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Editor's Note: The Secretary of State Index Department is providing this opportunity to remind you that the deadline to submit your January 2020 Regulatory Agenda will occur on Thursday, January 2, 2020.

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 2019

Issue#	Rules Due Date	Date of Issue
1	December 26, 2018	January 4, 2019
2	December 31, 2018	January 11, 2019
3	January 7, 2019	January 18, 2019
4	January 14, 2019	January 25, 2019
5	January 22, 2019	February 1, 2019
6	January 28, 2019	February 8, 2019
7	February 4, 2019	February 15, 2019
8	February 11, 2019	February 22, 2019
9	February 19, 2019	March 1, 2019
10	February 25, 2019	March 8, 2019
11	March 4, 2019	March 15, 2019
12	March 11, 2019	March 22, 2019
13	March 18, 2019	March 29, 2019
14	March 25, 2019	April 5, 2019
15	April 1, 2019	April 12, 2019
16	April 8, 2019	April 19, 2019
17	April 15, 2019	April 26, 2019
18	April 22, 2019	May 3, 2019
19	April 29, 2019	May 10, 2019
20	May 6, 2019	May 17, 2019
21	May 13, 2019	May 24, 2019

22	May 20, 2019	May 31, 2019
23	May 28, 2019	June 7, 2019
24	June 3, 2019	June 14, 2019
25	June 10, 2019	June 21, 2019
26	June 17, 2019	June 28, 2019
27	June 24, 2019	July 5, 2019
28	July 1, 2019	July 12, 2019
29	July 8, 2019	July 19, 2019
30	July 15, 2019	July 26, 2019
31	July 22, 2019	August 2, 2019
32	July 29, 2019	August 9, 2019
33	August 5, 2019	August 16, 2019
34	August 12, 2019	August 23, 2019
35	August 19, 2019	August 30, 2019
36	August 26, 2019	September 6, 2019
37	September 3, 2019	September 13, 2019
38	September 9, 2019	September 20, 2019
39	September 16, 2019	September 27, 2019
40	September 23, 2019	October 4, 2019
41	September 30, 2019	October 11, 2019
42	October 7, 2019	October 18, 2019
43	October 15, 2019	October 25, 2019
44	October 21, 2019	November 1, 2019
45	October 28, 2019	November 8, 2019
46	November 4, 2019	November 15, 2019
47	November 12, 2019	November 22, 2019
48	November 18, 2019	December 2, 2019
49	November 25, 2019	December 6, 2019
50	December 2, 2019	December 13, 2019
51	December 9, 2019	December 20, 2019
52	December 16, 2019	December 27, 2019

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED AMENDMENTS

- 1) Heading of the Part: Minimum Safety Standards for Transportation of Gas and for Gas Pipeline Facilities
- 2) Code Citation: 83 Ill. Adm. Code 590
- 3)

<u>Section Numbers:</u>	<u>Proposed Actions:</u>
590.10	Amendment
590.20	Amendment
- 4) Statutory Authority: Implementing and authorized by Section 3 of the Illinois Gas Pipeline Safety Act [220 ILCS 20/3].
- 5) A Complete Description of the Subjects and Issues Involved: The Illinois Gas Pipeline Safety Act requires the Commission to adopt rules establishing minimum safety standards for the transportation of gas and for pipeline facilities that are "at least as inclusive, as stringent, and compatible with" the minimum safety standards adopted by the federal government under federal law. 220 ILCS 20/3. To maintain consistency between the Illinois regulations and the comparable federal provisions, the rulemaking would change the incorporation date used in Section 590.10 from July 1, 2018, to September 1, 2019, the date of the most recent amendments to the federal provisions. The rulemaking proposes the same change for Section 590.20.
- 6) Published studies or reports, and sources of underlying data, used to compose this rulemaking: None
- 7) Will this rulemaking replace any emergency rule currently in effect? No
- 8) Does this rulemaking contain an automatic repeal date? No
- 9) Does this rulemaking contain incorporations by reference? Yes
- 10) Are there any other rulemakings pending on this Part? No
- 11) Statement of Statewide Policy Objective: The proposed rulemaking neither creates nor expands any State mandate on units of local government, school districts, or community college districts.
- 12) Time, Place and Manner in which interested persons may comment on this proposed rulemaking:

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED AMENDMENTS

Comments should be filed, within 45 days after the date of this issue of the *Illinois Register*, in Docket No. 19-1017 with:

Elizabeth Rolando, Chief Clerk
Illinois Commerce Commission
527 East Capitol Avenue
Springfield IL 62701

217/782-7434

- 13) Initial Regulatory Flexibility Analysis:
- A) Types of small businesses, small municipalities and not-for-profit corporations affected: This rulemaking will affect any subject jurisdictional entities that are also small businesses as defined in the Illinois Administrative Procedure Act. This rulemaking will not affect any small municipalities or not-for-profit corporations.
 - B) Reporting, bookkeeping or other procedures required for compliance:
Bookkeeping and filing procedures
 - C) Types of professional skills necessary for compliance: Managerial and accounting skills
- 14) Small Business Impact Analysis:
- A) Types of businesses subject to the proposed rule:

22 Utilities
 - B) Categories that the Agency reasonably believes the rulemaking will impact, including:
 - ii. regulatory requirements
 - viii. recordkeeping
- 15) Regulatory Agenda on which this rulemaking was summarized: This rulemaking was not included on either of the two most recent agendas because: The Commission did not anticipate the need for this rulemaking at that time.

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED AMENDMENTS

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

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED AMENDMENTS

TITLE 83: PUBLIC UTILITIES
CHAPTER I: ILLINOIS COMMERCE COMMISSION
SUBCHAPTER d: GAS UTILITIESPART 590
MINIMUM SAFETY STANDARDS FOR TRANSPORTATION
OF GAS AND FOR GAS PIPELINE FACILITIES

Section

590.10	Standards
590.20	Submission of Federal Reports to the Commission
590.30	Submission of Plans, Procedures and Programs
590.40	External User Accounts

AUTHORITY: Implementing and authorized by Section 3 of the Illinois Gas Pipeline Safety Act [220 ILCS 20].

SOURCE: Filed effective November 28, 1977; amended at 3 Ill. Reg. 5, p. 761, effective February 3, 1979; amended at 3 Ill. Reg. 11, p. 25, effective March 17, 1979; amended at 4 Ill. Reg. 1, p. 23, effective January 1, 1980; amended at 5 Ill. Reg. 6778, effective June 16, 1981; rules repealed, new rules adopted and codified at 7 Ill. Reg. 12858, effective September 16, 1983; amended at 8 Ill. Reg. 13195, effective July 16, 1984; amended at 10 Ill. Reg. 19405, effective November 15, 1986; amended at 11 Ill. Reg. 11733, effective July 1, 1987; amended at 12 Ill. Reg. 11707, effective July 15, 1988; recodified from 92 Ill. Adm. Code 1800 at 12 Ill. Reg. 12997; amended at 13 Ill. Reg. 16968, effective November 1, 1989; amended at 14 Ill. Reg. 10018, effective June 15, 1990; amended at 17 Ill. Reg. 12291, effective July 15, 1993; amended at 18 Ill. Reg. 11518, effective July 25, 1994; amended at 19 Ill. Reg. 13549, effective October 1, 1995; amended at 21 Ill. Reg. 8906, effective July 1, 1997; amended at 23 Ill. Reg. 11872, effective October 1, 1999; amended at 25 Ill. Reg. 11355, effective September 1, 2001; amended at 27 Ill. Reg. 12385, effective August 1, 2003; amended at 29 Ill. Reg. 11808, effective August 1, 2005; amended at 31 Ill. Reg. 11562, effective August 1, 2007; amended at 33 Ill. Reg. 12224, effective August 15, 2009; amended at 35 Ill. Reg. 14414, effective August 15, 2011; amended at 37 Ill. Reg. 15336, effective September 10, 2013; amended at 39 Ill. Reg. 10381, effective July 14, 2015; amended at 41 Ill. Reg. 10451, effective July 26, 2017; amended at 43 Ill. Reg. 5748, effective May 2, 2019; amended at 44 Ill. Reg. _____, effective _____.

Section 590.10 Standards

- a) Incorporations by Reference

ILLINOIS COMMERCE COMMISSION

NOTICE OF PROPOSED AMENDMENTS

- 1) The Illinois Commerce Commission (Commission) adopts the standards contained in 49 CFR 191.1, 191.3, 191.5, 191.7, 191.9, 191.11, 191.12, 191.13, 191.15, 191.17, 191.22, 191.23, 191.25, 191.29, 192 (excluding Section 192.12), 193 and 199 as of [September 1, 2019](#)~~July 1, 2018~~, as its minimum safety standards for the transportation of gas and for gas pipeline facilities.
 - 2) Reports otherwise required under 49 CFR 191, as incorporated by subsection (a)(1), that pertain only to the downhole portion of an "underground natural gas storage facility", as that term is defined in 49 CFR 192.3 as of [September 1, 2019](#)~~July 1, 2018~~, need not be filed with the Commission.
- b) No later amendment or editions are incorporated by this Part.

(Source: Amended at 44 Ill. Reg. _____, effective _____)

Section 590.20 Submission of Federal Reports to the Commission

Each person who engages in the transportation of gas or who owns or operates pipeline facilities shall file with the Commission any report filed with the federal Pipeline and Hazardous Materials Safety Administration pursuant to 49 CFR 191.11, 191.12, 191.13, 191.17, 191.25 and 191.29, except that reports otherwise required to be filed with the Commission under this Section that pertain only to the downhole portion of an "underground natural gas storage facility", as that term is defined in 49 CFR 192.3 as of [September 1, 2019](#)~~July 1, 2018~~, need not be filed with the Commission.

(Source: Amended at 44 Ill. Reg. _____, effective _____)

ILLINOIS GAMING BOARD

NOTICE OF PROPOSED AMENDMENTS

- 1) Heading of the Part: Video Gaming (General)
- 2) Code Citation: 11 Ill. Adm. Code 1800
- 3)

<u>Section Numbers:</u>	<u>Proposed Actions:</u>
1800.2110	New Section
1800.2120	New Section
1800.2130	New Section
1800.2140	New Section
1800.2150	New Section
1800.2160	New Section
1800.2160	New Section
1800.2170	New Section
1800.EXHIBIT A	New Section
1800.EXHIBIT B	New Section
- 4) Statutory Authority: Implementing and authorized by Sections 78 (b) and 79.5 of the Video Gaming Act [230 ILCS 40/78 (b) and 79.5] as amended by PA 101-318, effective August 9, 2019.
- 5) A Complete Description of the Subjects and Issues Involved: PA 101-318 added Section 79.5 to the Video Gaming Act (VGA) [230 ILCS 40/79.5]. This new Section requires the Illinois Gaming Board to adopt an emergency rulemaking within 90 days of the public act's August 9, 2019 effective date that does the following:

[Establishes] a policy and standards for compliance operations to investigate whether a licensed establishment, licensed fraternal establishment, licensed veterans establishment, or a licensed truck stop establishment is: (1) permitting any person under the age of 21 to use or play a video gaming terminal in violation of this Act; or (2) furnishing alcoholic liquor to persons under 21 years of age in violation of the Liquor Control Act of 1934.

The present rule implements the above statutory requirement. As required by Section 79.5, the policy and standards established by this rulemaking are similar to the model policy and guidelines adopted by the Illinois Law Enforcement Training and Standards Board pursuant to subsection (c) of Section 6-16.1 of the Liquor Control Act of 1934 [235 ILCS 5/6-16.1 (c)]. The rule also tracks the provisions of the Illinois Gaming Board's existing "Operational Procedure Guidelines for Underage Gambling Compliance

ILLINOIS GAMING BOARD

NOTICE OF PROPOSED AMENDMENTS

checks by Illinois Gaming Board Agents", which itself is based on the Illinois Law Enforcement Training and Standards Board's model policy and guidelines.

The rulemaking does the following:

Section 1800.2110 establishes the statutory basis for the emergency rulemaking.

Section 1800.2120 sets forth program considerations. It requires Illinois Gaming Board (Board) investigators to undertake underage video gaming compliance checks with the ultimate goal of visiting all licensed video gaming locations in the State according to an annualized schedule that ensures random visitations. Board investigators may also initiate unscheduled operations based on a review of citizen reports or police complaints. Board investigators shall use operational plans and checklists. They are directed to seek legal advice, as appropriate, from the Board's general counsel.

Section 1800.2130 deals with utilization of the confidential sources in underage compliance checks. These confidential sources shall be of good character, have no criminal history and an acceptable driving record. The confidential sources shall be either 18 or 19 years old. They shall be required to sign and understand Youth Participation and Underage Gambling Participant Acknowledgment forms as these are set forth in the exhibits contained in Sections 1800.EXHIBIT A and 1800.EXHIBIT B. Each confidential source shall be photographed to establish physical appearance. Confidential sources shall be searched and allowed to carry only a State ID issued by the Secretary of State or no identification. They shall agree to make all reasonable efforts to be available for hearings or court proceedings. Confidential sources shall receive orientations on utilization of video gaming terminals and on entrapment issues. All service as a confidential source shall be strictly voluntary.

Section 1800.2140 authorizes confidential sources to be provided with funds issued in compliance with Illinois State Police policy, as well as other funds made available to the Board by means of State appropriations, State or federal agency grants, or other funding sources. Funding sources may impose specific conditions for expenditure and accounting. To assure proper use of the funds, the rule requires the following: photocopying in advance; no expenditures for food; pre-approval of all covert alcohol purchases; pre-approval of all confidential source payment; pre-approval by a detail supervisor of expenditures by a confidential source; and pre-approval of funds for surveillance.

ILLINOIS GAMING BOARD

NOTICE OF PROPOSED AMENDMENTS

Section 1800.2150 establishes operational procedures for underage compliance checks. Operational plans shall be submitted prior to each detail and approved by the Board investigator serving as operations officer. A photograph shall be taken of the confidential source at the time of the compliance check operation showing his or her appearance and dress. This photograph shall be available for hearing, along with an investigator who took the photo or observed it being taken. Board investigators shall be assigned to each detail team, including a detail supervisor, covert investigator, handler of the confidential source, investigator assigned to identify and confront the employee responsible for monitoring the video gaming terminals, and additional investigators serving in a support capacity. The investigator/handler shall direct the confidential source to enter the licensed video gaming location alone after surveillance positions have been taken by the covert investigators. All attempts by the confidential source to gamble shall be monitored. The confidential source shall sit at a video gaming terminal (VGT) and play a minimum bet per hand for a pre-determined number of plays. After these plays have been completed, the confidential source shall obtain a voucher, exit the location, and give the voucher to investigators. Following the compliance check, reports shall be made by the investigators and confidential source. If a violation is found, an investigator shall identify himself or herself to the on-site manager, explain the nature of the violation, ascertain the identity of the employee monitoring the VGTs, and obtain licensee information, photographs, and all other necessary information. If no violation is found, the location shall be notified of this determination within 30 days.

Section 1800.2160 addresses reporting and evidence. A separate report shall be generated for each licensed video gaming location found in violation. The report shall set forth details of the compliance operation and indicate whether it was scheduled or unscheduled. Evidence generated during a compliance check that results in a finding of violation shall be marked, transported, copied and secured at headquarters by the designated investigator.

Section 1800.2170 directs investigators engaging in underage compliance checks to comply with the directive in Section 79 of the VGA [230 ILCS 40/79] that they shall exercise their powers, to the fullest extent practicable, in cooperation with local law enforcement officials. Section 79 of the Video Gaming Act is directly relevant here because it is the local law enforcement officials, either city or county, who have primary responsibility to do underage alcohol checks, whereas Illinois Gaming Board investigators are entrusted with underage video gaming checks.

Section 1800.EXHIBIT A contains the Youth Participation Consent form.

ILLINOIS GAMING BOARD

NOTICE OF PROPOSED AMENDMENTS

Section 1800.EXHIBIT B contains the Underage Gambling Participant Acknowledgement Form.

- 6) Published studies and reports, and underlying sources of data, used to compose this rulemaking: This rulemaking was composed on the basis of two underlying documents. The first document is the model policy and guidelines adopted by the Illinois Law Enforcement Training and Standards Board pursuant to subsection (c) of Section 6-16.1 of the Liquor Control Act of 1934 [235 ILCS 5/6-16.1 (c)].

The second document used to compose the rule is the Illinois Gaming Board's existing "Operational Procedure Guidelines for Underage Gambling Compliance checks by Illinois Gaming Board Agents", which itself is based on the Illinois Law Enforcement Training and Standards Board's model policy and guidelines.

