired November 27, 2003; peremptory amendment at 27 Ill. Reg. 17433, effective November 7, 2003; amended at 27 Ill. Reg. 18560, effective December 1, 2003; peremptory amendment at 28 Ill. Reg. 1441, effective January 9, 2004; amended at 28 Ill. Reg. 2684, effective January 22, 2004; amended at 28 Ill. Reg. 6879, effective April 30, 2004; peremptory amendment at 28 Ill. Reg. 7323, effective May 10, 2004; amended at 28 Ill. Reg. 8842, effective June 11, 2004; peremptory amendment at 28 Ill. Reg. 9717, effective June 28, 2004; amended at 28 Ill. Reg. 12585, effective August 27, 2004; peremptory amendment at 28 Ill. Reg. 13011, effective September 8, 2004; peremptory amendment at 28 Ill. Reg. 13247, effective September 20, 2004; peremptory amendment at 28 Ill. Reg. 13656, effective September 27, 2004; emergency amendment at 28 Ill. Reg. 14174, effective October 15, 2004, for a maximum of 150 days; emergency expired March 13, 2005; peremptory amendment at 28 Ill. Reg. 14689, effective October 22, 2004; peremptory amendment at 28 Ill. Reg. 15336, effective November 15, 2004; peremptory amendment at 28 Ill. Reg. 16513, effective December 9, 2004; peremptory amendment at 29 Ill. Reg. 726, effective December 15, 2004; amended at 29 Ill. Reg. 1166, effective January 7, 2005; peremptory amendment at 29 Ill. Reg. 1385, effective January 4, 2005; peremptory amendment at 29 Ill. Reg. 1559, effective January 11, 2005; peremptory amendment at 29 Ill. Reg. 2050, effective January 19, 2005; peremptory amendment at 29 Ill. Reg. 4125, effective February 23, 2005; amended at 29 Ill. Reg. 5375, effective April 4, 2005; peremptory amendment at 29 Ill. Reg. 6105, effective April 14, 2005; peremptory amendment at 29 Ill. Reg. 7217, effective May 6, 2005; peremptory amendment at 29 Ill. Reg. 7840, effective May 10, 2005; amended at 29 Ill. Reg. 8110, effective May 23, 2005; peremptory amendment at 29 Ill. Reg. 8214, effective May 23, 2005; peremptory amendment at 29 Ill. Reg. 8418, effective

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

NOTICE OF PEREMPTORY AMENDMENTS

June 1, 2005; amended at 29 Ill. Reg. 9319, effective July 1, 2005; peremptory amendment at 29 Ill. Reg. 12076, effective July 15, 2005; peremptory amendment at 29 Ill. Reg. 13265, effective August 11, 2005; amended at 29 Ill. Reg. 13540, effective August 22, 2005; peremptory amendment at 29 Ill. Reg. 14098, effective September 2, 2005; amended at 29 Ill. Reg. 14166, effective September 9, 2005; amended at 29 Ill. Reg. 19551, effective November 21, 2005; emergency amendment at 29 Ill. Reg. 20554, effective December 2, 2005, for a maximum of 150 days; peremptory amendment at 29 Ill. Reg. 20693, effective December 12, 2005; peremptory amendment at 30 Ill. Reg. 623, effective December 28, 2005; peremptory amendment at 30 Ill. Reg. 1382, effective January 13, 2006; amended at 30 Ill. Reg. 2289, effective February 6, 2006; peremptory amendment at 30 Ill. Reg. 4157, effective February 22, 2006; peremptory amendment at 30 Ill. Reg. 5687, effective March 7, 2006; peremptory amendment at 30 Ill. Reg. 6409, effective March 30, 2006; amended at 30 Ill. Reg. 7857, effective April 17, 2006; amended at 30 Ill. Reg. 9438, effective May 15, 2006; peremptory amendment at 30 Ill. Reg. 10153, effective May 18, 2006; peremptory amendment at 30 Ill. Reg. 10508, effective June 1, 2006; amended at 30 Ill. Reg. 11336, effective July 1, 2006; emergency amendment at 30 Ill. Reg. 12340, effective July 1, 2006, for a maximum of 150 days; peremptory amendment at 30 Ill. Reg. 12418, effective July 1, 2006; amended at 30 Ill. Reg. 12761, effective July 17, 2006; peremptory amendment at 30 Ill. Reg. 13547, effective August 1, 2006; peremptory amendment at 30 Ill. Reg. 15059, effective September 5, 2006; peremptory amendment at 30 Ill. Reg. 16439, effective September 27, 2006; emergency amendment at 30 Ill. Reg. 16626, effective October 3, 2006, for a maximum of 150 days; peremptory amendment at 30 Ill. Reg. 17603, effective October 20, 2006; amended at 30 Ill. Reg. 18610, effective November 20, 2006; peremptory amendment at 30 Ill. Reg. 18823, effective November 21, 2006; peremptory amendment at 31 Ill. Reg. 230, effective December 20, 2006; emergency amendment at 31 Ill. Reg. 1483, effective January 1, 2007, for a maximum of 150 days; peremptory amendment at 31 Ill. Reg. 2485, effective January 17, 2007; peremptory amendment at 31 Ill. Reg. 4445, effective February 28, 2007; amended at 31 Ill. Reg. 4982, effective March 15, 2007; peremptory amendment at 31 Ill. Reg. 7338, effective May 3, 2007; amended at 31 Ill. Reg. 8901, effective July 1, 2007; emergency amendment at 31 Ill. Reg. 10056, effective July 1, 2007, for a maximum of 150 days; peremptory amendment at 31 Ill. Reg. 10496, effective July 6, 2007; peremptory amendment at 31 Ill. Reg. 12335, effective August 9, 2007; emergency amendment at 31 Ill. Reg. 12608, effective August 16, 2007, for a maximum of 150 days; emergency amendment at 31 Ill. Reg. 13220, effective August 30, 2007, for a maximum of 150 days; peremptory amendment at 31 Ill. Reg. 13357, effective August 29, 2007; amended at 31 Ill. Reg. 13981, effective September 21, 2007; peremptory amendment at 31 Ill. Reg. 14331, effective October 1, 2007; amended at 31 Ill. Reg. 16094, effective November 20, 2007; amended at 31 Ill. Reg. 16792, effective December 13, 2007; peremptory amendment at 32 Ill. Reg. 598, effective December 27, 2007; amended at 32 Ill. Reg. 1082, effective January 11, 2008; peremptory amendment at 32 Ill. Reg. 3095, effective February 13, 2008; peremptory amendment at 32 Ill. Reg. 6097, effective March 25,