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

<u>Section Numbers:</u>	<u>Proposed Actions:</u>	<u>Illinois Register Citations:</u>
1800.110	Amendment	43 Ill. Reg. 9209, August 30, 2019
1800.250	Amendment	43 Ill. Reg. 9209, August 30, 2019
1800.260	Amendment	43 Ill. Reg. 9209, August 30, 2019
1800.420	Amendment	43 Ill. Reg. 9209, August 30, 2019
1800.430	Amendment	43 Ill. Reg. 9209, August 30, 2019
1800.540	Amendment	43 Ill. Reg. 9209, August 30, 2019
1800.580	Amendment	43 Ill. Reg. 9209, August 30, 2019
1800.1810	New Section	43 Ill. Reg. 9209, August 30, 2019
1800.1910	New Section	43 Ill. Reg. 9312, September 6, 2019
1800.1920	New Section	43 Ill. Reg. 9312, September 6, 2019
1800.1930	New Section	43 Ill. Reg. 9312, September 6, 2019
1800.1940	New Section	43 Ill. Reg. 9312, September 6, 2019
1800.2010	New Section	43 Ill. Reg. 12767, November 1, 2019
1800.2020	New Section	43 Ill. Reg. 12767, November 1, 2019
1800.2030	New Section	43 Ill. Reg. 12767, November 1, 2019
1800.2040	New Section	43 Ill. Reg. 12767, November 1, 2019

ILLINOIS GAMING BOARD

NOTICE OF PROPOSED AMENDMENTS

1800.2050	New Section	43 Ill. Reg. 12767, November 1, 2019
1800.2060	New Section	43 Ill. Reg. 12767, November 1, 2019

- 11) Statement of Statewide Policy Objective: This rulemaking does not create or expand a State mandate under 30 ILCS 805.
- 12) Time, place and manner in which interested persons may comment on this proposed rulemaking: Any interested person may submit comments in writing concerning this proposed rulemaking not later than 45 days after publication of this Notice in the *Illinois Register* to:
- Agostino Lorenzini
General Counsel
Illinois Gaming Board
160 North LaSalle Street
Chicago IL 60601
- fax: 312/814-7253
Agostino.lorenzini@igb.illinois.gov
- 13) Initial Regulatory Flexibility Analysis:
- A) Types of small businesses, small municipalities and not-for-profit corporations affected: The rulemaking will affect small businesses that are licensed as video gaming locations under the Act. These businesses will be subject to underage compliance checks as provided by the rule.
- B) Reporting, bookkeeping or other procedures required for compliance: The rulemaking requires Illinois Gaming Board investigators to file reports on all underage compliance checks as provided by new Section 1800.2160.
- C) Types of professional skills necessary for compliance: No new professional skills will be required. Implementation of the rule will require investigation skills currently possessed by Illinois Gaming Board investigators.
- 14) Small business impact analysis:
- A) Types of businesses subject to the proposed rule:

ILLINOIS GAMING BOARD

NOTICE OF PROPOSED AMENDMENTS

- 44-45 Retail Trade
- 71 Arts, Entertainment and Recreation

B) Categories that the Agency reasonably believes the rulemaking will impact, including:

- i. hiring and additional staffing
- ii regulatory requirements

- 15) Regulatory Agenda on which this rulemaking was summarized: This rulemaking was not summarized in a regulatory agenda.

The full text of the Proposed Amendments is identical to that of the Emergency Amendments found in this issue of the *Illinois Register* on page 13785.

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

- 1) Heading of the Part: General Provisions
- 2) Code Citation: 50 Ill. Adm. Code 2500
- 3)

<u>Section Numbers:</u>	<u>Proposed Actions:</u>
2500.10	Amendment
2500.20	Repealed
2500.30	Repealed
2500.40	Amendment
2500.50	Amendment
2500.60	Amendment
2500.70	Amendment
2500.80	Amendment
2500.90	New Section
2500.100	New Section
2500.110	New Section
2500.120	New Section
2500.130	New Section
2500.140	New Section
- 4) Statutory Authority: Implementing Sections 408, 409, 410, 412, 444 and 444.1 and authorized by Sections 401 and 409(5) of the Illinois Insurance Code [215 ILCS 5] and Section 12 of the Fire Investigation Act [425 ILCS 25].
- 5) A Complete Description of the Subjects and Issues Involved: Upon reviewing current Department of Insurance rules for those that may be duplicative, outdated or overly burdensome, it was determined that Part 2500 should be amended. The rule was last amended in 2007 and much of it was out of date. The current amendments remove language that unnecessarily repeats statutory requirements and consolidates the remaining necessary text from Parts 2505-2525, which are being repealed into this Part. will revise and update definitions and outdated references. Technical and stylistic changes were made to make rule consistent with current Illinois Administrative Code style.

Substantive changes to the processes described in these rules include:

 - The hearing process was changed to an audit process because that is what is required by statute. In practice, the Department never grants hearings under the current Rule because if a person properly alleges a statutory basis, the Department will correct any mistake made without a hearing. Per a recent audit finding, the

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

Department cannot waive or adjust statutorily required taxes, fees, or other charges and must collect those taxes fines and other charges required by statute, thus a hearing on the issue of whether an assessed amount is owed has proven futile.

- The provision that requires the Department to publishes names of companies or persons that write the Department bad checks is removed because this is not a current practice of the Department.
 - The provision setting out a per diem examination charge has been removed because the statutory provision is very specific and allows for charges to increase over time as costs increase.
 - The amendments allow the Department to use an overpayment to offset any type of tax, fee or charge on the company's balance, where the current rule limited the offset to the same type of tax, fee, or charge. The amendments also allow companies to transfer overpayments to another company's balance, regardless of the type of tax, fee, or charge.
 - The provision regarding calculation of the portion each company who is part an aggregate group pays in income taxes to define "net income" net sales within Illinois, non-unitary or combined partnership business income or loss, and net gain or loss of members who are not C Corporations, as reported on that year's Schedule UB of the IL 1120, Step 4.
- 6) Published studies or reports, and sources of underlying data, used to compose this rulemaking: None
- 7) Will this rulemaking replace an emergency rule 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 rulemakings pending on this Part? No
- 11) Statement of Statewide Policy Objective: This rulemaking will not require a local government to establish, expand or modify its activities in such a way as to necessitate additional expenditures from local revenues.

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

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

Kathryn Williams, Assistant General Counsel Department of Insurance 320 West Washington, 4 th Floor Springfield IL 62767-0001	or	Susan Anders, Rules Coordinator Department of Insurance 320 West Washington, 4 th Floor Springfield IL 62767-0001
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217/557-1416

217/558-0957

- 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) Small Business Impact Analysis: The Department determined that the rulemaking will not have an adverse impact on small businesses.
- 15) Regulatory Agenda on which this rulemaking was summarized: January 2019

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

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

TITLE 50: INSURANCE
 CHAPTER I: DEPARTMENT OF INSURANCE
 SUBCHAPTER ee: FEES, CHARGES AND TAXES

PART 2500

FEES, CHARGES AND TAXES~~GENERAL PROVISIONS~~

Section	
2500.10	Purpose
2500.20	Applicability (<u>Repealed</u>)
2500.30	Severability (<u>Repealed</u>)
2500.40	Definitions
2500.50	<u>Audit</u> Hearings
2500.60	Computation of Time and Time of Filing
2500.70	<u>Form of Payment, Forms and Returns</u>
2500.80	Calculation Guidelines
<u>2500.90</u>	<u>Fees and Charges</u>
<u>2500.100</u>	<u>Annual Privilege Tax</u>
<u>2500.110</u>	<u>Annual Retaliatory Tax</u>
<u>2500.120</u>	<u>Overpayments and Amendments</u>
<u>2500.130</u>	<u>Cash Refunds</u>
<u>2500.140</u>	<u>Transfer of Overpayments</u>

AUTHORITY: Implementing Sections 408, 409, 410, 412, 444 and 444.1 and authorized by Sections 401 and 409(5) of the Illinois Insurance Code [215 ILCS 5] and Section 12 of the Fire Investigation Act [425 ILCS 25].

SOURCE: Adopted at 22 Ill. Reg. 290, effective December 21, 1998; transferred from the Department of Insurance to the Department of Financial and Professional Regulation pursuant to Executive Order 2004-6 on July 1, 2004; amended at 31 Ill. Reg. 14729, effective October 16, 2007; transferred from the Department of Financial and Professional Regulation to the Department of Insurance pursuant to Executive Order 2009-4 on June 1, 2009; recodified at 41 Ill. Reg. 12924; amended at 44 Ill. Reg. _____, effective _____.

Section 2500.10 Purpose

This Part sets forth processes implementing assessment~~ertain procedural requirements for hearings, filing requirements, definitions, and payment of fees, taxes calculation guidelines concerning 50 Ill. Adm. Code, Subchapter ee Fees, Charges and Taxes, and other charges~~

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pursuant to Sections 408, 409, 410, 412, 444 and 444.1 of the Illinois Insurance Code [215 ILCS 5] and Section 12 of the Fire Investigation Act [425 ILCS 25].

(Source: Amended at 44 Ill. Reg. _____, effective _____)

Section 2500.20 Applicability (Repealed)

~~This Part applies to any person or company conducting or transacting any of the actions assessed a fee pursuant to Section 408 of the Illinois Insurance Code, or a tax pursuant to Sections 409, 444 and 444.1 of the Illinois Insurance Code [215 ILCS 5/408, 409, 444 and 444.1] (see P.A. 90-583, effective May 29, 1998) and Section 12 of the Fire Investigation Act [425 ILCS 25/12].~~

(Source: Repealed at 44 Ill. Reg. _____, effective _____)

Section 2500.30 Severability (Repealed)

~~If any Section, subsection, paragraph, sentence, clause, or phrase of this Part is declared invalid for any reason, the remaining portions of this Part that are severable from the invalid portion shall remain in full force and effect. If any portion of this Part is declared invalid in one or more of its applications, the remaining portion shall be severable and in effect in all valid applications.~~

(Source: Repealed at 44 Ill. Reg. _____, effective _____)

Section 2500.40 Definitions

~~Except as stated and unless a different meaning of a term is clear from its context, the definitions of terms used in this Part which are not defined below shall be the same as those used in any of the Acts in Chapter 215 of the Illinois Compiled Statutes.~~

~~Accident and Health Insurance means *insurance against bodily injury, disablement or death by accident and against disablement resulting from sickness or old age and every insurance appertaining thereto, including stop-loss insurance* covering such risks [215 ILCS 5/4(b)].~~

~~"Affiliated group"Group means a group of companies affiliated, as of the preceding calendar year end, pursuant to Article VIII½ of the Code entitled Insurance Holding Company Systems [215 ILCS 5/131.1 through 131.28].~~

~~*Alien Company means a company which is incorporated or organized under the*~~

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~~laws of any country other than the United States [215 ILCS 5/408(12)(e)].~~

~~"Annual return"~~Return or Return means the information filed pursuant to ~~50 Ill. Adm. Code 2510.90, 2515.80 or 2520.70 and~~ Section 410 of the Illinois Insurance Code ~~[215 ILCS 5/410].~~

~~Articles of Incorporation means the basic instrument of an incorporated company and all amendments thereto and includes "Charter," "Articles of Organization," "Articles of Reorganization," "Articles of Association," and "Deed of Settlement" [215 ILCS 5/2(p)].~~

~~Assessment Legal Reserve Life Company means a life insurance company issuing contracts providing for contingent liability on the policyholder [215 ILCS 5/2(j)].~~

~~Association Captive Insurance Company means any company that insures risks of the member organizations of an association and their affiliated companies [215 ILCS 5/123C-1(C)].~~

~~Burial Society means a person, firm, corporation, society or association of individuals authorized by the Director to do business in this State under the provisions of Article XIX of the Illinois Insurance Code [215 ILCS 5/408(12)(f)].~~

"Check" means corporation check, money order or cashier's check.

"Code" means the Illinois Insurance Code [215 ILCS 5].

~~Company means an insurance or surety company and shall be deemed to include a corporation, company, partnership, association, society, organization, order, Risk Retention Group, individual or aggregation of individuals engaging in or proposing or attempting to engage in any kind of insurance or surety business, including the exchanging of reciprocal or interinsurance contracts between individuals, partnerships and corporations [215 ILCS 5/2(e)].~~

"Corporate and replacement income tax"~~Income Tax~~ means the income tax described in~~assessed against corporations pursuant to~~ Section 201(a), and (b), (c) and (d), and paid pursuant to Sections 601 and 803, of the Illinois Income Tax Act ~~[35 ILCS 5/201(a) and (b)].~~

~~Country or Foreign Country means a state, province or political subdivision~~

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~~thereof [215 ILCS 5/2(d)].~~

~~Dental Service Plan means a plan or system under which dental service may be rendered to a subscriber or other beneficiary by a duly licensed dentist, at the expense of a dental service plan corporation, in consideration of prepayments made by or on behalf of a subscriber prior to the occurrence of the condition requiring dental service [215 ILCS 110/4].~~

~~"Department" means the Department of Insurance [215 ILCS 5/2(b)].~~

~~"Director" means the Director of Insurance [215 ILCS 5/2(a)].~~

~~Domestic Company means a company which is incorporated or organized under the laws of this State, and in addition includes a not for profit corporation authorized under the Dental or Voluntary Health Service Plan Acts, and a health maintenance organization and a limited health service organization [215 ILCS 5/408(12)(a)].~~

~~Domestic Surplus Line Insurer means any company as defined in Section 445a of the Code [215 ILCS 5/445a].~~

~~Farm Mutual means a district, county and township mutual insurance company authorized by the Director to do business in this State under the provisions of the Farm Mutual Insurance Company Act of 1986 [215 ILCS 5/408(12)(g)].~~

~~Foreign Company means a company which is incorporated or organized under the laws of any state of the United States other than this State and in addition includes a health maintenance organization or a limited health service organization which is incorporated or organized under the laws of any state of the United States other than this State [215 ILCS 5/408(12)(b)].~~

~~Fraternal Benefit Society means a corporation, society, order, lodge or voluntary association as defined in Section 282.1 of the Code [215 ILCS 5/282.1]. [215 ILCS 5/408(12)(d)]~~

~~Group Workers' Compensation Self-insurance Pooling Trust means any group organized pursuant to Section 4a of the Workers' Compensation Act [820 ILCS 305/4a].~~

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~~Health Maintenance Organization means any organization formed under the laws of this or another state to provide or arrange for one or more health care plans under a system which causes any part of the risk of health care delivery to be borne by the organization or its providers [215 ILCS 125/1-2(9)].~~

~~Illinois Fair Plan means the basic property insurance pursuant to Section 522 of the Code [215 ILCS 5/522].~~

~~Illinois Guaranty Fund means the guaranty fund established pursuant to Article XXXIV of the Code [215 ILCS 5/532 through 533].~~

~~Illinois Insurance Exchange (INEX Insurance Exchange) means the non-profit corporation organized pursuant to Section 107.26 of the Code [215 ILCS 5/107.26].~~

~~Illinois Life and Health Guaranty Association means the guaranty association established pursuant to Article XXXIII $\frac{1}{2}$ of the Code [215 ILCS 5/531.01 through 531.19].~~

~~Industrial Insured Captive Insurance Company means any company that insures risks of industrial insureds that are members of the industrial insured group, and their affiliated companies [215 ILCS 5/123C-1(G)].~~

~~Interstate Insurance Receivership Commission means the organization established pursuant to Article X of the Interstate Insurance Receivership Compact [45 ILCS 160].~~

~~Life and Health Guaranty Association Assessment means any fees assessed against members of the Illinois Life and Health Guaranty Association pursuant to Section 531.09 of the Code [215 ILCS 5/531.09].~~

~~Limited Health Service Organization means any organization formed under the laws of this or another state to provide or arrange for one or more limited health care plans under a system which causes any part of the risk of limited health care delivery to be borne by the organization or its providers [215 ILCS 130/1002].~~

~~Mutual Benefit Association means a company, association or corporation authorized by the Director to do business in this State under the provisions of Article XVIII of the Code [215 ILCS 5/408(12)(e)].~~

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~~Payor means the entity that actually pays the fee, charge and/or tax to the Department.~~

~~Person means an individual, aggregation of individuals, corporation, association and partnership [215 ILCS 5/2(1)].~~

~~Pure Captive Insurance Company means any company that insures only risks of its parent or affiliated companies or both [215 ILCS 5/123C-1(L)].~~

~~Quarterly Statement means the information filed pursuant to 50 Ill. Adm. Code 2510. Illustration C, 2515.80 and Section 410 of the Code [215 ILCS 5/410].~~

~~Religious and Charitable Risk Pooling Trust means any number of organizations which are all exempt from taxation under Section 501(c)(3) of the Internal Revenue Code of 1986 and which are organized pursuant to the Religious and Charitable Risk Pooling Trust Act [215 ILCS 150].~~

~~Reinsurance means that form of insurance referenced in Article XI of the Code, entitled Reinsurance [215 ILCS 5/173 through 179b].~~

~~Replacement Income Tax means the income tax assessed against corporations pursuant to Section 201(c) and (d) of the Illinois Income Tax Act [35 ILCS 5/201(c) and (d)].~~

~~Risk Purchasing Group means a group formed pursuant to the provisions of the federal Liability Risk Retention Act of 1986 and as defined in Section 123B-2(10) of the Code [215 ILCS 5/123B-2(10)].~~

~~Risk Retention Group means any corporation or association that is defined as a Risk Retention group pursuant to Section 123B-2(11) of the Code [215 ILCS 5/123B-2(11)].~~

~~Self-insurer means any person who bears a risk of loss in which such person has and maintains an insurable interest without sharing such risk of loss with any party who has no insurable interest in the subject of risk.~~

~~Special Purpose Entity means the Interstate Insurance Receivership Commission, Illinois Guaranty Fund, or Illinois Life and Health Guaranty Association.~~

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~~State Fire Marshal Tax means the tax assessed pursuant to Section 12 of the Fire Investigation Act [425 ILCS 25/12].~~

~~Statutory Residual Market Entity or an entity created for similar purpose means insurance obtained or offered through the following: Illinois Fair Plan, Illinois Mine Subsidence Insurance Fund [215 ILCS 5/Art. XXXVIII], Illinois Automobile Insurance Plan, Illinois Comprehensive Health Insurance Plan [215 ILCS 150/1 through 15], and Workers' Compensation Assigned Risk Pool.~~

~~Surplus Line means insurance on an Illinois risk of the kinds specified in Classes 2 and 3 of Section 4 of the Code procured from an unauthorized company after the insurance producer representing the insured or the surplus line producer is unable, after diligent effort, to procure said insurance from companies which are authorized to transact business in this State [215 ILCS 5/445].~~

~~Surplus Line Producer means any licensed producer who is a resident of this State and has been licensed pursuant to Section 445(2) of the Code [215 ILCS 5/445(2)].~~

~~Voluntary Health Service Plan means either a plan or system under which medical, hospital, nursing and related health services may be rendered to a subscriber or beneficiary at the expense of a health services plan corporation, or any contractual arrangement to provide, either directly or through arrangements with others, dental care services to subscribers and beneficiaries [215 ILCS 165/2].~~

(Source: Amended at 44 Ill. Reg. _____, effective _____)

Section 2500.50 Audit Hearings

Any person or company ~~who has paid~~required to pay a fee, charge or tax pursuant to ~~this Part 50 Ill. Adm. Code, Subchapter ee~~ may request an audit pursuant to Section 412(1)(a) of the Code a hearing to be held for the purpose~~purposes~~ of determining if the amount paid was in excess~~the~~ assessed fee, charge or tax is appropriate. ~~A request for hearing must be made, after the assessment has been paid in full and pursuant to the grounds set forth in Section 412 of the Code [215 ILCS 5/412] and subsection (b) of the amount legally chargeable against it~~this Section. Such request will only be granted based on those conditions.