2008; peremptory amendment at 32 Ill. Reg. 7154, effective April 17, 2008; expedited correction at 32 Ill. Reg. 9747, effective April 17, 2008; peremptory amendment at 32 Ill. Reg. 9360, effective June 13, 2008; amended at 32 Ill. Reg. 9881, effective July 1, 2008; peremptory amendment at 32 Ill. Reg. 12065, effective July 9, 2008; peremptory amendment at 32 Ill. Reg. 13861, effective August 8, 2008; peremptory amendment at 32 Ill. Reg. 16591, effective September 24, 2008; peremptory amendment at 32 Ill. Reg. 16872, effective October 3, 2008; peremptory amendment at 32 Ill. Reg. 18324, effective November 14, 2008; peremptory amendment at 33 Ill. Reg. 98, effective December 19, 2008; amended at 33 Ill. Reg. 2148, effective January 26, 2009; peremptory amendment at 33 Ill. Reg. 3530, effective February 6, 2009; peremptory amendment at 33 Ill. Reg. 4202, effective February 26, 2009; peremptory amendment at 33 Ill. Reg. 5501, effective March 25, 2009; peremptory amendment at 33 Ill. Reg. 6354, effective April 15, 2009; peremptory amendment at 33 Ill. Reg. 6724, effective May 1, 2009; peremptory amendment at 33 Ill. Reg. 9138, effective June 12, 2009; emergency amendment at 33 Ill. Reg. 9432, effective July 1, 2009, for a maximum of 150 days; amended at 33 Ill. Reg. 10211, effective July 1, 2009; peremptory amendment at 33 Ill. Reg. 10823, effective July 2, 2009; peremptory amendment at 33 Ill. Reg. 11082, effective July 10, 2009; peremptory amendment at 33 Ill. Reg. 11698, effective July 23, 2009; peremptory amendment at 33 Ill. Reg. 11895, effective July 31, 2009; peremptory amendment at 33 Ill. Reg. 12872, effective September 3, 2009; amended at 33 Ill. Reg. 14944, effective October 26, 2009; peremptory amendment at 33 Ill. Reg. 16598, effective November 13, 2009; peremptory amendment at 34 Ill. Reg. 305, effective December 18, 2009; emergency amendment at 34 Ill. Reg. 957, effective January 1, 2010, for a maximum of 150 days; peremptory amendment at 34 Ill. Reg. 1425, effective January 5, 2010; peremptory amendment at 34 Ill. Reg. 3684, effective March 5, 2010; peremptory amendment at 34 Ill. Reg. 5776, effective April 2, 2010; peremptory amendment at 34 Ill. Reg. 6214, effective April 16, 2010; amended at 34 Ill. Reg. 6583, effective April 30, 2010; peremptory amendment at 34 Ill. Reg. 7528, effective May 14, 2010; amended at 34 Ill. Reg. 7645, effective May 24, 2010; peremptory amendment at 34 Ill. Reg. 7947, effective May 26, 2010; peremptory amendment at 34 Ill. Reg. 8633, effective June 18, 2010; amended at 34 Ill. Reg. 9759, effective July 1, 2010; peremptory amendment at 34 Ill. Reg. 10536, effective July 9, 2010; peremptory amendment at 34 Ill. Reg. 11864, effective July 30, 2010; emergency amendment at 34 Ill. Reg. 12240, effective August 9, 2010, for a maximum of 150 days; peremptory amendment at 34 Ill. Reg. 13204, effective August 26, 2010; peremptory amendment at 34 Ill. Reg. 13657, effective September 8, 2010; peremptory amendment at 34 Ill. Reg. 15897, effective September 30, 2010; peremptory amendment at 34 Ill. Reg. 18912, effective November 15, 2010; peremptory amendment at 34 Ill. Reg. 19582, effective December 3, 2010; amended at 35 Ill. Reg. 765, effective December 30, 2010; emergency amendment at 35 Ill. Reg. 1092, effective January 1, 2011, for a maximum of 150 days; peremptory amendment at 35 Ill. Reg. 2465, effective January 19, 2011; peremptory amendment at 35 Ill. Reg. 3577, effective February 10, 2011; emergency amendment at 35 Ill. Reg. 4412, effective February 23, 2011, for a

maximum of 150 days; peremptory amendment at 35 Ill. Reg. 4803, effective March 11, 2011; emergency amendment at 35 Ill. Reg. 5633, effective March 15, 2011, for a maximum of 150 days; peremptory amendment at 35 Ill. Reg. 5677, effective March 18, 2011; amended at 35 Ill. Reg. 8419, effective May 23, 2011; amended at 35 Ill. Reg. 11245, effective June 28, 2011; emergency amendment at 35 Ill. Reg. 11657, effective July 1, 2011, for a maximum of 150 days; emergency expired November 27, 2011; peremptory amendment at 35 Ill. Reg. 12119, effective June 29, 2011; peremptory amendment at 35 Ill. Reg. 13966, effective July 29, 2011; peremptory amendment at 35 Ill. Reg. 15178, effective August 29, 2011; emergency amendment at 35 Ill. Reg. 15605, effective September 16, 2011, for a maximum of 150 days; peremptory amendment at 35 Ill. Reg. 15640, effective September 15, 2011; peremptory amendment at 35 Ill. Reg. 19707, effective November 23, 2011; amended at 35 Ill. Reg. 20144, effective December 6, 2011; amended at 36 Ill. Reg. 153, effective December 22, 2011; peremptory amendment at 36 Ill. Reg. 564, effective December 29, 2011; peremptory amendment at 36 Ill. Reg. 3957, effective February 24, 2012; peremptory amendment at 36 Ill. Reg. 4158, effective March 5, 2012; peremptory amendment at 36 Ill. Reg. 4437, effective March 9, 2012; amended at 36 Ill. Reg. 4707, effective March 19, 2012; amended at 36 Ill. Reg. 8460, effective May 24, 2012; peremptory amendment at 36 Ill. Reg. 10518, effective June 27, 2012; emergency amendment at 36 Ill. Reg. 11222, effective July 1, 2012, for a maximum of 150 days; peremptory amendment at 36 Ill. Reg. 13680, effective August 15, 2012; peremptory amendment at 36 Ill. Reg. 13973, effective August 22, 2012; peremptory amendment at 36 Ill. Reg. 15498, effective October 16, 2012; amended at 36 Ill. Reg. 16213, effective November 1, 2012; peremptory amendment at 36 Ill. Reg. 17138, effective November 20, 2012; peremptory amendment at 37 Ill. Reg. 3408, effective March 7, 2013; amended at 37 Ill. Reg. 4750, effective April 1, 2013; peremptory amendment at 37 Ill. Reg. 5925, effective April 18, 2013; peremptory amendment at 37 Ill. Reg. 9563, effective June 19, 2013; amended at 37 Ill. Reg. 9939, effective July 1, 2013; emergency amendment at 37 Ill. Reg. 11395, effective July 1, 2013, for a maximum of 150 days; peremptory amendment at 37 Ill. Reg. 11524, effective July 3, 2013; peremptory amendment at 37 Ill. Reg. 12588, effective July 19, 2013.