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- a) A request for ~~audit~~hearing shall be in writing and shall include:
- 1) The name and address of the requester;
 - 2) The contested fee, charge or tax amount ~~being assessed~~;
 - 3) Facts sufficient to support one of the grounds set forth set forth in Section 412 of the Code and subsection (a)(7) of this Section; Under what provision of 50 Ill. Adm. Code, Subchapter ee the fee, charge or tax is being assessed;
 - 4) The Department invoice number, if applicable; ~~and~~
 - 5) The name, address and phone number of a contact person;-
 - 6) Any other information and/or documents useful in determining if the amount paid was correct; and
 - 7b) The grounds, among the following, on upon which the requester believes the amount ~~paid~~being assessed is incorrect, ~~which are~~:
 - A1) A mistake of fact, including, but not limited to:
 - iA) Applying a previous year's income tax overpayment in the current year's corporate and ~~or~~ replacement income tax return; or and
 - iiB) Using the premium written in the state of incorporation to determine the state of incorporation's basis for retaliatory tax purposes; ~~or~~
 - B2) An error in calculation, including, but not limited to:
 - iA) An incorrect decimal assignment; or and
 - iiB) An erroneous sum, result or total arising out of a mathematical function, operation or equation; or
 - C3) An erroneous interpretation of a statute of this or any other state,

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including, but not limited to:

- iA) A misapplication of a statute; ~~orand~~
 - iiB) A misunderstanding of an equivocal term or phrase used in a statute.
- c) The Director shall review the request for audit and all attached information, request additional information as necessary, and send written notification to the requester of the Director's decision. That decision is subject to court review under Section 407 of the Code. ~~4)However, an erroneous interpretation of a statute of this or any other state does not include a finding of unconstitutionality of the statute in question. Additionally, a mistake in fact shall not include the assertion that a statute is unconstitutional on its face. c)Any hearing held pursuant to a request meeting the requirements of this Section will be conducted pursuant to the provisions set forth at 50 Ill. Adm. Code 2402. However, if the request is made by a company, the company must be represented by an attorney licensed to practice law in the State of Illinois. The provision at 50 Ill. Adm. Code 2402.70(a)(2) does not apply to hearings held pursuant to 50 Ill. Adm. Code, Subchapter ee.~~

(Source: Amended at 44 Ill. Reg. _____, effective _____)

Section 2500.60 Computation of Time and Time of Filing

- a) Computation of Time. The time within which any act provided by law is to be done or a payment is due ~~date~~ shall be computed by excluding the first day and including the last. However, if ,unless the last day is a Saturday, ~~or~~ Sunday or State is a holiday, or is as defined or fixed in any statute now or hereafter in force in this State, and then it shall also be excluded. If the day succeeding a such Saturday, Sunday or State holiday, that is also a holiday or a Saturday or Sunday ~~then such succeeding~~ day shall also be excluded.
- b) Time of Filing. Documents shall be considered filed or received, as set forth in subsections (b)(1) and (2) ~~of this Section~~, when they are in conformance with the requirements of this Part ~~and any other filing requirements specifically set out in the other Parts of 50 Ill. Adm. Code, Subchapter ee.~~
 - 1) If filed in person, by messenger service, or mail delivery other than U.S.

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Postal Service, documents are considered filed when they are received by the Department. Documents received by the Department after 12:00 p.m. (noon) shall be considered received on the following business day. Documents received by the Department after 12:00 p.m. (~~noon~~) on the due date will not be considered late.

- 2) If filed by U.S. Mail, documents are deemed filed as of the date of the U.S. postmark.

(Source: Amended at 44 Ill. Reg. _____, effective _____)

Section 2500.70 ~~Form of Payment, Forms and Returns~~

- a) The payment of fees or charges shall be made by separate check, or other payment method approved by the Director, for each invoice issued by the Department pursuant to Section 408 of the Code ~~[215 ILCS 5/408] and 50 Ill. Adm. Code 2505.~~
- b) The payment of taxes owed pursuant to Sections 409, 444, and 444.1 of the Code ~~[215 ILCS 5/409, 444 and 444.1]~~ and Section 12 of the Fire Investigation Act ~~[425 ILCS 25/12]~~ shall be made by the payor by separate check, or other payment method approved by the Director, for each company and for each tax return.
- c) All tax returns required ~~by this Part pursuant to 50 Ill. Adm. Code, Subchapter ee,~~ must be signed by an officer of the company, ~~or by~~ the surplus line producer, or an officer of the Illinois Fair Plan, as may be appropriate for that tax return.
- d) Cash shall not be sent as payment for any fee, charge or tax owed pursuant to ~~this Part 50 Ill. Adm. Code, Subchapter ee.~~
- e) All payments shall identify the person, company or business entity on whose behalf the payment is being made and indicate the Department invoice number, if applicable.
- f) Any fee or charge assessed pursuant to this Part in which a payment due date has not been established must be paid within 30 days after the date of the Department's invoice.
- g) Copies of standard forms and returns referenced in this Part can be found on the

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Department's website or by contacting the Tax and Fiscal Services Section of the Department.

- h) Failure to pay fees, taxes and other charges assessed pursuant to Sections 408, 409, 410, 412, 444 and 444.1 of the Code and Section 12 of the Fire Investigation Act [425 ILCS 25] may result in regulatory action.

(Source: Amended at 44 Ill. Reg. _____, effective _____)

Section 2500.80 Calculation Guidelines

- a) All calculations ~~made pursuant to 50 Ill. Adm. Code, Subchapter ee~~ shall be rounded to whole numbers by rounding down if the first decimal place is five or less and rounding up otherwise.
- b) For all calculated amounts owed, ~~pursuant to 50 Ill. Adm. Code, Subchapter ee~~ a whole dollar amount shall be reported and any amount calculated should be rounded down if \$0.50 or less, and rounded up otherwise.

(Source: Amended at 44 Ill. Reg. _____, effective _____)

Section 2500.90 Fees and Charges

- a) The Director shall charge and collect the payment of fees and charges pursuant to Section 408(1) and 500-35(d) of the Code.
- b) If any person, company or business entity issues a check or other draft to the Director as required by the Code, and that check or draft is not honored, the Director may charge a fee or other charges as authorized by Section 3-806 of the Uniform Commercial Code [810 ILCS 5].
- 1) The Department will send a written demand by certified mail, return receipt requested, to the last known address of the person, company or business entity having issued the dishonored check or other draft.
- 2) Within 14 days following payment of both the Code fee and the Not Sufficient Funds (NSF) check fee, the Director may issue to the named person, company or business entity a license or other authority or may take regulatory action.

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- 3) Any person, company or business entity who fails to satisfy the written demand may be subject to regulatory action.
- c) The Director may charge the expenses incurred in any performance examination authorized by law to be paid by the company or person being examined pursuant to Section 408(3) of the Code.
- d) An annual financial regulation fee shall be charged and collected from every domestic company for examination and analysis of its financial condition pursuant to Section 408(6) and (8) of the Code.
- 1) Every affiliate group that intends to utilize the maximum aggregate annual financial regulation fee charged to its domestic companies pursuant to Section 408(6)(c) of the Code must notify the Department of its intention, in writing to the attention of the Tax and Fiscal Section, by April 1 of the following year and must designate one domestic member of the group to be billed by the Director for the entire domestic affiliated group's financial regulation fee.
- 2) Only domestic group members can be included in aggregating the annual financial regulation fee pursuant to Section 408(6)(c); foreign or alien group members cannot be included.
- e) An annual financial regulation fee shall be charged and collected from every foreign or alien company, except fraternal benefit societies, for the examination and analysis of its financial condition pursuant to Section 408(7) of the Code.
- 1) Every affiliate foreign or alien group that intends to utilize the maximum aggregate annual financial regulation fee charged to foreign or alien companies pursuant to Section 408(7) of the Code must notify the Department of its intention, in writing to the attention of the Tax and Fiscal Section, by April 1 of the following year and must designate one foreign or alien member of the group to be billed by the Director for the entire affiliated group's financial regulation fee.
- 2) Only foreign and alien group members can be included in aggregating the annual financial regulation fee under Section 408(7); domestic group members cannot be included.

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- 3) For purposes of calculating the retaliatory tax under Section 2500.110(a)(1)(C), the foreign or alien affiliated group's aggregate annual financial regulation fee shall be allocated to the included individual group members proportionately based on the percentage of Illinois direct premiums earned by each included individual group member compared to the total Illinois direct premiums of all included group members.

(Source: Added at 44 Ill. Reg. _____, effective _____)

Section 2500.100 Annual Privilege Tax

- a) The Department shall collect an annual privilege tax from companies that write certain types of insurance pursuant to Section 409 of the Code.
- b) The "aggregate income taxes paid", calculated pursuant to Section 409(2)(a), shall be reduced by any corporate and replacement income tax cash refunds received in that same calendar year if that cash refund had been considered part of the aggregate income taxes paid for an offset calculation taken in a preceding calendar year. If no deduction was taken in which the corporate and replacement income tax cash refund received was part of the aggregate income taxes paid, then the aggregate income taxes paid for the calendar year in which that corporate and replacement income tax cash refund is received shall not be reduced by that tax cash refund amount.
- c) Pursuant to Section 409(5) of the Code, if the company is part of a State income tax unitary group, each individual company's State aggregate income taxes paid shall be calculated as follows:
- 1) The aggregate income taxes owed by each individual company will be based on the percentage of that company's net income compared to the total net income of all companies within that unitary group. "Net income", for purposes of this calculation, means net sales within Illinois, non-unitary or combined partnership business income or loss, and net gain or loss of members who are not C Corporations, as reported on that year's Schedule UB of the IL 1120, Step 4. That net income percentage is then multiplied by the unitary group's amount of the corporate and replacement income taxes paid in the calendar year, less the unitary group's tax cash refunds received in that same calendar year, if that tax cash refund had

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been considered part of the aggregate income taxes paid for an offset calculation taken in the preceding calendar year multiplied by that company's allocation percentage.

- 2) Each company may only use its allocated portion for the determination of the aggregate income tax deduction and may not transfer any allocated aggregate income taxes to another company or carry forward to another year.
- d) In cases in which annual privilege taxes are allocated under Sections 409(3) of the Code, no tax deduction, credit or offset shall be transferred as a result of a merger, consolidation, reorganization or reincorporation if the company who holds the tax deduction, credit or offset still exists after the merger, consolidation, reorganization or reincorporation. Additionally, no tax deduction, credit or offset shall be considered transferred or owned by another taxpayer simply as the result of an assumption reinsurance agreement or as a result of a restructuring of a company or companies.
- e) Each company required to file an annual privilege tax return pursuant to Section 409 of the Code must file its annual return, even if no tax is owed, with the following information:
 - 1) The applicable information set forth in the privilege/retaliatory tax return as annually sent and updated by the Department;
 - 2) Proof of payment of all privilege tax deductions taken, such as copies of canceled checks;
 - 3) If filing as part of a unitary group, the Department's Unitary Schedule must be completed and attached; and
 - 4) The applicable premium information from the Direct Business pages filed with the annual statement established by the National Association of Insurance Commissioners (NAIC).
- f) A company may request in writing that the Director defer, waive or abate the annual privilege tax pursuant to Section 409(5) of the Code. The written request shall contain all financial information necessary for the Director to make his/her determination.

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(Source: Added at 44 Ill. Reg. _____, effective _____)

Section 2500.110 Annual Retaliatory Tax

- a) Pursuant to Section 444 of the Code, foreign and alien companies are required to pay a retaliatory tax in the amount of the difference between the sum of the state of incorporation's basis minus the sum of the State of Illinois' basis, if the resulting amount is a positive number.
- 1) For calendar years starting January 1, 1998 and thereafter, the State of Illinois' basis is the sum of the amounts actually paid for the following items:
- A) Annual Statement Filing Fee;
 - B) Certificate of Authority Fee;
 - C) Financial Regulation Fee;
 - D) Policy Form Filing Fee;
 - E) The amount of Illinois corporate and replacement income tax, decreased by the amount, if any, of any corporate and replacement income tax cash refund received in the same calendar year, if that cash refund had been considered part of the amount of Illinois corporate and replacement income tax paid in the calculation of the annual retaliatory tax in a preceding year;
 - F) Fire Department tax;
 - G) Annual Privilege tax;
 - H) State Fire Marshal tax paid pursuant to Section 12 of the Fire Investigation Act; and
 - D) Other insurance fees paid pursuant to Section 408 of the Code.

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- 2) For calendar years starting January 1, 1998 and thereafter, the state of incorporation's basis is the sum of the amounts that an Illinois domiciled company would have paid in the foreign or alien domiciliary state or country if it transacted similar operations there as did the foreign or alien company in Illinois, for the following items or their equivalent:
- A) Annual Statement Filing Fee;
 - B) Certificate of Authority Fee;
 - C) Financial Regulation Fee;
 - D) Policy Form Filing Fee;
 - E) Fire Department tax;
 - F) Annual Privilege tax, Premium tax or Franchise tax;
 - G) State Fire Marshal tax paid pursuant to Section 12 of the Fire Investigation Act; and
 - H) Other insurance taxes and fees paid in the foreign or alien company's state of domicile, similar to those listed in subsection (b), that may have the following characteristics:
 - i) The basis of the calculation of the tax or fee is a portion of premiums written;
 - ii) The tax or fee is assessed pursuant to state authority; and
 - iii) The tax or fee is assessed on a basis in which the liability for the tax, fee or assessment is intended as an adjustment of past premium charges or as a means of disposing of a deficit in any state mandated insurance program in which premium rates were regulated by the state.
- 3) For the purposes of this Section, the State of Illinois' basis and the state of incorporation's basis do not, among others, include the following items, or their equivalent:

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- A) Cost Containment Fees or fees principally for collecting underwriting data;
 - B) Workers' Compensation Rate adjustment, Second Injury adjustments, or other assessments of a workers' compensation system;
 - C) Interstate Insurance Receivership Commission assessments;
 - D) Illinois Guaranty Fund assessments;
 - E) Auto Theft assessment; and
 - F) Assessments not referenced by or contained in Article XXV of the Code.
- b) The fact that a foreign or alien company is domiciled in a state or country in which franchise and/or premium taxpayers may be granted an extension of time to pay their franchise and/or premium taxes in that state shall not affect the requirements of Section 444.1 of the Code that the foreign or alien company must file an annual return and pay its retaliatory tax on or before March 15.
- c) Supplemental retaliatory tax returns shall be filed as required by Section 444.1(4) of the Code.

(Source: Added at 44 Ill. Reg. _____, effective _____)

Section 2500.120 Overpayments and Amendments

- a) Pursuant to Section 412(1)(a) of the Code, persons and companies are only entitled to a refund or offset if the overpayment occurred during the 6 year period immediately preceding the discovery of the overpayment. The discovery of the overpayment is the date when an amended tax return is filed with the Department pursuant subsection (b), or when a written detailed description regarding the overpayment is filed with the Department pursuant to subsection (c).
- b) An overpayment of tax shall be reported by the filing of an amended tax return.