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

NOTICE OF PEREMPTORY AMENDMENTS

Section 310.APPENDIX A Negotiated Rates of Pay

Section 310.TABLE C RC-056 (Site Superintendents and Departments of Veterans' Affairs, Natural Resources, Human Services and Agriculture and Historic Preservation Agency Managers, IFPE)

Title	Title Code	Bargaining Unit	Pay Grade
Agricultural Executive	00800	RC-056	20
Agricultural Land and Water Resources Supervisor	00811	RC-056	21
Natural Resources Education Program Coordinator	28834	RC-056	20
Natural Resources Grant Coordinator	28835	RC-056	19
Natural Resources Manager I	28836	RC-056	20
Natural Resources Manager II	28837	RC-056	22
Natural Resources Manager III	28838	RC-056	24
Natural Resources Site Manager I	28841	RC-056	20
Natural Resources Site Manager II	28842	RC-056	22
Plant and Pesticide Specialist Supervisor	32506	RC-056	19
Security Officer Chief (See Note)	39875	RC-056	16
Security Officer Lieutenant (See Note)	39876	RC-056	14
Site Superintendent I	41211	RC-056	19
Site Superintendent II	41212	RC-056	21
Site Superintendent III	41213	RC-056	23
Veterinary Consumer Safety Officer	47911	RC-056	19
Veterinary Pathologist	47916	RC-056	23
Veterinary Supervisor I	47917	RC-056	21
Veterinary Supervisor II	47918	RC-056	22
Warehouse Examiner Supervisor	48786	RC-056	19

~~Effective July 1, 2011~~

		~~STEPS~~							
~~Pay Grade~~	~~Pay Plan Code~~	~~1~~	~~2~~	~~3~~	~~4~~	~~5~~	~~6~~	~~7~~	~~8~~
~~14~~	~~B~~	~~3831~~	~~3982~~	~~4155~~	~~4308~~	~~4471~~	~~4732~~	~~4826~~	~~5020~~
~~14~~	~~Q~~	~~3995~~	~~4157~~	~~4339~~	~~4501~~	~~4673~~	~~4945~~	~~5043~~	~~5246~~
~~16~~	~~B~~	~~4198~~	~~4383~~	~~4566~~	~~4757~~	~~4946~~	~~5238~~	~~5346~~	~~5560~~

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

NOTICE OF PEREMPTORY AMENDMENTS

~~16~~	~~Q~~	~~4383~~	~~4581~~	~~4770~~	~~4969~~	~~5170~~	~~5477~~	~~5698~~	~~5927~~
~~19~~	~~B~~	~~4907~~	~~5139~~	~~5377~~	~~5605~~	~~5838~~	~~6191~~	~~6311~~	~~6566~~
~~20~~	~~B~~	~~5183~~	~~5424~~	~~5683~~	~~5928~~	~~6174~~	~~6550~~	~~6679~~	~~6946~~
~~21~~	~~B~~	~~5478~~	~~5742~~	~~6009~~	~~6284~~	~~6547~~	~~6954~~	~~7094~~	~~7376~~
~~22~~	~~B~~	~~5795~~	~~6076~~	~~6365~~	~~6659~~	~~6936~~	~~7367~~	~~7515~~	~~7816~~
~~23~~	~~B~~	~~6151~~	~~6467~~	~~6774~~	~~7087~~	~~7394~~	~~7858~~	~~8014~~	~~8335~~
~~24~~	~~B~~	~~6348~~	~~6679~~	~~6998~~	~~7322~~	~~7646~~	~~8104~~	~~8287~~	~~8617~~

Effective July~~January~~ 1, 2012

		STEPS							
Pay Grade	**Pay Plan Code**	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**
14	B	3879	4032	4207	4362	4527	4791	4886	5083
14	Q	4045	4209	4393	4557	4731	5007	5106	5312
16	B	4250	4438	4623	4816	5008	5303	5413	5630
16	Q	4438	4638	4830	5031	5235	5545	5769	6001
19	B	4968	5203	5444	5675	5911	6268	6390	6648
20	B	5248	5492	5754	6002	6251	6632	6762	7033
21	B	5546	5814	6084	6363	6629	7041	7183	7468
22	B	5867	6152	6445	6742	7023	7459	7609	7914
23	B	6228	6548	6859	7176	7486	7956	8114	8439
24	B	6427	6762	7085	7414	7742	8205	8391	8725

Effective May 1, 2013

		STEPS										
Pay Grade	**Pay Plan Code**	**1c**	**1b**	**1a**	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**
14	B	3530	3646	3763	3879	4032	4207	4362	4527	4791	4886	5083
14	Q	3681	3802	3924	4045	4209	4393	4557	4731	5007	5106	5312
16	B	3868	3995	4123	4250	4438	4623	4816	5008	5303	5413	5630
16	Q	4039	4172	4305	4438	4638	4830	5031	5235	5545	5769	6001
19	B	4521	4670	4819	4968	5203	5444	5675	5911	6268	6390	6648

20	B	4776	4933	5091	5248	5492	5754	6002	6251	6632	6762	7033
21	B	5047	5213	5380	5546	5814	6084	6363	6629	7041	7183	7468
22	B	5339	5515	5691	5867	6152	6445	6742	7023	7459	7609	7914
23	B	5667	5854	6041	6228	6548	6859	7176	7486	7956	8114	8439
24	B	5849	6041	6234	6427	6762	7085	7414	7742	8205	8391	8725

Effective July 1, 2013

Pay Grade	Pay Plan Code	STEPS										
		1c	1b	1a	1	2	3	4	5	6	7	8
14	B	3601	3719	3838	3957	4113	4291	4449	4618	4887	4984	5185
14	Q	3755	3878	4002	4126	4293	4481	4648	4826	5107	5208	5418
16	B	3945	4075	4205	4335	4527	4715	4912	5108	5409	5521	5743
16	Q	4120	4255	4391	4527	4731	4927	5132	5340	5656	5884	6121
19	B	4611	4763	4915	5067	5307	5553	5789	6029	6393	6518	6781
20	B	4872	5032	5193	5353	5602	5869	6122	6376	6765	6897	7174
21	B	5148	5317	5488	5657	5930	6206	6490	6762	7182	7327	7617
22	B	5446	5625	5805	5984	6275	6574	6877	7163	7608	7761	8072
23	B	5780	5971	6162	6353	6679	6996	7320	7636	8115	8276	8608
24	B	5966	6162	6359	6556	6897	7227	7562	7897	8369	8559	8900