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- 1) An amended return shall be made by filing a copy of the original return that shows the amendments and includes explanations for those amendments.
 - 2) Adjustments (e.g., cash refunds or additional cash payments of prior income or fire department taxes paid) shall be accounted for in the year paid or when issued a cash refund and shall not be the basis for amending a previous privilege or retaliatory tax return.
 - 3) Any overpayment adjustment requested for the amount of fire department taxes or aggregate income taxes paid may not exceed the amount of privilege or retaliatory tax owed in the year the aggregate income tax or fire department tax was paid and for which the overpayment adjustment is now being sought.
- c) An overpayment of a fee or other charge shall be reported in a written detailed description of the fee calculation, stating the differences between the Department's and company's or person's calculation, sent to the attention of the Tax and Fiscal Services Section of the Department.
- d) If the Department determines that the reported overpayment is incorrect or does not meet the statutory requirements of Section 412(1)(a) of the Code, the Department shall notify the company or person in writing. The company or person may contest in writing the Department's stated adjustment. The written statement shall include the following information:
- 1) The company's name and Federal Employer Identification Number (FEIN);
 - 2) The reasons why the stated adjustment is incorrect; and
 - 3) A contact person for the company.
- e) If, after the filing of a written response pursuant to subsection (b), the company or person and the Department cannot resolve the matter, the company or person may request an audit pursuant to Section 2500.50.
- f) If verified by the Director, overpayment of a tax, fee or charge will automatically be applied to toward the payment of any other taxes, fees or charges already due

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or that will become due, unless the company or person makes written request that the Department issue a cash refund pursuant to Section 2500.130 or transfer the overpayment to another account balance pursuant to Section 2500.140.

- g) Upon written notice to the company or person at its last known address, any overpayment that has not been used and has not been transferred may be removed from the Department's records after 7 years and will be considered unclaimed monies under the Revised Uniform Unclaimed Property Act [765 ILCS 1026].

(Source: Added at 44 Ill. Reg. _____, effective _____)

Section 2500.130 Cash Refunds

- a) The written request for a cash refund must include the following information in addition to any other appropriate supporting documentation:
- 1) The company's name, including the company's FEIN;
 - 2) The cash refund amount being requested;
 - 3) A statement of reasons why the overpayment was generated; and
 - 4) A certification of an officer of the company that the provided information in the written request is true and accurate to the best of his/her knowledge.
- b) In addition to subsection (a), a cash refund may be available if the overpayment was part of a protested payment under the State Officers and Employees Money Disposition Act [30 ILCS 230], and is allowed by the court having jurisdiction of the protest action.
- c) A cash refund will only be provided when the requirements of Section 412(1)(a) of the Code are met.

(Source: Added at 44 Ill. Reg. _____, effective _____)

Section 2500.140 Transfer of Overpayments

An overpayment may be transferred in whole or in part to another company upon written approval of the Director. The approval may be an adjustment invoice, letter of credit, or signed

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED AMENDMENTS

Notice of Transfer of Overpayment form. The company or person shall provide a written notice to transfer that includes the following information:

- a) The name of the company that is transferring the overpayment, including that company's FEIN;
- b) The amount of the overpayment being transferred;
- c) The name of the company to which the transfer is being made and the company's FEIN;
- d) The monetary amount, if any, exchanged between the entities; and
- e) A certification of an officer of the company that the provided information is true and accurate to the best of his/her knowledge.

(Source: Added at 44 Ill. Reg. _____, effective _____)

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED REPEALER

- 1) Heading of the Part: Fees and Charges
- 2) Code Citation: 50 Ill. Adm. Code 2505
- 3)

<u>Section Numbers:</u>	<u>Proposed Actions:</u>
2505.10	Repealed
2505.20	Repealed
2505.30	Repealed
2505.40	Repealed
2505.50	Repealed
2505.55	Repealed
2505.60	Repealed
2505.70	Repealed
2505.80	Repealed
2505.90	Repealed
2505.100	Repealed
2505.110	Repealed
2505.120	Repealed
2505.ILLUSTRATION A	Repealed
2505.ILLUSTRATION B	Repealed
- 4) Statutory Authority: Implementing Section 408 of the Illinois Insurance Code [215 ILCS 5/408], Section 3-806 of the Uniform Commercial Code [810 ILCS 5/3-806]; and authorized by Sections 401 and 409(5) of the Illinois Insurance Code [215 ILCS 5/401 and 409(5)].
- 5) A Complete Description of the Subjects and Issues Involved: This Part is being repealed because the majority of the text unnecessarily repeats statutory requirements and some provisions inaccurately describe current Department procedures. The provisions of this Part that are necessary are being moved into Part 2500.
- 6) Published studies or reports, and sources of underlying data, used to compose this rulemaking: None
- 7) Will this rulemaking replace an emergency rule currently in effect? No
- 8) Does this rulemaking contain an automatic repeal date? No
- 9) Does this repealer contain incorporations by reference? No

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED REPEALER

- 10) Are there any other rulemakings pending on this Part? No
- 11) Statement of Statewide Policy Objective: This rulemaking will not require a local government to establish, expand or modify its activities in such a way as to necessitate additional expenditures from local revenues.
- 12) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: Persons who wish to comment on this proposed rulemaking may submit written comments no later than 45 days after the publication of this Notice to:
- | | | |
|---|----|---|
| Kathryn Williams
Assistant General Counsel
Department of Insurance
320 West Washington, 4th Floor
Springfield IL 62767-0001

217/557-1416 | or | Susan Anders
Rules Coordinator
Department of Insurance
320 West Washington, 4th Floor
Springfield IL 62767-0001

217/558-0957 |
|---|----|---|
- 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) Small Business Impact Analysis: The Department determined that the rulemaking will not have an adverse impact on small businesses.
- 15) Regulatory Agenda on which this rulemaking was summarized: This rulemaking was not included on either of the 2 most recent agendas because it was not anticipated within that time period.

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

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED REPEALER

TITLE 50: INSURANCE
CHAPTER I: DEPARTMENT OF INSURANCE
SUBCHAPTER ee: FEES, CHARGES AND TAXESPART 2505
FEES AND CHARGES (REPEALED)

Section

2505.10	Purpose
2505.20	Applicability
2505.30	Severability
2505.40	Definitions
2505.50	Fees and Charges
2505.55	Fee for Not Sufficient Funds (NSF) Check
2505.60	Performance (Market Conduct) Examination Expenses and Fees
2505.70	Financial Regulation Fee for Domestic Companies
2505.80	Financial Regulation Fee for Foreign and Alien Companies
2505.90	Financial Examination Expenses and Fees
2505.100	Payment Due Date of Fees and Charges
2505.110	Civil Penalties and Interest
2505.120	Hearings
2505.ILLUSTRATION A	Calculation of Financial Regulation Fee for Affiliated Domestic Companies
2505.ILLUSTRATION B	Calculation of Financial Regulation Fee for Affiliated Foreign or Alien Companies

AUTHORITY: Implementing Section 408 of the Illinois Insurance Code [215 ILCS 5/408], Section 3-806 of the Uniform Commercial Code [810 ILCS 5/3-806]; and authorized by Sections 401 and 409(5) of the Illinois Insurance Code [215 ILCS 5/401 and 409(5)].

SOURCE: Adopted at 23 Ill. Reg. 279, effective December 21, 1998; amended at 27 Ill. Reg. 8557, effective May 12, 2003; transferred from the Department of Insurance to the Department of Financial and Professional Regulation pursuant to Executive Order 2004-6 on July 1, 2004; amended at 29 Ill. Reg. 9477, effective July 1, 2005; recodified from the Department of Financial and Professional Regulation to the Department of Insurance pursuant to Executive Order 2009-04 at 39 Ill. Reg. 5901; repealed at 44 Ill. Reg. _____, effective _____.

Section 2505.10 Purpose

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED REPEALER

This Part sets forth certain procedural requirements and the fees and charges collected from domestic, foreign and alien insurance companies pursuant to Section 408 of the Illinois Insurance Code [215 ILCS 5/408].

Section 2505.20 Applicability

This Part applies to any person or company conducting or transacting any of the actions addressed by Section 408 of the Illinois Insurance Code in which a fee or charge can be assessed by the Director of the Department of Insurance [215 ILCS 5/408].

Section 2505.30 Severability

If any Section, subsection, paragraph, sentence, clause, or phrase of this Part is declared invalid for any reason, the remaining portions of this Part that are severable from the invalid portion shall remain in full force and effect. If any portion of this Part is declared invalid in one or more of its applications, the remaining portion shall be severable and in effect in all valid applications.

Section 2505.40 Definitions

Except as stated and unless a different meaning of a term is clear from its context, the definitions of terms used in this Part shall be the same as those used in 50 Ill. Adm. Code 2500.40 or in any of the Acts in Chapter 215 of the Illinois Compiled Statutes.

Section 2505.50 Fees and Charges

The Director shall charge and collect the payment of fees and charges pursuant to Section 408(1) of the Code [215 ILCS 5/408(1)], and payment shall be made in accordance with 50 Ill. Adm. Code 2500.70(a). If payment of a fee or charge authorized by Section 2505.55 of this Part is being made, only a cashier's check or money order will be accepted. All cashier's checks or money orders shall identify the person, company or business entity on whose behalf the payment is being made.

Section 2505.55 Fee for Not Sufficient Funds (NSF) Check

- a) If any person, company or business entity issues a check or other draft to the Director as required by the Code, and that check or draft is not honored upon presentment because the drawer does not have an account with the drawee, or the

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drawer does not have sufficient funds in the account, or the drawer does not have sufficient credit with the drawee, the Director may:

- 1) Charge a fee of \$25 (the Uniform Commercial Code prescribed NSF fee) and \$5 (the minimum cost incurred by the Department of Insurance) for each returned check or draft, payable as one remittance of \$30; or
 - 2) Impose all costs and expenses, including, but not limited to, attorney's fees; witness fees; court reporting fees; document copying fees; certification fees; hearing officer fees; the costs for transcription; and any other court costs incurred by the Department in connection with the collection of the amount for which the check or other draft was written as authorized by Section 3-806 of the Uniform Commercial Code [810 ILCS 5/3-806].
 - 3) In addition, the person, company or business entity may also be liable for additional penalties and interest, under Section 2505.110 of this Part, upon the amount of the check or other draft at a rate calculated the same as rates are calculated in 50 Ill. Adm. Code 2525.100.
- b) The Department will send a written demand by certified mail, return receipt requested, to the last known address of the person, company or business entity having issued the dishonored check or other draft. Payment of both the required Code fee and the NSF check shall be made pursuant to Section 2505.100 of this Part.
 - c) Within 14 days following payment of both the Code fee and the NSF check fee, the Director may issue to the named person, company or business entity a license or other authority, or may take other regulatory action under the authority of the Code, as appropriate.
 - d) Any new applicant who fails to satisfy the demand requirements will be subject to the following:
 - 1) License, registration or other authority will be revoked or cancelled; and
 - 2) The person, company or business entity will be subject to additional penalties under subsection (a)(3); and

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- 3) The Director shall publish a list identifying those who have issued NSF checks to the Department, who were given an opportunity to correct such error, but who failed to do so.
- e) Any other person, company or business entity who fails to satisfy the demand requirements will be subject to the following:
- 1) License, registration or other authority will be revoked or cancelled. Should this cancellation affect the renewal of the producer license, an additional penalty in the amount of double the unpaid renewal fee prescribed by Section 408 of the Code will be imposed as authorized by Section 500-35(d) of the Code; and
 - 2) The person, company or business entity will be subject to additional penalties under subsection (a)(3); and
 - 3) The Director shall publish a list identifying those who were issued a demand pursuant to subsection (b), but who failed to provide remittance.

Section 2505.60 Performance (Market Conduct) Examination Expenses and Fees

The Director may charge the expenses incurred in any performance examination authorized by law to be paid by the company or person being examined pursuant to Section 408(3) of the Code [215 ILCS 5/408(3)]. The Director may charge, but is not limited to:

- a) A per diem charge of \$300 per examiner for examinations pursuant to Section 408(3) of the Code [215 ILCS 5/408(3)] plus lodging and travel expenses, as assessed pursuant to subsection (b) of this Section.
- b) The travel and lodging expenses shall be calculated in accordance *with the applicable travel regulations as published by the Department of Central Management Services and approved by the Governor's Travel Control Board, except that out-of-state lodging and travel expenses related to examinations authorized under Section 132 of the Code [215 ILCS 5/132] shall be in accordance with travel rates prescribed under paragraph 301-7.2 of the Federal Travel Regulations, 41 CFR 301-7.2, for reimbursement of subsistence expenses incurred during official travel [215 ILCS 5/408(3)].*

Section 2505.70 Financial Regulation Fee for Domestic Companies

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An annual financial regulation fee shall be charged and collected from every domestic company for examination and analysis of its financial condition. The fee shall be the greater of the amount assessed by either subsection (a) of this Section based on the combination of nationwide direct premium income and nationwide reinsurance assumed income of the domestic company, or by subsection (b) of this Section based on admitted assets.

- a) If the nationwide direct premium income of the domestic company is:
 - 1) Less than \$500,000 and there is no reinsurance assumed premium, the fee is \$150;
 - 2) \$500,000 or more, but less than \$5,000,000 and there is no reinsurance assumed premium; or if the nationwide direct premium is less than \$5,000,000 and the reinsurance assumed premium is less than \$10,000,000, the fee is \$750;
 - 3) Less than \$5,000,000 and the reinsurance assumed premium is \$10,000,000 or more, the fee is \$3,750;
 - 4) \$5,000,000 or more, but less than \$10,000,000, the fee is \$7,500;
 - 5) \$10,000,000 or more, but less than \$25,000,000, the fee is \$18,000;
 - 6) \$25,000,000 or more, but less than \$50,000,000, the fee is \$22,500;
 - 7) \$50,000,000 or more, but less than \$100,000,000, the fee is \$30,000; or
 - 8) \$100,000,000 or more, the fee is \$37,500.
- b) If the admitted assets, as defined by Section 3.1 of the Code [215 ILCS 5/3.1], of the domestic company are:
 - 1) Less than \$1,000,000, the fee is \$150;
 - 2) \$1,000,000 or more, but less than \$5,000,000, the fee is \$750;
 - 3) \$5,000,000 or more, but less than \$25,000,000, the fee is \$3,750;

DEPARTMENT OF INSURANCE

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- 4) \$25,000,000 or more, but less than \$50,000,000, the fee is \$7,500;
 - 5) \$50,000,000 or more, but less than \$100,000,000, the fee is \$18,000;
 - 6) \$100,000,000 or more, but less than \$500,000,000, the fee is \$22,500;
 - 7) \$500,000,000 or more, but less than \$1,000,000,000, the fee is \$30,000; or
 - 8) \$1,000,000,000 or more, the fee is \$37,500.
- c) The sum of financial regulation fees in any single calendar year charged to domestic companies of the same affiliated group shall not exceed \$250,000, in the aggregate, as calculated pursuant to subsection (c)(2) of this Section.
- 1) On or before April 1st of every calendar year every affiliated group must notify the Department in writing to the attention of the Tax and Fiscal Section that the affiliated group intends to utilize this Section and must designate one domestic member to be billed by the Director for the entire domestic affiliated group's financial regulation fee.
 - 2) The sum of the financial regulation fees, in the aggregate, shall be calculated by totaling the amount of financial regulation fees paid by the domestic companies of the same affiliated group. No financial regulation fee paid by a foreign or alien company of the same affiliated group shall be included in the aggregate amount of the affiliated group's domestic companies' aggregate sum. Illustration A of this Part is an example of this calculation.
- d) The financial regulation fee is due upon receipt of the Department's invoice and must be paid no later than June 30th of each calendar year.
- e) The domestic company must include the Department's invoice, if applicable, and make payment pursuant to 50 Ill. Adm. Code 2500.70(a).

Section 2505.80 Financial Regulation Fee for Foreign and Alien Companies

An annual financial regulation fee shall be charged and collected from every foreign or alien company, except fraternal benefit societies, for the examination and analysis of its financial condition. *The fee shall be a fixed amount based upon the Illinois direct premium income and*

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED REPEALER

nationwide reinsurance assumed premium income in accordance with the following schedule
[215 ILCS 5/408(7)]:

- a) If the Illinois direct premium is:
 - 1) Less than \$500,000 and there is no reinsurance assumed premium, the fee is \$150;
 - 2) \$500,000 or more, but less than \$5,000,000 and there is no reinsurance assumed premium; or if the Illinois direct premium is less than \$5,000,000 and the reinsurance assumed premium is less than \$10,000,000, the fee is \$750;
 - 3) Less than \$5,000,000 and the reinsurance assumed premium is \$10,000,000 or more, the fee is \$3,750;
 - 4) \$5,000,000 or more, but less than \$10,000,000, the fee is \$7,500;
 - 5) \$10,000,000 or more, but less than \$25,000,000, the fee is \$18,000;
 - 6) \$25,000,000 or more, but less than \$50,000,000, the fee is \$22,500;
 - 7) \$50,000,000 or more, but less than \$100,000,000, the fee is \$30,000; or
 - 8) \$100,000,000 or more, the fee is \$37,500.
- b) The sum of financial regulation fees in any single calendar year charged to foreign or alien companies within the same affiliated group shall not exceed \$250,000, in the aggregate, as calculated in subsection (b)(2) of this Section.
 - 1) On or before April 1st of every calendar year every affiliated group must notify the Department in writing to the attention of the Tax and Fiscal Section that the affiliated group intends to utilize this Section and must designate one foreign or alien member of the group to be billed by the Director for the entire foreign or alien affiliated group's financial regulation fee.
 - 2) The sum of the financial regulation fees, in the aggregate, shall be calculated by totaling the amount of financial regulation fees paid by the

DEPARTMENT OF INSURANCE

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foreign or alien companies of the same affiliated group. No financial regulation fee paid by a domestic company of the same affiliated group shall be included in the aggregate amount of the affiliated group's foreign or alien companies' aggregate sum. Illustration B of this Part is an example of this calculation.