Effective July 1, 2014

Pay Grade	Pay Plan Code	STEPS										
		1c	1b	1a	1	2	3	4	5	6	7	8
14	B	3673	3793	3915	4036	4195	4377	4538	4710	4985	5084	5289
14	Q	3830	3956	4082	4209	4379	4571	4741	4923	5209	5312	5526
16	B	4024	4157	4289	4422	4618	4809	5010	5210	5517	5631	5858
16	Q	4202	4340	4479	4618	4826	5026	5235	5447	5769	6002	6243
19	B	4703	4858	5013	5168	5413	5664	5905	6150	6521	6648	6917
20	B	4969	5133	5297	5460	5714	5986	6244	6504	6900	7035	7317
21	B	5251	5423	5598	5770	6049	6330	6620	6897	7326	7474	7769

22	B	5555	5738	5921	6104	6401	6705	7015	7306	7760	7916	8233
23	B	5896	6090	6285	6480	6813	7136	7466	7789	8277	8442	8780
24	B	6085	6285	6486	6687	7035	7372	7713	8055	8536	8730	9078

NOTE: An employee newly hired to a position that was previously covered by the alternative formula for pension benefits prior to January 1, 2011 and, effective January 1, 2011, is covered by the standard formula for pension benefits (see the Illinois Pension Code [40 ILCS 5/1-160(g) and 14-110(b)]) shall be placed on the Pay Plan Code B salary grade assigned to the classification to which the position is allocated. An employee newly hired is an employee hired on or after January 1, 2011 who has never been a member of the State Employees' Retirement System (SERS) or any other reciprocal retirement system. Other reciprocal retirement systems are the Chicago Teachers' Pension Fund, County Employees' Annuity and Benefit Fund of Cook County, Forest Preserve District Employees' Annuity and Benefit Fund of Cook County, General Assembly Retirement System (GARS), Illinois Municipal Retirement Fund (IMRF), Judges Retirement System (JRS), Laborers' Annuity and Benefit Fund of Chicago, Metropolitan Water Reclamation District Retirement Fund, Municipal Employees Annuity and Benefit Fund of Chicago, State Universities Retirement System (SURS) and Teachers' Retirement System of the State of Illinois (TRS).

Effective July 1, 2013, an employee on Step 8, having ten years of continuous service and three years creditable service at Step 8, shall be paid $75 per month. Effective July 1, 2013, an employee on Step 8, having fifteen years of continuous service and three years creditable service at Step 8, shall be paid $100 per month.~~Effective July 1, 2011, the Step 8 rate is increased by $50/month for employees who have been on Step 8 for 1 year effective July 1, 2010 or are not eligible for the longevity increase as stated and have attained 10 years of continuous service and have 3 or more years creditable service at Step 8.~~

(Source: Amended by peremptory rulemaking at 37 Ill. Reg. 12588, effective July 19, 2013)

Section 310.APPENDIX A Negotiated Rates of Pay

Section 310.TABLE E RC-020 (Teamsters Local #330)

Full Scale Rates

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

NOTICE OF PEREMPTORY AMENDMENTS

Title	Title Code	Bargaining Unit	Pay Plan Code	Mo.	Effective Date
Highway Maintainer (Snowbirds)	18639	RC-020	Q	3664.00	January 1, 2010
Highway Maintainer (Snowbirds)	18639	RC-020	Q	3738.00	July 1, 2010
Highway Maintainer (Snowbirds)	18639	RC-020	Q	3850.00	January 1, 2011
Highway Maintainer (Snowbirds)	18639	RC-020	Q	3964.00	July 1, 2011
Highway Maintainer (Snowbirds)	18639	RC-020	Q	4083.00	January 1, 2012
Highway Maintainer (Snowbirds)	18639	RC-020	Q	4205.00	June 30, 2012

NOTE: Snowbirds are all, except those in Kankakee County, seasonal, full-time Highway Maintainers whose primary function is snow removal.

Title	Title Code	Bargaining Unit	Pay Plan Code	July 1, 2012		July 1, 2013		July 1, 2014	
				Mo.	Hr.	Mo.	Hr.	Mo.	Hr.
Bridge Mechanic	05310	RC-020	Q	5990	34.43	6110	35.11	6232	35.82
Bridge Tender	05320	RC-020	B	5663	32.55	5776	33.20	5892	33.86
Heavy Construction Equipment Operator	18465	RC-020	Q	6073	34.90	6194	35.60	6318	36.31
Heavy Construction Equipment Operator (Bridge Crew)	18465	RC-020	Q	6160	35.40	6283	36.11	6409	36.83
Highway Maintainer	18639	RC-020	Q	5947	34.18	6066	34.86	6187	35.56
Highway Maintainer (Bridge Crew)	18639	RC-020	Q	6038	34.70	6159	35.40	6282	36.10
Highway Maintainer (Drill Rig)	18639	RC-020	Q	6073	34.90	6194	35.60	6318	36.31
Highway Maintenance Lead Worker	18659	RC-020	Q	6112	35.13	6234	35.83	6359	36.55
Highway Maintenance Lead Worker (Bridge Crew)	18659	RC-020	Q	6199	35.63	6323	36.34	6449	37.06
Highway Maintenance Lead Worker (Lead Lead Worker)	18659	RC-020	Q	6174	35.48	6297	36.19	6423	36.91
Highway Maintenance Lead Worker (Lead Lead Worker) (Bridge Crew)	18659	RC-020	Q	6261	35.98	6386	36.70	6514	37.44
Labor Maintenance Lead Worker	22809	RC-020	B	5827	33.49	5944	34.16	6063	34.84
Laborer (Maintenance)	23080	RC-020	B	5757	33.09	5872	33.75	5989	34.42
Maintenance Equipment Operator	25020	RC-020	B	5873	33.75	5990	34.43	6110	35.11
Maintenance Equipment Operator	25020	RC-020	Q	6073	34.90	6194	35.60	6318	36.31
Maintenance Worker (DHS)	25500	RC-020	B	5879	33.79	5997	34.47	6117	35.16

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

NOTICE OF PEREMPTORY AMENDMENTS

Maintenance Worker (DOT, not Emergency Patrol)	25500	RC-020	B	5804	33.36	5920	34.02	6038	34.70
Power Shovel Operator (Maintenance)	33360	RC-020	Q	6073	34.90	6194	35.60	6318	36.31
Power Shovel Operator (Maintenance) (Bridge Crew)	33360	RC-020	Q	6160	35.40	6283	36.11	6409	36.83
Silk Screen Operator	41020	RC-020	B	5999	34.48	6119	35.17	6241	35.87

~~Title~~	~~Title Code~~	~~Bargaining Unit~~	~~Pay Plan Code~~	~~July 1, 2011~~		~~January 1, 2012~~	
				~~Mo.~~	~~Hr.~~	~~Mo.~~	~~Hr.~~
~~Bridge Mechanic~~	~~05310~~	~~RC-020~~	~~Q~~	~~5901~~	~~33.91~~	~~5990~~	~~34.43~~
~~Bridge Tender~~	~~05320~~	~~RC-020~~	~~B~~	~~5579~~	~~32.06~~	~~5663~~	~~32.55~~
~~Heavy Construction Equipment Operator~~	~~18465~~	~~RC-020~~	~~Q~~	~~5983~~	~~34.39~~	~~6073~~	~~34.90~~
~~Heavy Construction Equipment Operator (Bridge Crew)~~	~~18465~~	~~RC-020~~	~~Q~~	~~6069~~	~~34.88~~	~~6160~~	~~35.40~~
~~Highway Maintainer~~	~~18639~~	~~RC-020~~	~~Q~~	~~5859~~	~~33.67~~	~~5947~~	~~34.18~~
~~Highway Maintainer (Bridge Crew)~~	~~18639~~	~~RC-020~~	~~Q~~	~~5949~~	~~34.19~~	~~6038~~	~~34.70~~
~~Highway Maintainer (Drill Rig)~~	~~18639~~	~~RC-020~~	~~Q~~	~~5983~~	~~34.39~~	~~6073~~	~~34.90~~
~~Highway Maintenance Lead Worker~~	~~18659~~	~~RC-020~~	~~Q~~	~~6022~~	~~34.61~~	~~6112~~	~~35.13~~
~~Highway Maintenance Lead Worker (Bridge Crew)~~	~~18659~~	~~RC-020~~	~~Q~~	~~6107~~	~~35.10~~	~~6199~~	~~35.63~~
~~Highway Maintenance Lead Worker (Lead Lead Worker)~~	~~18659~~	~~RC-020~~	~~Q~~	~~6083~~	~~34.96~~	~~6174~~	~~35.48~~
~~Highway Maintenance Lead Worker (Lead Lead Worker) (Bridge Crew)~~	~~18659~~	~~RC-020~~	~~Q~~	~~6168~~	~~35.45~~	~~6261~~	~~35.98~~
~~Labor Maintenance Lead Worker~~	~~22809~~	~~RC-020~~	~~B~~	~~5741~~	~~32.99~~	~~5827~~	~~33.49~~
~~Laborer (Maintenance)~~	~~23080~~	~~RC-020~~	~~B~~	~~5672~~	~~32.60~~	~~5757~~	~~33.09~~
~~Maintenance Equipment Operator~~	~~25020~~	~~RC-020~~	~~B~~	~~5786~~	~~33.25~~	~~5873~~	~~33.75~~
~~Maintenance Equipment Operator~~	~~25020~~	~~RC-020~~	~~Q~~	~~5983~~	~~34.39~~	~~6073~~	~~34.90~~
~~Maintenance Worker (DHS)~~	~~25500~~	~~RC-020~~	~~B~~	~~5792~~	~~33.29~~	~~5879~~	~~33.79~~
~~Maintenance Worker (DOT, not~~	~~25500~~	~~RC-020~~	~~B~~	~~5718~~	~~32.86~~	~~5804~~	~~33.36~~

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

NOTICE OF PEREMPTORY AMENDMENTS

~~Emergency Patrol)~~							
~~Power Shovel Operator (Maintenance)~~	~~33360~~	~~RC-020~~	~~Q~~	~~5983~~	~~34.39~~	~~6073~~	~~34.90~~
~~Power Shovel Operator (Maintenance) (Bridge Crew)~~	~~33360~~	~~RC-020~~	~~Q~~	~~6069~~	~~34.88~~	~~6160~~	~~35.40~~
~~Silk Screen Operator~~	~~41020~~	~~RC-020~~	~~B~~	~~5910~~	~~33.97~~	~~5999~~	~~34.48~~

New Hire Rates

Title	Pay Plan Code	New Hire Between the Dates	July 1, 2013 Mo.	July 1, 2013 Hr.	July 1, 2014 Mo.	July 1, 2014 Hr.	On employee's "new hire" anniversary July 2014-June 2015 Mo.	On employee's "new hire" anniversary July 2014-June 2015 Hr.
Bridge Mechanic	Q	(7/1/13-6/30/14)	4583	26.34	4674	26.86	4986	28.66
Bridge Mechanic	Q	(7/1/14-6/30/15)			4674	26.86		
Bridge Tender	B	(7/1/13-6/30/14)	4332	24.90	4419	25.40	4714	27.09
Bridge Tender	B	(7/1/14-6/30/15)			4419	25.40		
Heavy Construction Equipment Operator	Q	(7/1/13-6/30/14)	4646	26.70	4739	27.24	5054	29.05
Heavy Construction Equipment Operator	Q	(7/1/14-6/30/15)			4739	27.24		
Heavy Construction Equipment Operator (Bridge Crew)	Q	(7/1/13-6/30/14)	4712	27.08	4807	27.63	5127	29.47
Heavy Construction Equipment Operator (Bridge Crew)	Q	(7/1/14-6/30/15)			4807	27.63		
Highway Maintainer	Q							

New Hire Between the Dates	July 1, 2013 Mo.	July 1, 2013 Hr.	On employee's "new hire" anniversary July 2013-June 2014 Mo.	On employee's "new hire" anniversary July 2013-June 2014 Hr.	July 1, 2014 Mo.	July 1, 2014 Hr.	On employee's "new hire" anniversary July 2014-June 2015 Mo.	On employee's "new hire" anniversary July 2014-June 2015 Hr.
(7/1/09-10/31/09)	5763	33.12	Full Scale Rate		Full Scale Rate		Full Scale Rate	
(11/1/09-12/31/09)	5459	31.37	5763	33.12	5878	33.78	Full Scale Rate	
(1/1/10-6/30/10)	5459	31.37	5763	33.12	5878	33.78	Full Scale Rate	
(7/1/10-12/31/10)	5156	29.63	5459	31.37	5568	32.00	5878	33.78