- 3) For purposes of calculating the retaliatory tax pursuant to 50 Ill. Adm. Code 2515, the foreign or alien affiliated group's financial regulation fee shall be allocated by determining the sum of the foreign or alien affiliated group's Illinois direct premiums by totaling each of the affiliated group's individual foreign or alien company's Illinois direct premiums. Do not include any domestic company's Illinois direct premium of the same affiliated group when determining the sum of the foreign or alien affiliated group's Illinois direct premiums. Divide the individual foreign or alien company's Illinois direct premiums by the sum of the foreign or alien affiliated group's Illinois direct premiums to determine that individual foreign or alien company's financial regulation fee allocation percentage. Multiply that individual foreign or alien company's allocation percentage by \$100,000 to determine the financial regulation fee paid by that foreign or alien company.
 - c) The financial regulation fee is due upon receipt of the Department's invoice and must be paid no later than June 30th of each calendar year [215 ILCS 5/408(8)].
 - d) A foreign or alien company, and foreign or alien companies who are part of an affiliated group which is not proceeding pursuant to subsection (b) of this Section, must each include the Department's invoice, if applicable, and make payment pursuant to 50 Ill. Adm. Code 2500.70(a).

Section 2505.90 Financial Examination Expenses and Fees

In addition to any financial regulation fee assessed pursuant to Sections 2505.70 and 2505.80 of this Part, the Director may charge the following costs and expenses incurred by the Department related to a financial examination: electronic data processing costs, the expenses authorized under Sections 131.21 and 132.4(d) of the Code [215 ILCS 5/131.21 and 132.4(d)], lodging and travel expenses pursuant to subsection (a) of this Section, and a per diem expense pursuant to subsection (b) of this Section. However, if a financial regulation fee is paid pursuant to Sections 2505.70 and 2505.80 of this Part by the company, there will be no diem expense assessed.

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- a) The travel and lodging expenses shall be calculated in accordance *with the applicable travel regulations as published by the Department of Central Management Services and approved by the Governor's Travel Control Board, except that out-of-state lodging and travel expenses related to examinations authorized under Sections 132.1 through 132.7 of the Code [215 ILCS 5/132.1 through 132.7] shall be in accordance with travel rates prescribed under paragraph 301-7.2 of the Federal Travel Regulations, 41 CFR 301-7.2, for reimbursement of subsistence expenses incurred during official travel [215 ILCS 5/408(9)].*
- b) The per diem charge shall be \$225 per examiner.

Section 2505.100 Payment Due Date of Fees and Charges

Any fee or charge assessed pursuant to this Part, in which a payment due date has not been established, must be paid within 30 days after the date of the Department's invoice and must meet any filing requirements set forth by this Part, and must be paid pursuant to 50 Ill. Adm. Code 2500.70(a).

Section 2505.110 Civil Penalties and Interest

Any company, person, or entity failing to make any payment of \$150 or more as required under Section 408 of the Code [215 ILCS 5/408], or this Part, shall be subject to the penalty and interest provisions of Section 412(4) and (7) of the Code [215 ILCS 5/412(4) and (7)] and will be assessed penalties pursuant to 50 Ill. Adm. Code 2525.100(b).

Section 2505.120 Hearings

Any person or company required to pay a fee or charge pursuant to this Section may request a hearing to be held for the purposes of determining if the assessed fee or charge is appropriate. The hearing request shall be made pursuant to 50 Ill. Adm. Code 2500.50 and shall be based on the grounds set forth in Section 412 of the Code [215 ILCS 5/412], a mistake of fact, an error in calculation or an erroneous interpretation of a statute of this or any other state, and such request will only be granted based on those grounds.

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED REPEALER

Section 2505.ILLUSTRATION A Calculation of Financial Regulation Fee for Affiliated Domestic Companies

The following insurance companies are part of an affiliated group:

Company A is a domestic life company that owes a financial regulation fee of	\$30,000
Company B is a domestic property and casualty company that owes a financial regulation fee of	\$37,500
Company C is a domestic property and casualty company that owes a financial regulation fee of	\$30,000
Company D is a domestic mutual property and casualty company that owes a financial regulation fee of	\$37,500
Company E is a domestic mutual life company that owes a financial regulation fee of	\$37,500
Company F is a foreign life company with a financial regulation fee of	\$22,500

Pursuant to Section 2505.70(c)(2) of this Part, the **domestic** companies, in this example, companies A, B, C, D, and E, would total their financial regulation fees owed to determine if the amount of the **domestic** affiliated group's members' financial regulation fees are over \$250,000. If the amount is over \$250,000, the affiliated group must notify the Department by April 1 that it will be filing pursuant to Section 2505.70(c) of this Part and designate a domestic member to pay the \$250,000 financial regulation fee.

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED REPEALER

Section 2505.ILLUSTRATION B Calculation of Financial Regulation Fee for Affiliated Foreign or Alien Companies

The following insurance companies are part of an affiliated group:

Company A is a foreign life company that owes a financial regulation fee of	\$30,000
Company B is a foreign property and casualty company that owes a financial regulation fee of	\$37,500
Company C is a foreign property and casualty company that owes a financial regulation fee of	\$30,000
Company D is a foreign mutual property and casualty company that owes a financial regulation fee of	\$37,500
Company E is a foreign mutual life company that owes a financial regulation fee of	\$37,500
Company F is a domestic life company with a financial regulation fee of	\$22,500

Pursuant to Section 2505.80(b)(2) of this Part, the **foreign** companies, in this example, companies A, B, C, D, and E, would total their financial regulation fees owed to determine if the amount of the **foreign** affiliated group's members' financial regulation fees are over \$250,000. If the amount is over \$250,000 the affiliated group must notify the Department by April 1 that it will be filing pursuant to Section 2505.80(b) of this Part and designate a foreign or alien member to pay the \$250,000 financial regulation fee.

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED REPEALER

- 1) Heading of the Part: Annual Privilege Tax
- 2) Code Citation: 50 Ill. Adm. Code 2510
- 3)

<u>Section Numbers:</u>	<u>Proposed Actions:</u>
2510.10	Repealed
2510.20	Repealed
2510.30	Repealed
2510.40	Repealed
2510.50	Repealed
2510.60	Repealed
2510.70	Repealed
2510.80	Repealed
2510.90	Repealed
2510.100	Repealed
2510.110	Repealed
2510.120	Repealed
2510.ILLUSTRATION A	Repealed
2510.ILLUSTRATION B	Repealed
2510.ILLUSTRATION C	Repealed
2510.ILLUSTRATION D	Repealed
- 4) Statutory Authority: Implementing Section 409 and authorized by Sections 401 and 409(5) of the Illinois Insurance Code [215 ILCS 5/401, 409 and 409(5)].
- 5) A Complete Description of the Subjects and Issues Involved: This Part is being repealed because the majority of the text unnecessarily repeats statutory requirements and some provisions inaccurately describe current Department procedures. The provisions of this Part that are necessary are being moved into Part 2500.
- 6) Published studies or reports, and sources of underlying data, used to compose this rulemaking: None
- 7) Will this rulemaking replace an emergency rule currently in effect? No
- 8) Does this rulemaking contain an automatic repeal date? No
- 9) Does this repealer contain incorporations by reference? No

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED REPEALER

- 10) Are there any other rulemakings pending on this Part? No
- 11) Statement of Statewide Policy Objective: This rulemaking will not require a local government to establish, expand or modify its activities in such a way as to necessitate additional expenditures from local revenues.
- 12) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: Persons who wish to comment on this proposed rulemaking may submit written comments no later than 45 days after the publication of this Notice to:
- | | | |
|--|----|--|
| Kathryn Williams | or | Susan Anders |
| Assistant General Counsel | | Rules Coordinator |
| Department of Insurance | | Department of Insurance |
| 320 West Washington, 4 th Floor | | 320 West Washington, 4 th Floor |
| Springfield IL 62767-0001 | | Springfield IL 62767-0001 |
| 217/557-1416 | | 217/558-0957 |
- 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) Small Business Impact Analysis: The Department determined that the rulemaking will not have an adverse impact on small businesses.
- 15) Regulatory Agenda on which this rulemaking was summarized: January 2019

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

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED REPEALER

TITLE 50: INSURANCE
CHAPTER I: DEPARTMENT OF INSURANCE
SUBCHAPTER ee: FEES, CHARGES AND TAXESPART 2510
ANNUAL PRIVILEGE TAX (REPEALED)

Section

2510.10	Purpose
2510.20	Applicability
2510.30	Severability
2510.40	Definitions
2510.50	Calculation of Annual Privilege Tax Amount
2510.60	Deductions to Annual Privilege Tax Amount
2510.70	Payment Schedule for the Annual Privilege Tax
2510.80	Annual Privilege Tax Allocation in Merger, Consolidation, Reorganization, or Reincorporation
2510.90	Annual Privilege Tax Filing Requirements
2510.100	Waiver, Deferment, or Abatement of the Annual Privilege Tax
2510.110	Civil Penalties and Interest
2510.120	Hearings
2510.ILLUSTRATION A	Calculation of the Annual Privilege Tax
2510.ILLUSTRATION B	Unitary Group Allocation Calculation
2510.ILLUSTRATION C	Annual Privilege and Retaliatory Tax Return and Quarterly Tax Statement
2510.ILLUSTRATION D	Direct Business in the State of Illinois

AUTHORITY: Implementing Section 409 and authorized by Sections 401 and 409(5) of the Illinois Insurance Code [215 ILCS 5/401, 409 and 409(5)].

SOURCE: Adopted at 23 Ill. Reg. 209, effective December 21, 1998; amended at 24 Ill. Reg. 10224, effective July 1, 2000; repealed at 44 Ill. Reg. _____, effective _____.

Section 2510.10 Purpose

This Part sets forth certain procedural requirements for the filing of the annual privilege tax, and explains the calculation of the annual privilege tax that is collected pursuant to Section 409(1) of the Illinois Insurance Code [215 ILCS 5/409(1)] (see P.A. 90-583, effective May 29, 1998).

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED REPEALER

Section 2510.20 Applicability

This Part applies to companies that write certain types of insurance in any calendar year. If a company writes one or a combination of any of the types of insurance listed in subsection (a) of this Section, an annual privilege tax is owed by that company pursuant to Section 2510.50 of this Part and Section 409(1) of the Illinois Insurance Code [215 ILCS 5/409(1)].

- a) This Part applies to companies that write any of the following types of premiums:
 - 1) Premiums written by Health Maintenance Organizations as reported on Schedule T page 60, at line 14, column 4 in the 1998 Annual Statement, as hereafter amended, filed with the Department pursuant to Section 2.7 of the Health Maintenance Organization Act [215 ILCS 125/2.7];
 - 2) Premiums written for accident and health insurance as reported by Life Insurance Companies on page 21, at line 25, column 2, minus line 23.1, column 2, and for Property and Casualty Insurance Companies on page 15, at lines 13, 14, 15.1, 15.2, 15.3, 15.4, 15.5 and 15.6, column 2, of the 1998 Annual Statement, as hereafter amended, filed with the Department pursuant to Section 136 of the Illinois Insurance Code [215 ILCS 5/136];
 - 3) Premiums written by Voluntary Health Service plans as reported on Schedule T page 56, at line 14, column 4, of the 1998 Annual Statement, as hereafter amended, filed with the Department pursuant to Section 2007 of the Limited Health Service Organization Act [215 ILCS 130/2007];
 - 4) Premiums written by Dental Service plans as reported on page 7, at line 4, column 1, in the 1998 Annual Statement, as hereafter amended, filed with the Department pursuant to Section 36 of the Dental Service Plan Act [215 ILCS 110/36];
 - 5) Premiums written by Limited Health Service Organizations as reported on Schedule T page 56, at line 14, column 4, in the 1998 Annual Statement, as hereafter amended, filed with the Department pursuant to Section 2007 of the Limited Health Service Organization Act [215 ILCS 130/2007];
 - 6) Premiums written by Risk Retention Groups as reported on page 15, at line 32, column 2, on the 1998 Annual Statement as hereafter amended,

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filed with the Department pursuant to Section 136 of the Illinois Insurance Code [215 ILCS 5/136] minus premiums specifically exempted by subsection (b) of this Section or Section 409 of the Illinois Insurance Code [215 ILCS 5/409];

- 7) Premiums written for all other types of insurance as reported by Life Insurance Companies on page 21, at line 1, column 6, and by Property and Casualty Insurance Companies on page 15, at line 32, column 2, of the 1998 Annual Statement, as hereafter amended, filed with the Department pursuant to Section 136 of the Illinois Insurance Code [215 ILCS 5/136] minus premiums specifically exempted by subsection (b) of this Section or Section 409 of the Illinois Insurance Code [215 ILCS 5/409].
- b) There is no annual privilege tax owed for premiums written by the listed entities or on the types of premiums written as follows:
- 1) All Fraternal Benefit Societies;
 - 2) All Farm Mutual companies;
 - 3) All Religious and Charitable Risk Pooling Trusts;
 - 4) All coverage written by an Illinois statutory residual market entity;
 - 5) Assessment Legal Reserve Life companies;
 - 6) All Burial Societies;
 - 7) All Self-insurers;
 - 8) All Mutual Benefit Associations;
 - 9) All Group Workers' Compensation Self-Insurance Pooling Trusts;
 - 10) Illinois Insurance Exchange (INEX Insurance Exchange);
 - 11) Risk Purchasing Groups;
 - 12) All Industrial captive insurance companies;

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- 13) All Pure captive insurance companies;
- 14) All Association captive insurance companies; and
- 15) All Domestic Surplus Line Insurers.

Section 2510.30 Severability

If any Section, subsection, paragraph, sentence, clause, or phrase of this Part is declared invalid for any reason, the remaining portions of this Part that are severable from the invalid portion shall remain in full force and effect. If a part of this Part is declared invalid in one or more of its applications, the remaining portion shall be severable and in effect in all valid applications.

Section 2510.40 Definitions

Except as stated and unless a different meaning of a term is clear from its context, the definitions of terms used in this Part which are not defined below, shall be the same as those used in 50 Ill. Adm. Code 2500.40 or any of the Acts in Chapter 215 of the Illinois Compiled Statutes.

Aggregate Income Taxes Paid means the actual corporate and replacement income tax cash payment made in any calendar year pursuant to Section 201(a) through (d) of the Illinois Income Tax Act [35 ILCS 5/201(a) through (d)] and does not mean the total liability owed for any calendar year.

Fire Department Tax means the tax pursuant to Section 11-10-1 of the Illinois Municipal Code [65 ILCS 5/11-10-1] collected by local governments and does not mean the State Fire Marshal Tax discussed in 50 Ill. Adm. Code 2520.

Gross Amount of Premium Received means any amount which is accounted for as direct premium written and reported in the Annual Statement filed with the Department referenced in Section 2510.20 of this Part, or any amount which is otherwise accounted for as direct premium written.

Gross Taxable Premium Written means *the gross amount of premiums received on direct business during the calendar year on contracts covering risks in this State, except premiums on annuities, premiums on which State premium taxes are prohibited by federal law, premiums paid by the State for health care coverage for Medicaid eligible insureds as described in Section 5-2 of the Illinois Public*

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Aid Code [305 ILCS 5/5-2], premiums paid for health care services included as an element of tuition charges at any university or college owned and operated by the State of Illinois, premiums on group insurance contracts under the State Employees Group Insurance Act of 1971, as amended, and premiums for deferred compensation plans for employees of the State, units of local government or school districts [215 ILCS 5/409(1)].

Net Taxable Premium Written means the gross taxable premium written reduced only by the following:

The amount of premiums returned thereon which shall be limited to premiums returned during the same preceding calendar year and shall not include the return of cash surrender values or death benefits on life policies; and

Dividends on such direct business that have been paid in cash, applied in reduction of premiums or left to accumulate to the credit of policyholders. In the case of life insurance, no deduction shall be made for the payment of deferred dividends paid in cash to policyholders on maturing policies; dividends left to accumulate to the credit of policyholders or annuitants shall be included as gross taxable premium written when such dividend accumulations are applied to purchase paid-up insurance or to shorten the endowment or premium paying period [215 ILCS 5/409(1)].

Unitary Group means a unitary business group as defined by Section 1501 of the Illinois Income Tax Act [35 ILCS 5/1501] to be a group of persons related through common ownership whose business activities are integrated with, dependent upon and contribute to each other.