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

NOTICE OF PEREMPTORY AMENDMENTS

(1/1/11-6/30/11)	5156	29.63	5459	31.37	5568	32.00	5878	33.78
(7/1/11-12/31/11)	4853	27.89	5156	29.63	5259	30.22	5568	32.00
(1/1/12-6/30/12)	4853	27.89	5156	29.63	5259	30.22	5568	32.00
(7/1/12-12/31/12)	4550	26.15	4853	27.89	4950	28.45	5259	30.22
(1/1/13-6/30/13)	4550	26.15	4853	27.89	4950	28.45	5259	30.22
(7/1/13-6/30/14)	4550	26.15			4640	26.67	4950	28.45
(7/1/14-6/30/15)					4640	26.67		

Title	Pay Plan Code
Highway Maintainer (Bridge Crew)	Q

New Hire Between the Dates	July 1, 2013		On employee's "new hire" anniversary July 2013-June 2014		July 1, 2014		On employee's "new hire" anniversary July 2014-June 2015	
	Mo.	Hr.	Mo.	Hr.	Mo.	Hr.	Mo.	Hr.
(7/1/09-10/31/09)	5851	33.63	Full Scale Rate		Full Scale Rate		Full Scale Rate	
(11/1/09-12/31/09)	5543	31.86	5851	33.63	5968	34.30	Full Scale Rate	
(1/1/10-6/30/10)	5543	31.86	5851	33.63	5968	34.30	Full Scale Rate	
(7/1/10-12/31/10)	5235	30.09	5543	31.86	5654	32.49	5968	34.30
(1/1/11-6/30/11)	5235	30.09	5543	31.86	5654	32.49	5968	34.30
(7/1/11-12/31/11)	4927	28.32	5235	30.09	5340	30.69	5654	32.49
(1/1/12-6/30/12)	4927	28.32	5235	30.09	5340	30.69	5654	32.49
(7/1/12-12/31/12)	4619	26.55	4927	28.32	5026	28.89	5340	30.69
(1/1/13-6/30/13)	4619	26.55	4927	28.32	5026	28.89	5340	30.69
(7/1/13-6/30/14)	4619	26.55			4712	27.08	5026	28.89
(7/1/14-6/30/15)					4712	27.08		

Title	Pay Plan Code
Highway Maintainer (Drill Rig)	Q

New Hire Between the Dates	July 1, 2013	On employee's "new hire" anniversary July	July 1, 2014	On employee's "new hire" anniversary July

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

NOTICE OF PEREMPTORY AMENDMENTS

			2013-June 2014				2014-June 2015	
	Mo.	Hr.	Mo.	Hr.	Mo.	Hr.	Mo.	Hr.
(7/1/09-10/31/09)	5884	33.82	Full Scale Rate		Full Scale Rate		Full Scale Rate	
(11/1/09-12/31/09)	5575	32.04	5884	33.82	6002	34.49	Full Scale Rate	
(1/1/10-6/30/10)	5575	32.04	5884	33.82	6002	34.49	Full Scale Rate	
(7/1/10-12/31/10)	5265	30.26	5575	32.04	5686	32.68	6002	34.49
(1/1/11-6/30/11)	5265	30.26	5575	32.04	5686	32.68	6002	34.49
(7/1/11-12/31/11)	4955	28.48	5265	30.26	5370	30.86	5686	32.68
(1/1/12-6/30/12)	4955	28.48	5265	30.26	5370	30.86	5686	32.68
(7/1/12-12/31/12)	4646	26.70	4955	28.48	5054	29.05	5370	30.86
(1/1/13-6/30/13)	4646	26.70	4955	28.48	5054	29.05	5370	30.86
(7/1/13-6/30/14)	4646	26.70			4739	27.24	5054	29.05
(7/1/14-6/30/15)					4739	27.24		

Title	Pay Plan Code	New Hire Between the Dates	July 1, 2013 Mo.	July 1, 2013 Hr.	July 1, 2014 Mo.	July 1, 2014 Hr.	On employee's "new hire" anniversary July 2014-June 2015 Mo.	On employee's "new hire" anniversary July 2014-June 2015 Hr.
Highway Maintenance Lead Worker	Q	(7/1/13-6/30/14)	4676	26.87	4769	27.41	5087	29.24
Highway Maintenance Lead Worker	Q	(7/1/14-6/30/15)			4769	27.41		
Highway Maintenance Lead Worker (Bridge Crew)	Q	(7/1/13-6/30/14)	4742	27.25	4837	27.80	5159	29.65
Highway Maintenance Lead Worker (Bridge Crew)	Q	(7/1/14-6/30/15)			4837	27.80		
Highway Maintenance Lead Worker (Lead Lead Worker)	Q	(7/1/13-6/30/14)	4723	27.14	4817	27.68	5138	29.53
Highway Maintenance Lead Worker (Lead Lead Worker)	Q	(7/1/14-6/30/15)			4817	27.68		
Highway Maintenance Lead Worker (Lead Lead Worker) (Bridge Crew)	Q	(7/1/13-6/30/14)	4790	27.53	4886	28.08	5211	29.95

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

NOTICE OF PEREMPTORY AMENDMENTS

Highway Maintenance Lead Worker (Lead Lead Worker) (Bridge Crew)	Q	(7/1/14-6/30/15)			4886	28.08		
Labor Maintenance Lead Worker	B	(7/1/13-6/30/14)	4458	25.62	4547	26.13	4850	27.87
Labor Maintenance Lead Worker	B	(7/1/14-6/30/15)			4547	26.13		
Laborer (Maintenance)	B	(7/1/13-6/30/14)	4404	25.31	4492	25.82	4791	27.53
Laborer (Maintenance)	B	(7/1/14-6/30/15)			4492	25.82		
Maintenance Equipment Operator	B	(7/1/13-6/30/14)	4493	25.82	4583	26.34	4888	28.09
Maintenance Equipment Operator	B	(7/1/14-6/30/15)			4583	26.34		
Maintenance Equipment Operator	Q	(7/1/13-6/30/14)	4646	26.70	4739	27.24	5054	29.05
Maintenance Equipment Operator	Q	(7/1/14-6/30/15)			4739	27.24		
Maintenance Worker (DHS)	B	(7/1/13-6/30/14)	4498	25.85	4588	26.37	4894	28.13
Maintenance Worker (DHS)	B	(7/1/14-6/30/15)			4588	26.37		
Maintenance Worker (DOT, not Emergency Patrol)	B	(7/1/13-6/30/14)	4440	25.52	4529	26.03	4830	27.76
Maintenance Worker (DOT, not Emergency Patrol)	B	(7/1/14-6/30/15)			4529	26.03		
Power Shovel Operator (Maintenance)	Q	(7/1/13-6/30/14)	4646	26.70	4739	27.24	5054	29.05
Power Shovel Operator (Maintenance)	Q	(7/1/14-6/30/15)			4739	27.24		
Power Shovel Operator (Maintenance) (Bridge Crew)	Q	(7/1/13-6/30/14)	4712	27.08	4807	27.63	5127	29.47
Power Shovel Operator (Maintenance) (Bridge Crew)	Q	(7/1/14-6/30/15)			4807	27.63		
Silk Screen Operator	B	(7/1/13-6/30/14)	4589	26.37	4681	26.90	4993	28.70
Silk Screen Operator	B	(7/1/14-6/30/15)			4681	26.90		

~~Title~~	~~Title Code~~	~~Bargaining Unit~~	~~Pay Plan Code~~
~~Highway Maintainer~~	~~18639~~	~~RC-020~~	~~Q~~

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

NOTICE OF PEREMPTORY AMENDMENTS

~~Highway Maintainer~~

~~New Hire~~	~~July 1, 2012~~		~~On employee's "new hire" anniversary July-December 2012~~		~~January 1, 2013~~		~~On employee's "new hire" anniversary January-June 2013~~	
~~Between the Dates~~	~~Mo.~~	~~Hr.~~	~~Mo.~~	~~Hr.~~	~~Mo.~~	~~Hr.~~	~~Mo.~~	~~Hr.~~
~~(7/1/08-12/31/08)~~	~~5650~~	~~32.47~~	~~Full Scale~~					
~~(1/1/09-6/30/09)~~	~~5650~~	~~32.47~~			~~5650~~	~~32.47~~	~~Full Scale~~	
~~(7/1/09-10/31/09)~~	~~5352~~	~~30.76~~	~~5650~~	~~32.47~~	~~5650~~	~~32.47~~		
~~(11/1/09-12/31/09)~~	~~5055~~	~~29.05~~	~~5352~~	~~30.76~~	~~5352~~	~~30.76~~		
~~(1/1/10-6/30/10)~~	~~5055~~	~~29.05~~			~~5055~~	~~29.05~~	~~5352~~	~~30.76~~
~~(7/1/10-12/31/10)~~	~~4758~~	~~27.34~~	~~5055~~	~~29.05~~	~~5055~~	~~29.05~~		
~~(1/1/11-6/30/11)~~	~~4758~~	~~27.34~~			~~4758~~	~~27.34~~	~~5055~~	~~29.05~~
~~(7/1/11-12/31/11)~~	~~4460~~	~~25.63~~	~~4758~~	~~27.34~~	~~4758~~	~~27.34~~		
~~(1/1/12-6/30/12)~~	~~4460~~	~~25.63~~			~~4460~~	~~25.63~~	~~4758~~	~~27.34~~
~~(7/1/12-12/31/12)~~	~~4460~~	~~25.63~~			~~4460~~	~~25.63~~		
~~(1/1/13-6/30/13)~~					~~4460~~	~~25.63~~		

~~Highway Maintainer (Bridge Crew)~~

~~New Hire~~	~~July 1, 2012~~		~~On employee's "new hire" anniversary July-December 2012~~		~~January 1, 2013~~		~~On employee's "new hire" anniversary January-June 2013~~	
~~Between the Dates~~	~~Mo.~~	~~Hr.~~	~~Mo.~~	~~Hr.~~	~~Mo.~~	~~Hr.~~	~~Mo.~~	~~Hr.~~
~~(7/1/08-12/31/08)~~	~~5736~~	~~32.97~~	~~Full Scale~~					
~~(1/1/09-6/30/09)~~	~~5736~~	~~32.97~~			~~5736~~	~~32.97~~	~~Full Scale~~	
~~(7/1/09-10/31/09)~~	~~5434~~	~~31.23~~	~~5736~~	~~32.97~~	~~5736~~	~~32.97~~		
~~(11/1/09-12/31/09)~~	~~5132~~	~~29.49~~	~~5434~~	~~31.23~~	~~5434~~	~~31.23~~		
~~(1/1/10-6/30/10)~~	~~5132~~	~~29.49~~			~~5132~~	~~29.49~~	~~5434~~	~~31.23~~
~~(7/1/10-12/31/10)~~	~~4830~~	~~27.76~~	~~5132~~	~~29.49~~	~~5132~~	~~29.49~~		
~~(1/1/11-6/30/11)~~	~~4830~~	~~27.76~~			~~4830~~	~~27.76~~	~~5132~~	~~29.49~~
~~(7/1/11-12/31/11)~~	~~4529~~	~~26.03~~	~~4830~~	~~27.76~~	~~4830~~	~~27.76~~		

~~(1/1/12-6/30/12)~~	~~4529~~	~~26.03~~			~~4529~~	~~26.03~~	~~4830~~	~~27.76~~
~~(7/1/12-12/31/12)~~	~~4529~~	~~26.03~~			~~4529~~	~~26.03~~		
~~(1/1/13-6/30/13)~~					~~4529~~	~~26.03~~		

~~Highway Maintainer (Drill Rig)~~

~~New Hire~~	~~July 1, 2012~~		~~On employee's "new hire" anniversary July-December 2012~~		~~January 1, 2013~~		~~On employee's "new hire" anniversary January-June 2013~~	
~~Between the Dates~~	~~Mo.~~	~~Hr.~~	~~Mo.~~	~~Hr.~~	~~Mo.~~	~~Hr.~~	~~Mo.~~	~~Hr.~~
~~(7/1/08-12/31/08)~~	~~5769~~	~~33.16~~	~~Full Scale~~					
~~(1/1/09-6/30/09)~~	~~5769~~	~~33.16~~			~~5769~~	~~33.16~~	~~Full Scale~~	
~~(7/1/09-10/31/09)~~	~~5466~~	~~31.41~~	~~5769~~	~~33.16~~	~~5769~~	~~33.16~~		
~~(11/1/09-12/31/09)~~	~~5162~~	~~29.67~~	~~5466~~	~~31.41~~	~~5466~~	~~31.41~~		
~~(1/1/10-6/30/10)~~	~~5162~~	~~29.67~~			~~5162~~	~~29.67~~	~~5466~~	~~31.41~~
~~(7/1/10-12/31/10)~~	~~4858~~	~~27.92~~	~~5162~~	~~29.67~~	~~5162~~	~~29.67~~		
~~(1/1/11-6/30/11)~~	~~4858~~	~~27.92~~			~~4858~~	~~27.92~~	~~5162~~	~~29.67~~
~~(7/1/11-12/31/11)~~	~~4555~~	~~26.18~~	~~4858~~	~~27.92~~	~~4858~~	~~27.92~~		
~~(1/1/12-6/30/12)~~	~~4555~~	~~26.18~~			~~4555~~	~~26.18~~	~~4858~~	~~27.92~~
~~(7/1/12-12/31/12)~~	~~4555~~	~~26.18~~			~~4555~~	~~26.18~~		
~~(1/1/13-6/30/13)~~					~~4555~~	~~26.18~~		

Note: Effective July 1, 2011, the clothing allowance for Heavy Construction Equipment Operators, Highway Maintainers, Highway Maintenance Lead Workers, Highway Maintenance Lead Lead Workers, Silk Screen Operators, and Bridge Mechanics employees increases to $200. Effective July 1, 2011, the clothing allowance for all other titles increases to $100. The allowance shall be applied only to certified employees who are on the active payroll effective July 1. Employees on authorized leave of absence on July 1 shall be paid the allowance on a prorated basis upon return from leave.