Section 2510.50 Calculation of Annual Privilege Tax Amount

- a) An annual privilege tax will be assessed on companies by the types of premium written pursuant to Section 409(1) of the Code [215 ILCS 5/409(1)] in accordance with following schedule:
 - 1) As of January 1, 1998, 0.5% of the net taxable premiums written on all insurance premiums which are not exempted pursuant to Section 2510.20(b) of this Part or assessed starting at different periods and at a different rate pursuant to the schedule set forth in subsection (a)(2) or (3)

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of this Section;

- 2) Starting on July 1, 1998, and thereafter, 0.4% of net taxable premiums written by or on all accident and health insurance, voluntary health service plan, dental service plan, or limited health service organization businesses. For the calendar year 1998 annual privilege tax, companies shall calculate the net taxable premiums written only on net taxable premiums written after July 1, 1998 and shall provide additional documentation, such as quarterly statements, to verify such net taxable premiums written. For calendar year 1999, and thereafter, the companies shall calculate the net taxable premiums written for the whole year and are only required to provide the information required in Section 2510.90 of this Part; and
 - 3) Starting January 1, 1999, and thereafter, 0.4% of net taxable premiums written by all health maintenance organizations.
- b) Companies should total the annual privilege tax owed pursuant to the different types of premiums written and then deduct any allowable amount, as set forth in Section 2510.60 of this Part, to arrive at the annual privilege tax owed. An example of this calculation is set forth in Illustration A of this Part which includes examples for the different types of companies.

Section 2510.60 Deductions to Annual Privilege Tax Amount

- a) The total annual privilege tax due from a company shall be reduced, pursuant to Section 409(2) of the Code [215 ILCS 5/409(2)], as follows:
 - 1) By the amount of any fire department taxes paid by the company during the preceding calendar year under Section 11-10-1 of the Illinois Municipal Code [65 ILCS 5/11-10-1]; and
 - 2) By any excess amount, on the annual privilege tax due date, that the company's aggregate income taxes paid in the preceding calendar year (January 1 through December 31) under Section 201(a) through (d) of the Illinois Income Tax Act [35 ILCS 5/201(a) through (d)] exceed 1.5% of the company's net taxable premium written.
 - A) A company's aggregate income taxes paid shall be the total of the corporate and replacement income tax paid in the preceding

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calendar year (January 1 through December 31).

- B) The aggregate income taxes paid shall be reduced by any corporate and/or replacement income tax cash refunds received in that same calendar year if that cash refund had been considered part of the aggregate income taxes paid for an offset calculation in subsection (a)(2) of this Section taken in a preceding calendar year. If no deduction was taken pursuant to subsection (a)(2) of this Section (in which the corporate and/or replacement income tax cash refund received was part of the aggregate income taxes paid used in determining the calculation pursuant to subsection (a)(2) of this Section) then the aggregate income taxes paid for the calendar year in which that corporate and/or replacement income tax cash refund is received shall not be reduced by that tax cash refund amount.
- b) If the company is part of a state income tax Unitary group, to determine each company's state aggregate income tax offset pursuant to subsection (a)(2) of this Section, an allocation of the aggregate income taxes described in subsection (a)(2) of this Section must be completed pursuant to the following:
- 1) The allocation of the aggregate income taxes paid for the unitary group will be based on each individual company's Illinois premium written, including annuity considerations (excluding annuity deposit funds), as reported in each company's Annual Statement as a percentage of the Unitary group's total Illinois premium written. Each company's determination of the aggregate income taxes paid is the allocation percent multiplied by the Unitary group's amount of the corporate and replacement income taxes paid in the calendar year, less the Unitary group's tax cash refunds received in that same calendar year if that tax cash refund had been considered part of the aggregate income taxes paid for an offset calculation in subsection (a)(2) of this Section taken in the preceding calendar year multiplied by that company's allocation percentage. Illustration B is an example of this calculation.
 - 2) Each company may only use its allocated portion for the determination of the aggregate income tax deduction and may not transfer any allocated aggregate income taxes to another company or carry forward to another year.

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- c) Any deductible amount or offset allowed to be taken and which is not used or is taken pursuant to subsections (a)(1) and (2) of this Section for any calendar year will not be allowed as a deduction or offset against the company's annual privilege tax for any other taxing period or calendar year.

Section 2510.70 Payment Schedule for the Annual Privilege Tax

- a) In the year 1999 and thereafter, all companies, other than health maintenance organizations, shall make annual returns and quarterly statements of their estimated annual privilege tax as follows:
- 1) All companies shall make an annual return for the preceding calendar year, on or before March 15; and
 - 2) Payments of quarterly statements of the company's total estimated privilege tax for the current calendar year shall be due on or before April 15, June 15, September 15 and December 15 of such year in the amount of at least 1/4 of either the total tax paid during the previous calendar year, or 80% of the tax due to be paid for the current calendar year. However, those companies whose annual privilege tax for the immediately preceding calendar year is less than \$5,000 shall only be required to file an annual return statement pursuant to subsection (a)(1) of this Section.
- b) Health maintenance organizations in the year 2000 shall make an annual return for the 1999 calendar year on or before March 15, but are not required to file quarterly statements for the calendar year 1999. Starting in the year 2000 and thereafter, in addition to an annual return filed on or before March 15, health maintenance organizations shall make payments of quarterly statements of the total estimated privilege tax for the current calendar year and shall be due on or before April 15, June 15, September 15 and December 15 of such year, in the amount of at least 1/4 of either the total tax paid during the previous calendar year, or 80% of the tax due to be paid for the current calendar year. However, those health maintenance organizations whose annual privilege tax for the immediately preceding calendar year is less than \$5,000 shall only be required to file an annual return.
- c) Payment of such annual returns and quarterly statements shall include such information as prescribed in Illustration C and Section 2510.90 of this Part and be made pursuant to 50 Ill. Adm. Code 2500.70(b).

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- d) Failure to file a return, even if no tax is owed, or to file quarterly statements, if required, or to make a timely payment, will subject the company to penalties pursuant to Section 2510.110 of this Part.

Section 2510.80 Annual Privilege Tax Allocation in Merger, Consolidation, Reorganization, or Reincorporation

When a company survives or was formed by a merger, consolidation, reorganization or reincorporation, the premiums written or received, and amounts returned or paid by all companies party to such merger, consolidation, reorganization or reincorporation shall, for purposes of determining the amount of the annual privilege tax imposed by Section 409(3) of the Code, be regarded as written or received, returned or paid by such surviving or new company [215 ILCS 5/409(3)]. No tax deduction, credit, or offset shall be transferred as a result of a merger, consolidation, reorganization or reincorporation if the company who holds the tax deduction, credit, or offset still exists after the merger, consolidation, reorganization or reincorporation. Additionally, no tax deduction, credit, or offset shall be considered transferred or owned by another taxpayer simply as the result of an assumption reinsurance agreement or as a result of a restructuring of a company or companies.

Section 2510.90 Annual Privilege Tax Filing Requirements

Each company required to file an annual privilege tax return pursuant to this Part must file its annual return, even if no tax is owed, with the following information:

- a) The applicable information set forth in the privilege/retaliatory tax return as annually sent and updated by the Department and as shown in Illustration C of this Part;
- b) Proof of payment of all privilege tax deductions taken, such as copies of canceled checks;
- c) If filing as part of a Unitary group the Department's Unitary Schedule must be completed and attached; and
- d) The applicable premium information as set forth in Illustration D of this Part which are blank copies of the Direct Business pages filed with the annual statement as established by the National Association of Insurance Commissioners.

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Section 2510.100 Waiver, Deferment, or Abatement of the Annual Privilege Tax

Upon a written request from the company or by the Director's own decision, the Director may, pursuant to Section 409(5) of the Code [215 ILCS 5/409(5)], determine in his opinion the company's solvency and ability to meet its insured obligations would be immediately threatened by payment of the annual privilege tax due. In such cases the Director may defer, waive or abate the annual privilege tax. Such written request from the company shall contain all financial information necessary for the Director to make his determination.

Section 2510.110 Civil Penalties and Interest

Failure of a company to file the annual tax return, even if no tax is owed, to timely make the annual privilege tax payment, or to timely make the quarterly statement payments, if required, of at least $\frac{1}{4}$ of either the total tax paid during the previous calendar year, or 80% of the tax due to be paid for the current calendar year, shall subject it to the penalty and interest provisions set forth in Section 412 of the Code [215 ILCS 5/412] and as assessed pursuant to 50 Ill. Adm. Code 2525.100(a).

Section 2510.120 Hearings

Any person or company required to pay an annual privilege tax pursuant to this Part may request a hearing to be held for the purposes of determining if the assessed tax is appropriate. The hearing request shall be made pursuant to 50 Ill. Adm. Code 2500.50 and shall be based on the grounds set forth in Section 412 of the Code [215 ILCS 5/412], a mistake of fact, an error in calculation or an erroneous interpretation of a statute of this or any other state, and such request will only be granted based on those grounds.

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Section 2510.ILLUSTRATION A Calculation of the Annual Privilege Tax

Property and Casualty Insurance Companies				
Privilege Tax Calculation		1 Premium	2 Premium Rate	3 Premium Tax
1	Property and Casualty Insurance Premiums (Page 15 Column 2. Line 32 of the Annual Statement except Lines 13 thru 15.6 and other exempt lines of premium)			
2	Finance and service charges as reported on Page 15 of the Annual Statement			
3	DEDUCTIONS Dividends paid or credited to policyholders on premiums reported on Line 1 (Page 15. Column 4 of the Annual Statement)			
4	NET TAXABLE PROPERTY & CASUALTY PREMIUMS (Column 1. Line 1 plus 2 minus 3)			
5	Property & Casualty Premium Tax (Column 1. Line 4 x Column 2)		.005	
6	Accident and Health Premiums (Page 15. Column 2. Lines 13 thru 15.6 per Rule 2510.50) (July 1 thru Dec. 31, 1998)			
7	DEDUCTIONS Dividends paid or credited to policyholders on premiums reported on Line 6 (Page 15. Column 4 of the Annual Statement) (July 1 thru December 31, 1998)			
8	NET TAXABLE ACCIDENT AND HEALTH PREMIUMS (Column 1. Line 6 minus Line 7) (July 1 thru Dec. 31 1998)			
9	Property & Casualty Accident & Health Premium Tax (Column 1 Line 8 x Column 2)		.004	
10	Net Premium Tax Before Credits (Column 3, Line 5 plus Line 9)			
Less Credits to the Privilege Tax				
11	FIRE DEPARTMENT TAXES PAID			
	11a Fire Department Taxes paid to Illinois Municipal League			
	11b Fire Department Taxes-Other (Proof of Payment)			
	11c Total Fire Department Taxes (Col 1. Lines 11a plus 11b)			
	CORPORATE & REPLACEMENT INCOME TAX INTERGRADATION EXCESS Complete Lines 12 thru 13 if Corporate and Replacement Income Taxes are not paid on a Unitary Method. If paid on a Unitary Method go to U-1 Schedule and complete as directed			
12	ILLINOIS CORPORATE INCOME TAX PAYMENTS			
	12a 1997 Final Payment			
	12b 1998 Total Quarterly Payments			
	12c Other Payments paid during Calendar Year 1998			
	12d Less State Income Tax Cash Refunds Received			
	12e TOTAL			
13	ILLINOIS PERSONAL PROPERTY REPLACEMENT CORPORATE INCOME TAX PAYMENTS			
	13a 1997 Final Payment			
	13b 1998 Total Quarterly Payments			
	13c Other Payments paid during Calendar Year 1998			
	13d Less Replacement State Income Tax Cash Refunds Received			
	13e TOTAL			
14	TOTAL NET INCOME TAXES (12e plus 13e)			
15	Unitary Member Income Tax Offset (Schedule U-1)			
16	Total Property and Casualty Premium & Accident and Health Premium (Col 1 Line 4 plus Col 1 Line 8)			
17	Intergradation Offset is excess of 1.5% Net Taxable Premium (Line 16 x 1.5%)			
18	Intergradation Offset Amount (Line 14 or 15 minus Line 17) If negative enter zero			

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19 NET PREMIUM TAX (Line 10 less Line 11c less Line 18) (cannot be less than -0-)		
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Life and Accident and Health Insurance Companies			
Privilege Tax Calculation	1	2	3
	Premium	Premium Rate	Premium Tax
1 Life Insurance Premiums (Page 21, Column 6. Line 1 per Annual Statement)			
2 DEDUCTIONS			
a Dividends Paid in Cash			
b Dividends Applied in Reduction of Premiums			
c Return Premiums			
d Total Deductions			
3 NET TAXABLE DIRECT LIFE PREMIUMS (Column 1, Line 1 minus 2d)			
4 Net Direct Life Premium Tax (Line 3, Column 1 x Column 2)		.005	
5 Accident and Health Premiums (Page 21, Column 2, Line 25 minus Line 23.1 per Annual Statement) (July 1 thru December 31, 1998)			
6 DEDUCTIONS			
Dividends Paid in Cash or Credited to Policyholders on premiums reported on Line 5 (July 1 thru Dec. 31, 1998)			
7 NET TAXABLE ACCIDENT AND HEALTH PREMIUMS (Column 1, Line 5 minus Line 6) (July 1 thru Dec. 31, 1998)			
8 Net Accident & Health Premium Tax (Line 7, Column 1 x Column 2)		.004	
9 Net Premium Tax Before Credits (Column 3, Line 4 plus Column 3, Line 8)			
Less Credits to the Privilege Tax			
CORPORATE & REPLACEMENT INCOME TAX INTERGRADATION EXCESS			
Complete Lines 10 thru 11 if Corporate and Replacement Income Taxes are not paid on a Unitary Method. If paid on a Unitary Method go to U-1 Schedule and complete as directed			
10 ILLINOIS CORPORATE INCOME TAX PAYMENTS			
10a 1997 Final Payment			
10b 1998 Total Quarterly Payments			
10c Other Payments paid during Calendar Year 1998			
10d Less State Income Tax Cash Refunds Received			
10e TOTAL			
11 ILLINOIS PERSONAL PROPERTY REPLACEMENT CORPORATE INCOME TAX PAYMENTS			
11a 1997 Final Payment			
11b 1998 Total Quarterly Payments			
11c Other Payments paid during Calendar Year 1998			
11d Less Replacement State Income Tax Cash Refunds Received			
11e TOTAL			
12 TOTAL NET INCOME TAXES (10e plus 11e)			
13 Unitary Member Income Tax Offset (Schedule U-1)			
14 Total Life Insurance Premium & Accident and Health Premium (Column 1 Line 3 plus Column 1 Line 7)			
15 Intergradation Offset is excess of 1.5% Net Taxable Premium (Line 14 x 1.5%)			
16 Intergradation Offset Amount (Line 12 or 13 minus Line 15) If negative enter zero			
17 NET PREMIUM TAX (Line 9 minus Line 16) (cannot be less than -0-)			

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Privilege Tax Calculation			
	1	2	3
	Premium	Premium Rate	Premium Tax
1	PREMIUMS		
2	NET PREMIUM TAX (Column 1, Line 1 x Column 2)	.004	
Less Credits to the Privilege Tax			
	CORPORATE & REPLACEMENT INCOME TAX INTERGRADATION EXCESS Complete Lines 3 thru 4 if Corporate and Replacement Income Taxes are not paid on a Unitary Method. If paid on a Unitary Method, go to U-1 Schedule and complete as directed		
3	ILLINOIS CORPORATE INCOME TAX PAYMENTS		
	3a 1997 Final Payment		
	3b 1998 Total Quarterly Payments		
	3c Other Payments paid during Calendar Year 1998		
	3d Less State Income Tax Cash Refunds Received		
	3e TOTAL		
4	ILLINOIS PERSONAL PROPERTY REPLACEMENT CORPORATE INCOME TAX PAYMENTS		
	4a 1997 Final Payment		
	4b 1998 Total Quarterly Payments		
	4c Other Payments paid during Calendar Year 1998		
	4d Less Replacement State Income Tax Cash Refunds Received		
	4e TOTAL		
5	TOTAL NET INCOME TAXES (Line 3e + 4e Column 1)		
6	Unitary Member Income Tax Offset (Schedule U-1)		
7	Intergradation Offset is excess of 1.5% Net Taxable Premium (Line 1 Column 1 x 1.5%)		
8	Intergradation Offset Amount (Line 5 or 6 minus Line 7 if negative enter -0-)		
9	NET PREMIUM TAX (Line 2 Column 3 minus Line 8)		

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Section 2510.ILLUSTRATION B Unitary Group Allocation Calculation

Income Tax Offset Based on Unitary Method of Corporate and Replacement Tax							
Allocated by each Company's Illinois Premium Written (including annuities) to the Unitary Group's Total Illinois Premium Written (Schedule U-1)							
	Identity	Payment	Refund	Results			
	1	2	3	4	5	6	7
	Company Name of Each Unitary Member	Company FEIN	Illinois Direct Premium	Percentage Allocation	Tax Offset Allocated by Percentage	Refund Offset Allocation by %	Allowed
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15	Column Totals						

Taxes Paid By (Name of Company and the FEIN of Taxpayer) _____

Total Taxes Paid _____

Total Refund Issued _____

Net Available for Offset _____

(This amount will be verified per the Department of Revenue records.)

Procedure to Determine the Income Tax Offset on the Unitary Method

We will use Schedule U-1 to determine the income tax offset for companies using the Unitary Method. The allocation of the total income tax paid will be based on the Illinois premium written (including annuities) by each individual company as a percent of the Unitary group total. This allocation is multiplied to the unitary calendar year amount paid and the result is the available income tax offset for that individual company.