Employees covered by this bargaining unit shall receive a one-time 2.25% stipend which will not be added to the base salary based on the employee's base salary effective June 1, 2013. Permanent part-time employee will be paid a pro-rated stipend based upon their regular work schedule which will not be added into the base salary. To be eligible for this stipend, the employee must be on the payroll effective June 1, 213. Employees on

leave of absence who would otherwise be eligible will receive the lump sum stipend to which they are entitled upon return to the active payroll during the fiscal year 2013.

New hire rates for the 2008-2012 Collective Bargaining Agreement shall continue in effect as was amended to 75%. All classification shall have a 75% new hire rate for all employees hired on or after July 1, 2013. Employees who are promoted and are in the new hire progression will promote to the next step of the new hire rate of the higher classification. Employees in the new hire rates will receive a 5% increase each year for five years on their anniversary date in order to obtain the full rate. All full scale employees will be promoted to full-scale rate of the next higher classification.

(Source: Amended by peremptory rulemaking at 37 Ill. Reg. 12588, effective July 19, 2013)

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 July 16, 2013 through July 22, 2013. The rulemakings are scheduled for review at the Committee's August 13, 2013 meeting. Other items not contained in this published list may also be considered. Members of the public wishing to express their views with respect to a rulemaking should submit written comments to the Committee at the following address: Joint Committee on Administrative Rules, 700 Stratton Bldg., Springfield IL 62706.

Second Notice Expires	Agency and Rule	Start Of First Notice	JCAR Meeting
8/30/13	Department of Natural Resources, White-Tailed Deer Hunting By Use of Firearms (17 Ill. Adm. Code 650)	5/17/13 37 Ill. Reg. 6532	8/13/13
8/30/13	Department of Natural Resources, White-Tailed Deer Hunting By Use of Muzzleloading Rifles (17 Ill. Adm. Code 660)	5/17/13 37 Ill. Reg. 6556	8/13/13
8/30/13	Department of Natural Resources, White-Tailed Deer Hunting By Use of Bow and Arrow (17 Ill. Adm. Code 670)	5/17/13 37 Ill. Reg. 6568	8/13/13
8/30/13	Department of Natural Resources, Special White-Tailed Deer Season For Disease Control (17 Ill. Adm. Code 675	5/17/13 37 Ill. Reg. 6599	8/13/13
8/30/13	Department of Natural Resources, Late-Winter Deer Hunting Season (17 Ill. Adm. Code 680)	5/17/13 37 Ill. Reg. 6606	8/13/13
8/30/13	Illinois Labor Relations Board, General Procedures (80 Ill. Adm. Code 1200)	5/3/13 37 Ill. Reg. 5762	8/13/13
8/30/13	Illinois Labor Relations Board, Gubernatorial Designation of Positions Excluded from Collective Bargaining (80 Ill. Adm. Code 1300)	5/31/13 37 Ill. Reg. 7208	8/13/13

JOINT COMMITTEE ON ADMINISTRATIVE RULES
ILLINOIS GENERAL ASSEMBLY

SECOND NOTICES RECEIVED

8/29/13	Department of Agriculture, Motor Fuel and Petroleum Standards Act (8 Ill. Adm. Code 850)	5/17/13 37 Ill. Reg. 6413	8/13/13
9/4/13	Department of Public Health, Private Sewage Disposal Code (77 Ill. Adm. Code 905)	11/9/12 36 Ill. Reg. 15940	8/13/13

ILLINOIS ADMINISTRATIVE CODE
Issue Index - With Effective Dates

Rules acted upon in Volume 37, Issue 31 are listed in the Issues Index by Title number, Part number, Volume and Issue. Inquiries about the Issue Index may be directed to the Administrative Code Division at (217) 782-7017/18.

PROPOSED RULES

44 - 8 12120
44 - 8 12143
89 - 120 12302
89 - 140 12317
89 - 160 12342
77 - 515 12391

ADOPTED RULES

29 - 410 7/19/2013 12402
29 - 420 7/19/2013 12404
32 - 335 7/19/2013 12406
32 - 605 7/19/2013 12414
32 - 620 7/19/2013 12438
38 - 190 7/16/2013 12450
77 - 4500 7/22/2013 12536
77 - 500 7/19/2013 12555
14 - 166 7/17/2013 12568
14 - 171 7/17/2013 12573
92 - 1010 7/17/2013 12578

PEREMPTORY RULES

80 - 310 7/19/2013 12588

ORDER FORM

☐ Electronic Version of the Illinois Register (E-mail Address Required) ☐ New ☐ Renewal	$290.00 (annually)
☐ Back Issues of the Illinois Register (2009 Only) Volume #_____ Issue#_____Date_____	$ 10.00 (each)
☐ Microfiche sets of the Illinois Register 1977 – 2003 Specify Year(s) _____	$ 200.00 (per set)
☐ Cumulative/Sections Affected Indices 2003 - 2006 Specify Year(s) _____	$ 5.00 (per set)
(Processing fee for credit cards purchases, if applicable.) $ 2.00 **TOTAL AMOUNT OF ORDER** $ _____	

☐ Check Make Checks Payable To: **Secretary of State**

☐ VISA ☐ Master Card ☐ Discover (There is a $2.00 processing fee for credit card purchases.)

Card #: _____ Expiration Date: _____

Signature: _____

Send Payment To: Secretary of State
Department of Index
Administrative Code Division
111 E. Monroe
Springfield, IL 62756

Fax Order To: (217) 557-8919

Name:		Attention:	ID #:
Address:			
City:		State:	Zip Code:
Phone:	Fax:	E-Mail:	

Published by **JESSE WHITE** • Secretary of State
www.cyberdriveillinois.com