If the unitary group received a refund during the calendar year, the refund must also be allocated among the individual companies. If a member of the unitary group received a refund during the calendar year, the refund must be allocated among all members of the unitary group. Only the net amount is allowed.

Each unitary group must complete Schedule U-1 to be allowed the offset. Any unitary group that does **not** complete Schedule U-1 will not be allowed to use the Illinois Corporate and Replacement income taxes in the calculation of the privilege and retaliatory taxes.

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Section 2510.ILLUSTRATION C Annual Privilege and Retaliatory Tax Return



State of Illinois
1998 Privilege and Retaliatory Tax Statement for Property and Casualty Insurers
Business during the Calendar Year 1998

Illinois Department of Insurance
320 W. Washington Street
Springfield, IL 62767-0001

Due: March 15, 1999

Federal Employer Identification Number: - NAIC:

Name of Insurance Company

with principal office located at

Street and Number City State Zip Code

incorporated under the laws of the State of as required by and in accordance with "215 ILCS 5/410" of the Illinois Compiled Statutes.

Mailing address, if other than principal office location shown above

Contact person: Phone ()

Instructions

Important Notice: The FEIN must be on this statement to ensure proper posting to your company account.

1 The Privilege and Retaliatory Tax Statement must be filed and the taxes due must be paid on or before March 15, 1999.

The official filing date is the U.S. Postal date.

2 Separate checks and statement is requested for each company of an insurance group.

3 The Department of Insurance cannot issue cash refunds of overpayments. Overpayments should be applied to all future privilege and retaliatory tax liabilities only.

4 No authority exists for granting any extension of time for filing or payment.

5 The payment received will be subject to audit and subsequent adjustments if necessary.

6 Any penalties to be levied will be assessed as provided by "215 ILCS 5/412," Illinois Compiled Statutes.

7 File only one original notarized copy. The Illinois Department of Insurance will not accept computerized, fax or any facsimile tax statements. Companies must use the prescribed form furnished by the Department. Failure to do so will subject your company to penalties per "215 ILCS 5/412" of the Illinois Compiled Statutes.

8 Remittance should be made payable to the Director of Insurance and mailed with the completed tax statement to attention of Tax and Fiscal Services Section. Illinois Department of Insurance, 320 West Washington Street, Springfield, Illinois 62767-0001

Do not mail checks or forms with the Annual Statement

Important Notice: Disclosure of this information is required under the Illinois Compiled Statutes' Insurance Laws. Failure to provide this information will result in a fine. This form has been approved by the Forms Management Center.

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NAIC Group Code _____			
NAIC Company Code _____			
Direct Business in the State of Illinois During the Year 1998 Property & Casualty Insurance			
Line of Business	Gross Premiums, Including Policy and Membership Fees, Less Return Premiums and Premiums on Policies Not Taken		Dividends Paid or Credited to Policyholders on Direct Business
	Direct Premiums Written	Direct Premiums Earned	
1	Fire		
2.1	Allied Lines		
2.2	Multiple peril crop		
2.3	Federal flood		
3.	Farmowners multiple peril		
4.	Homeowners multiple peril		
5.1	Commercial multiple peril (non-liability portion)		
5.2	Commercial multiple peril (liability portion)		
6.	Mortgage guaranty		
8.	Ocean marine		
9.	Inland marine		
10.	Financial guaranty		
11.	Medical malpractice		
12.	Earthquake		
13.	Group accident and health		
14.	Credit A & H (Group and Individual)		
15.1	Collectively renewable A & H		
15.2	Non-cancelable A & H		
15.3	Guaranteed renewable A & H		
15.4	Non-renewable for state reasons only		
15.5	Other accident only		
15.6	All other A & H		
15.7	Federal employees health benefits program premium		
16.	Workers' compensation		
17.	Other liability		
18.	Products liability		
19.1	Private passenger auto no-fault (personal injury protection)		
19.2	Other private passenger auto liability		
19.3	Commercial auto no-fault (personal injury protection)		
19.4	Other commercial auto liability		
21.1	Private passenger auto physical damage		
21.2	Commercial auto physical damage		
22.	Aircraft (all perils)		
23.	Fidelity		
24.	Surety		
26.	Burglary and theft		
27.	Boiler and Machinery		
28.	Credit		
31.	Aggregate write-ins for other lines of business		
32.	Totals (a)		

32a Finance and service charges not included in Lines 1 to 32 \$ _____

Amounts Must Agree to Direct Business Page of Company's Annual Statement.

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Property and Causality Insurance Companies				
Privilege Tax Calculation		1 Premiums	2 Premium Rate	3 Premium Tax
1	Property and Casualty Insurance Premiums (Page 15 Column 2. Line 32 of the Annual Statement except Lines 13 thru 15.6 and other exempt lines of premium)			
2	Finance and service charges as reported on Page 15 of the Annual Statement			
3	DEDUCTIONS Dividends paid or credited to policyholders on premiums reported on Line 1 (Page 15. Column 4 of the Annual Statement)			
4	NET TAXABLE PROPERTY & CASUALTY PREMIUMS (Column 1 Line 1 plus 2 minus 3)			
5	Property & Casualty Premium Tax (Column 1. Line 4 x Column 2)		.005	
6	Accident and Health Premiums (Page 15. Column 2. Lines 13 thru 15.6 per Rule 2510.50) (July 1 thru Dec 31 1998)			
7	DEDUCTIONS Dividends paid or credited to policyholders on premiums reported on Line 6 (Page 15. Column 4 of the Annual Statement (July thru December 31, 1998)			
8	NET TAXABLE ACCIDENT AND HEALTH PREMIUMS (Column 1, Line 6 minus Line 7) (July 1 thru Dec. 31, 1998)			
9	Property & Casualty Accident & Health Premium Tax (Column 1, Line 8 x Column 2)		.004	
10	Net Premium Tax Before Credits (Column 3. Line 5 plus Line 9)			
Less Credits to the Privilege Tax				
11	FIRE DEPARTMENT TAXES PAID			
	11a Fire Department Taxes paid to Illinois Municipal League			
	11b Fire Department Taxes-Other (Proof of Payment)			
	11c Total Fire Department Taxes (Col 1, Lines 11a plus 11 b)			
	CORPORATE & REPLACEMENT INCOME TAX INTERGRADATION EXCESS Complete Lines 12 thru 13 if Corporate and Replacement Income Taxes are not paid on a Unitary Method. If paid on a Unitary Method, go to U-1 Schedule and complete as directed			
12	ILLINOIS CORPORATE INCOME TAX PAYMENTS			
	12a 1997 Final Payment			
	12b 1998 Total Quarterly			
	12c Other Payments paid during Calendar Year 1998			
	12d Less State Income Tax Cash Refunds Received			
	12e TOTAL			
13	ILLINOIS PERSONAL PROPERTY REPLACEMENT CORPORATE INCOME TAX PAYMENTS			
	13a 1997 Final Payment			
	13b 1998 Total Quarterly Payments			
	13c Other Payments paid during Calendar Year 1998			
	13d Less Replacement State Income Tax Cash Returns Received			
	13e TOTAL			

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED REPEALER

14	TOTAL NET INCOME TAXES (12e plus 13e)	
15	Unitary Member Income Tax Offset (Schedule U-1)	
16	Total Property and Casualty Premium & Accident and Health Premium (Col 1. Line 4 plus Col 1. Line 8)	
17	Intergradation Offset is excess of 1.5 % Net Taxable Premium (Line 16 x 1.5%)	
18	Intergradation Offset Amount (Line 14 or 15 minus Line 17) If negative enter zero	
19	NET PREMIUM TAX (Line 10 less Line 11c less Line 18) (cannot be less than-0-)	

3 of 6

Computation of Retaliatory Taxes		
<p>Under "215 ILCS 5/444 and 444.1" of the Illinois Compiled Statutes, when the laws of any other state require of companies domiciled in Illinois the payment of penalties, fees, charges or taxes greater than those required in the aggregate for like purposes under the laws of Illinois by companies domiciled in such states, the Director of Insurance is required to impose comparable requirements on a retaliatory basis. All insurance related taxes and fees, including premium taxes, based on the State of Incorporation requirements, should be calculated below with the total carried forward to Page 6, Line 2 under Column 2.</p>		
Retaliatory Tax Calculation		
	Column 1 State of Illinois Basis	Column 2 State of Incorporation Basis
1	Annual Statement Filing Fee	\$100.00
2	Certificate of Authority Fee	\$100.00
3	Fire Marshal Tax	
4	Fire Department Tax (proof of payment must be attached)	
5	Financial Regulation Fee	
6	Policy Form Filing Fee	
*7a	Illinois Corporate & Replacement Income Taxes Paid	XXXXXXXXXXXXXX
7b	Illinois Life & Health Guaranty Fund Credit (per Association's official notice)	XXXXXXXXXXXXXX
7c	Other State of Illinois Taxes and Fees per Article XXV	XXXXXXXXXXXXXX
7d	Other State of Incorporation Taxes and Fees	XXXXXXXXXXXXXX
7e	State of Incorporation income tax paid without reduction, if any is otherwise allowed, for a similar association offset as the Illinois Life and Health Guaranty Association per Section 2515.50(c)(5)	XXXXXXXXXXXXXX
8	Privilege, Premium Tax, Franchise Tax, etc	
9	Total Illinois Basis	XXXXXXXXXXXXXX
10	Total State of Incorporation Basis	XXXXXXXXXXXXXX
11	Total Retaliatory Tax Due (Line 10 minus Line 9: balance cannot be less than -0-)	XXXXXXXXXXXXXX
<p>*If Illinois Corporate and Replacement income taxes are paid on a unitary method, please complete Schedule U-1 in detail. Proof of Payment (cancelled checks and IL 1120) must be attached to verify basis.</p>		

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DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED REPEALER

**Income Tax Offset Based on Unitary Method of Corporate and Replacement Tax
Allocated by each Company's Illinois Premium Written (including annuities)
to the Unitary Group's Total Illinois Premium Written (Schedule U-1)**

	Identity		Payment		Refund	Results	
	1	2	3	4	5	6	
	Company Name of Each Unitary Member	Company FEIN	Illinois Direct Premium	Percentage Allocation	Tax Offset Allocated by Percentage	Refund Offset Allocation by %	7
							Allowed
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15	Column Totals						

Taxes Paid By (Name of Company and the FEIN of Taxpayer) _____

Total Taxes Paid _____
 Total Refund Issued _____
 Net Available for Offset _____
 (This amount will be verified per the Department of Revenue records.)

Procedure to Determine the Income Tax Offset on the Unitary Method

We will use Schedule U-1 to determine the income tax offset for companies using the Unitary Method. The allocation of the total income tax paid will be based on the Illinois premium written (including annuities) by each individual company as a percent of the Unitary group total. This allocation is multiplied to the unitary calendar year amount paid and the result is the available income tax offset for that individual company.

If the unitary group received a refund during the calendar year, the refund must also be allocated among the individual companies. If a member of the unitary group received a refund during the calendar year, the refund must be allocated among all members of the unitary group. Only the net amount is allowed.

Each unitary group must complete Schedule U-1 to be allowed the offset. Any unitary group that does **not** complete Schedule U-1 will not be allowed to use the Illinois Corporate and Replacement income taxes in the calculation of the privilege and retaliatory taxes.

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED REPEALER

Payment Summary		Column 1	Column 2
1	Amount due as Privilege Tax (Line 19, Page 3)		
2	Amount due as Retaliatory Tax (Line 11, Page 4)		
3	Total Privilege and Retaliatory Tax (Line 1 plus 2)		
4	Less Privilege Tax Estimated Installments		
4a	April 15, 1998	XXXXXXXXXXXXXXXXXX	
4b	June 15, 1998		
4c	September 15, 1998		
4d	December 15, 1998		
4e	Total: (Add 4a thru 4d)		
5	Less Retaliatory Tax Quarterly Estimates		
5a	April 15, 1998		
5b	June 15, 1998		
5c	September 15, 1998		
5d	December 15, 1998		
5e	Total (Add 5a thru 5d)		
6	Total Estimated Payments (Lines 4e plus 5e)		
7	Less: Prior Year End Overpayment (as reported on prior year tax return)		
8	Total Credits (Line 6 plus line 7)		
9	Balance Due (Line 3 less Line 8)		
*10	Failure to file tax return penalty (\$200 per month or 5% of tax whichever is greater)		
*11	Failure to pay tax penalty (5% of tax due)		
*12	Interest on the tax paid after due date per IRS rate, minimum 12%		
13	Total remittance with tax return (sum of Lines 9, 10, 11 and 12)		
**14	Tax Overpayment (if Line 8 is greater than Line 9)		
*Calculate per "215 ILCS 5/412" of the Illinois Compiled Statutes.			
**All overpayments must be applied to future privilege or retaliatory tax liabilities only.			
Name: _____		Title: _____ of the	
(Signature of Corporate Officer)		(Company)	
declares under penalties of perjury that the foregoing Statement (including the accompanying schedules) has been examined by him, and to the best of his knowledge and belief is true, correct and complete.			
		Date: _____	

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED REPEALER

Illinois Department of Insurance
320 W. Washington Street
Springfield, IL 62767-0001



State of Illinois
1998 Privilege and Retaliatory Tax Statement for Life and Accident and Health Companies
Business during the Calendar Year 1998

Due: March 15, 1999

Federal Employer Identification Number: _____ - _____ - _____ NAIC: _____

_____ Name of Insurance Company

with principal office located at _____
 Street and Number City State Zip Code

incorporated under the laws of the State of _____ as required by and in
 accordance with "215 ILCS 5/410" of the Illinois Compiled Statutes.

Mailing address, if other than principal office location shown above _____

Contact person: _____ Phone () _____

Instructions

- Important Notice:** The FEIN must be on this statement to ensure proper posting to your company account.
- 1 The Privilege and Retaliatory Tax Statement must be filed and the taxes due must be paid on or before March 15, 1999. **The official filing date is the U.S. Postal date.**
 - 2 Separate checks and statement is requested for each company of an insurance group.
 - 3 The Department of Insurance cannot issue cash refunds of overpayments. Overpayments should be applied to all future privilege and retaliatory tax liabilities only.
 - 4 No authority exists for granting any extension of time for filing or payment.
 - 5 The payment received will be subject to audit and subsequent adjustments if necessary.
 - 6 Any penalties to be levied will be assessed as provided by "215 ILCS 5/412," Illinois Compiled Statutes.
 - 7 File only one original notarized copy. The Illinois Department of Insurance will not accept computerized, fax or any facsimile tax statements. Companies must use the prescribed form furnished by the Department. Failure to do so will subject your company to penalties per "215 ILCS 5/412" of the Illinois Compiled Statutes.
 - 8 Remittance should be made payable to the **Director of Insurance** and mailed with the completed tax statement to attention Tax and Fiscal Services Section. Illinois Department of Insurance, 320 West Washington Street, Springfield, Illinois 62767-0001

Do not mail checks or forms with the Annual Statement

Important Notice: Disclosure of this information is **required** under the Illinois Compiled Statutes' Insurance Laws. Failure to provide this information will result in a fine. This form has been approved by the Forms Management Center.

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED REPEALER

NAIC Group Code _____
NAIC Company Code _____
Direct Business in the State of Illinois During the Year 1998
Property & Casualty Insurance

	2	3	4	5	6
	Ordinary	Credit Life (Group and Individual)	Group	Industrial	Total
Direct Premiums and Annuity Considerations					
1 Life Insurance					
2 Annuity considerations					
3 Deposit-type funds		xxxxxx		xxxxxx	
4 Totals (sum of Lines 1 to 3)					

Direct Dividends to Policy Holders

Life Insurance:

- 5.1 Paid in cash or left on deposit
- 5.2 Applied to pay renewal premiums
- 5.3 Applied to provide paid-up additions or shortened the endowment or premium-paying agent
- 5.4 Other
- 5.5 Totals (sum of 5.1 to 5.4)

Annuities:

- 6.1 Paid in cash or left on deposit
- 6.2 Applies to provide paid-up annuities
- 6.3 Other
- 6.4 Totals (sum of 6.1 to 6.3)

7 Grand Totals (Lines 5.5 plus 6.4)

Accident and Health Insurance

	2	3	4	5	6
	Direct Premiums	Direct Premiums Earned	Dividends Paid or Credited on Direct Business	Direct Losses Paid	Direct Losses Incurred
8 Group Policies					
8.1 Federal Employees Health Benefits Program Premium					
8.2 Credit (Group and Individual)					
8.3 Collectively Renewable Policies					
Other Individual Policies					
9.1 Non-cancellable					
9.2 Guaranteed Renewable					
9.3 Non-renewable for stated reasons only					
9.4 Other accidents only					

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED REPEALER

9.5 All other

9.6 Totals (sum of 9.1 to 9.5)

10 Total (Lines 8 + 8.1 + 8.2 + 8.3 + 9.6)

Amounts Must Agree to Direct Business Page of Company's Annual Statement.

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED REPEALER

Life and Accident and Health Insurance Companies			
Privilege Tax Calculation	1	2	3
	Premiums	Premium Rate	Premium Tax
1 Life Insurance Premiums (Page 21, Column 6. Line 1 per Annual Statement)			
2 DEDUCTIONS			
a Dividends Paid in Cash			
b Dividends Applied in Reduction of Premiums			
c Return Premiums			
d Total Deductions			
3 NET TAXABLE DIRECT LIFE PREMIUMS (Column 1, Line 1 minus 2d)			
4 Net Direct Life Premium Tax (Line 3, Column 1 x Column 2)		.005	
5 Accident and Health Premiums (Page 21, Column 2, Line 25 minus Line 23.1 per Annual Statement) (July 1 thru December 31 1998)			
6 DEDUCTIONS Dividends paid in cash or credited to policyholders on premiums reported on Line 5 (July 1 thru Dec. 31, 1998)			
7 NET TAXABLE ACCIDENT AND HEALTH PREMIUMS (Column 1, Line 6 minus Line 6) (July 1 thru Dec. 31, 1998)			
8 Net Accident & Health Premium Tax (Line 7, Column 1 x Column 2)		.004	
9 Net Premium Tax Before Credits (Column 3, Line 4 plus Column 3, Line 8)			
Less Credits to the Privilege Tax			
CORPORATE & REPLACEMENT INCOME TAX INTERGRADATION EXCESS			
Complete Lines 10 thru 11 if Corporate and Replacement Income Taxes are not paid on a Unitary Method. If paid on a Unitary Method, go to U-1 Schedule and complete as directed			
10 ILLINOIS CORPORATE INCOME TAX PAYMENTS			
10a 1997 Final Payment			
10b 1998 Total Quarterly Payments			
10c Other Payments paid during Calendar Year 1998			
10d Less State Income Tax Cash Refunds Received			
10e TOTAL			
11 ILLINOIS PERSONAL PROPERTY REPLACEMENT CORPORATE INCOME TAX PAYMENTS			
11a 1997 Final Payment			
11b 1998 Total Quarterly Payments			
11c Other Payments paid during Calendar Year 1998			
11d Less Replacement State Income Tax Cash Returns Received			
11e TOTAL			
12 TOTAL NET INCOME TAXES (10e plus 11e)			
13 Unitary Member Income Tax Offset (Schedule U-1)			
14 Total Life Insurance Premium & Accident and Health Premium (Column 1., Line 3 plus Column 1., Line 7)			
15 Intergradation Offset is excess of 1.5% Net Taxable Premium (Line 14 x 1.5%)			
16 Intergradation Offset Amount (Line 12 or 13 minus Line 15) If negative enter zero			
17 NET PREMIUM TAX (Line 9 less Line 16 (cannot be less than -0-))			

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED REPEALER

Computation of Retaliatory Taxes		
Under "215 ILCS 5/444 and 444.1" of the Illinois Compiled Statutes, when the laws of any other state require of companies domiciled in Illinois the payment of penalties, fees, charges or taxes greater than those required in the aggregate for like purposes under the laws of Illinois by companies domiciled in such states, the Director of Insurance is required to impose comparable requirements on a retaliatory basis. All insurance related taxes and fees, including premium taxes, based on the State of Incorporation requirements, should be calculated below with the total carried forward to Page 6, Line 2 under Column 2.		
Retaliatory Tax Calculation		
	Column 1 State of Illinois Basis	Column 2 State of Incorporation Basis
1 Annual Statement Filing Fee	\$100.00	
2 Certificate of Authority Fee	\$100.00	
3 Fire Marshal Tax		
4 Fire Department Tax (proof of payment must be attached)		
5 Financial Regulation Fee		
6 Policy Form Filing Fee		
*7a Illinois Corporate & Replacement Income Taxes Paid		XXXXXXXXXXXXXX
7b Illinois Life & Health Guaranty Fund Credit (per Association's official notice)		XXXXXXXXXXXXXX
7c Other State of Illinois Taxes and Fees per Article XXV		XXXXXXXXXXXXXX
7d Other State of Incorporation Taxes and Fees	XXXXXXXXXXXXXX	
7e State of Incorporation income tax paid without reduction, if any is otherwise allowed, for a similar association offset as the Illinois Life and Health Guaranty Association per Section 2515.50(c)(5)	XXXXXXXXXXXXXX	
8 Privilege, Premium Tax, Franchise Tax, etc		
9 Total Illinois Basis		XXXXXXXXXXXXXX
10 Total State of Incorporation Basis	XXXXXXXXXXXXXX	
11 Total Retaliatory Tax Due (Line 10 minus Line 9: balance cannot be less than -0-)	XXXXXXXXXXXXXX	
*If Illinois Corporate and Replacement income taxes are paid on a unitary method, please complete Schedule U-1 in detail. Proof of Payment (cancelled checks and IL 1120) must be attached to verify basis.		

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED REPEALER

**Income Tax Offset Based on Unitary Method of Corporate and Replacement Tax
Allocated by each Company's Illinois Premium Written (including annuities)
to the Unitary Group's Total Illinois Premium Written (Schedule U-1)**

	Identity		Payment		Refund	Results	
	1	2	3	4	5	6	
	Company Name of Each Unitary Member	Company FEIN	Illinois Direct Premium	Percentage Allocation	Tax Offset Allocated by Percentage	Refund Offset Allocation by %	7
							Allowed
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15	Column Totals						

Taxes Paid By (Name of Company and the FEIN of Taxpayer) _____

Total Taxes Paid _____
 Total Refund Issued _____
 Net Available for Offset _____
 (This amount will be verified per the Department of Revenue records.)

Procedure to Determine the Income Tax Offset on the Unitary Method

We will use Schedule U-1 to determine the income tax offset for companies using the Unitary Method. The allocation of the total income tax paid will be based on the Illinois premium written (including annuities) by each individual company as a percent of the Unitary group total. This allocation is multiplied to the unitary calendar year amount paid and the result is the available income tax offset for that individual company. If the unitary group received a refund during the calendar year, the refund must also be allocated among the individual companies. If a member of the unitary group received a refund during the calendar year, the refund must be allocated among all members of the unitary group. Only the net amount is allowed.

Each unitary group must complete Schedule U-1 to be allowed the offset. Any unitary group that does **not** complete Schedule U-1 will not be allowed to use the Illinois Corporate and Replacement income taxes in the calculation of the privilege and retaliatory taxes.

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED REPEALER

Payment Summary		Column 1	Column 2
1	Amount due as Privilege Tax (Line 17, Page 3)		
2	Amount due as Retaliatory Tax (Line 11, Page 4)		
3	Total Privilege and Retaliatory Tax (Line 1 plus 2)		
4	Less Privilege Tax Estimated Installments		
4a	April 15, 1998	XXXXXXXXXXXXXXXXXX	
4b	June 15, 1998		
4c	September 15, 1998		
4d	December 15, 1998		
4e	Total: (Add 4a thru 4d)		
5	Less Retaliatory Tax Quarterly Estimates		
5a	April 15, 1998		
5b	June 15, 1998		
5c	September 15, 1998		
5d	December 15, 1998		
5e	Total (Add 5a thru 5d)		
6	Total Estimated Payments (Lines 4e plus 5e)		
7	Less: Prior Year End Overpayment (as reported on prior year tax return)		
8	Total Credits (Line 6 plus line 7)		
9	Balance Due (Line 3 less Line 8)		
*10	Failure to file tax return penalty (\$200 per month or 5% of tax whichever is greater)		
*11	Failure to pay tax penalty (5% of tax due)		
*12	Interest on the tax paid after due date per IRS rate, minimum 12%		
13	Total remittance with tax return (sum of Lines 9, 10, 11 and 12)		
**14	Tax Overpayment (if Line 8 is greater than Line 9)		
*Calculate per "215 ILCS 5/412" of the Illinois Compiled Statutes. **All overpayments must be applied to future privilege or retaliatory tax liabilities only.			
Name: _____ (Signature of Corporate Officer)		Title: _____ of the _____ (Company)	
declares under penalties of perjury that the foregoing Statement (including the accompanying schedules) has been examined by him, and to the best of his knowledge and belief is true, correct and complete.			
		Date: _____	

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED REPEALER

Only Complete the Part Applicable to Your License.

Type of Organization or Plan	Premium
Health Maintenance Organization Premium taxable effective January 1, 1999 Net taxable premium per Schedule T of the Annual Statement, Page 60, Line 14, Column 4	
Limited Health Service Organizations Net taxable premium per Schedule T of the Annual Statement, Page 56, Line 14, Column 4	
Voluntary Health Service Plans Net taxable premium per schedule T of the Annual Statement, Page 56, Line 14, Column 4	
Dental Service Plans Net taxable premium per the Annual Statement, Page 7, Line 4, Column 1	

2 of 6

Privilege Tax Calculation	1 Premium	2 Premium Rate	3 Premium Tax
1. PREMIUMS			
2. NET PREMIUM TAX (Column 1, Line 1 x Column 2)		.004	
Less Credits to the Privilege Tax			
CORPORATE & REPLACEMENT INCOME TAX INTERGRADATION EXCESS Complete Lines 3 thru 4 if Corporate and Replacement Income Taxes are not paid on a Unitary Method. If paid on a Unitary Method, go to U-1 Schedule and complete as directed			
3. ILLINOIS CORPORATE INCOME TAX PAYMENTS			
3a 1997 Final Payment			
3b 1998 Total Quarterly Payments			
3c Other Payments paid during Calendar Year 1998			
3d Less State Income Tax Cash Refunds Received			
3e TOTAL			
4. ILLINOIS PERSONAL PROPERTY REPLACEMENT CORPORATE INCOME TAX PAYMENTS			
4a 1997 Final Payment			
4b 1998 Total Quarterly Payments			
4c Other Payments paid during Calendar Year 1998			
4d Less Replacement State Income Tax Cash Refunds Received			
4e TOTAL			
5. TOTAL NET INCOME TAXES (12e plus 13e)			
6. Unitary Member Income Tax Offset (Schedule U-1)			
7. Intergradation Offset is excess of 1.5% Net Taxable Premium (Line 1 Column 1 x 1.5%)			
8. Intergradation Offset Amount (Line 5 or 6 minus Line 7 if negative enter -0-)			
9. NET PREMIUM TAX (Line 2 Column 3 minus Line 8)			

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED REPEALER

Computation of Retaliatory Taxes		
<p>Under "215 ILCS 5/444 and 5/444.1" of the Illinois Compiled Statutes, when the laws of any other state require of companies domiciled in Illinois the payment of penalties, fees, charges or taxes greater than those required in the aggregate for like purposes under the laws of Illinois by companies domiciled in such states, the Director of Insurance is required to impose comparable requirements on a retaliatory basis. All insurance related taxes and fees, including premium taxes, based on the State of Incorporation requirements, should be calculated below with the total carried forward to Page 6, Line 2 under Column 2.</p>		
Retaliatory Tax Calculation	Column 1 State of Illinois Basis	Column 2 State of Incorporation Basis
1 Annual Statement Filing Fee	\$100.00	
2 Certificate of Authority Fee	\$100.00	
3 Fire Marshal Tax		
4 Fire Department Tax (proof of payment must be attached)		
5 Financial Regulation Fee		
6 Policy Form Filing Fee		
*7a Illinois Corporate & Replacement Income Taxes Paid		XXXXXXXXXXXXXX
7b Illinois Life & Health Guaranty Fund Credit (per Association's official notice)		XXXXXXXXXXXXXX
7c Other State of Illinois Taxes and Fees per Article XXV		XXXXXXXXXXXXXX
7d Other State of Incorporation Taxes and Fees	XXXXXXXXXXXXXX	
7e State of Incorporation income tax paid without reduction, if any is otherwise allowed, for a similar association offset as the Illinois Life and Health Guaranty Association per Section 2515.50(c)(5)	XXXXXXXXXXXXXX	
8 Privilege Premium Tax Franchise Tax, etc		
9 Total Illinois Basis		XXXXXXXXXXXXXX
10 Total State of Incorporation Basis	XXXXXXXXXXXXXX	
11 Total Retaliatory Tax Due (Line 10 minus Line 9: balance cannot be less than -0-).	XXXXXXXXXXXXXX	
<p>*If Illinois Corporate and Replacement income taxes are paid on a unitary method, please complete Schedule U-1 in detail. Proof of Payment (cancelled checks and IL 1120) must be attached to verify basis.</p>		

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED REPEALER

Income Tax Offset Based on Unitary Method of Corporate and Replacement Tax Allocated by each Company's Illinois Premium Written (including annuities) to the Unitary Group's Total Illinois Premium Written (Schedule U-1)							
	Identity	Payment			Refund	Results	
	1	2	3	4	5	6	7
	Company Name of Each Unitary Member	Company FEIN	Illinois Direct Premium	Percentage Allocation	Tax Offset Allocated by Percentage	Refund Offset Allocation by %	Allowed
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15	Column Totals						

Taxes Paid By (Name of Company and the FEIN of Taxpayer) _____

Total Taxes Paid _____

Total Refund Issued _____

Net Available for Offset _____

(This amount will be verified per the Department of Revenue records.)

Procedure to Determine the Income Tax Offset on the Unitary Method

We will use Schedule U-1 to determine the income tax offset for companies using the Unitary Method. The allocation of the total income tax paid will be based on the Illinois premium written (including annuities) by each individual company as a percent of the Unitary group total. This allocation is multiplied to the unitary calendar year amount paid and the result is the available income tax offset for that individual company.

If the unitary group received a refund during the calendar year the refund must also be allocated among the individual companies. If a member of the unitary group received a refund during the calendar year the refund must be allocated among all members of the unitary group. Only the net amount is allowed.

Each unitary group must complete Schedule U-1 to be allowed the offset. Any unitary group that does **not** complete Schedule U-1 will not be allowed to use the Illinois Corporate and Replacement income taxes in the calculation of the privilege and retaliatory taxes.

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED REPEALER

Payment Summary		Column 1	Column 2
1	Amount due as Privilege Tax (Line 19, Page 3)		
2	Amount due as Retaliatory Tax (Line 11, Page 4)		
3	Total Privilege and Retaliatory Tax (Line 1 plus 2)		
4	Less Privilege Tax Estimated Installments		
4a	April 15, 1998	XXXXXXXXXXXXXXXXXX	
4b	June 15, 1998		
4c	September 15, 1998		
4d	December 15, 1998		
4e	Total: (Add 4a thru 4d)		
5	Less Retaliatory Tax Quarterly Estimates		
5a	April 15, 1998		
5b	June 15, 1998		
5c	September 15, 1998		
5d	December 15, 1998		
5e	Total: (Add 5a thru 5d)		
6	Total Estimated Payments (Lines 4e plus 5e)		
7	Less: Prior Year End Overpayment (as reported on prior year tax return)		
8	Total Credits (Line 6 plus line 7)		
9	Balance Due (Line 3 less Line 8)		
*10	Failure to file tax return penalty (\$200 per month or 5% of tax whichever is greater)		
*11	Failure to pay tax penalty (5% of tax due)		
*12	Interest on the tax paid after due date per IRS rate, minimum 12%		
13	Total remittance with tax return (sum of Lines 9, 10, 11 and 12)		
**14	Tax Overpayment (if Line 8 is greater than Line 9)		
<p>*Calculate per "215 ILCS 5/412" of the Illinois Compiled Statutes. **All overpayments must be applied to future privilege or retaliatory tax liabilities only.</p>			
<p>Name: _____ Title: _____ of the (Signature of Corporate Officer) _____ (Company) declares under penalties of perjury that the foregoing Statement (including the accompanying schedules) has been examined by him, and to the best of his knowledge and belief is true, correct and complete. Date: _____</p>			

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED REPEALER

Quarterly Tax Statement

Illinois Department of Insurance
320 W. Washington Street
Springfield, IL 62767-0001



State of Illinois
Privilege and Retaliatory Tax Installment

All companies whose annual tax for the preceding calendar year was less than \$5,000 need not file this statement

Form containing sections: Federal Employer Identification Number, 1999 Calendar Year filing date, Privilege Tax (Parts A and B), Retaliatory Tax (Parts A and B), and Payment. Includes signature line and instructions.

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED REPEALER

(Life and Accident)

ANNUAL STATEMENT FOR THE YEAR 1998 OF THE DIRECT BUSINESS IN THE STATE OF		LIFE INSURANCE				DURING THE YEAR	
NAIC Group Code				NAIC Company Code		Affix bar code above	
1		2	3	4	5	6	
DIRECT PREMIUMS AND ANNUITY CONSIDERATIONS		Ordinary	Credit Life (Group and Individual)	Group	Industrial	Total	
1.	Life Insurance						
2.	Annuity considerations						
3.	Deposit-type funds		XXX		XXX		
4.	Totals (sum of lines 1 to 3)						
DIRECT DIVIDENDS TO POLICYHOLDERS							
Life insurance:							
5.1	Paid in cash or left on deposit						
5.2	Applied to pay renewal premiums						
5.3	Applied to provide paid-up additions or shorten the endowment or premium-paying agent						
5.4	Other						
	Totals (sum of 5.1 to 5.4)						
Annuities:							
6.1	Paid in cash or left on deposit						
6.2	Applies to provide paid-up annuities						
6.3	Other						
	Totals (sum of 6.1 to 6.3)						
7.	Grand Totals (lines 5.5 plus 6.4)						
DIRECT CLAIMS AND BENEFITS PAID							
8.	Death benefits						
9.	Matured endowments						
10.	Annuity benefits						
11.	Surrender values						
12.	Aggregate write-ins for miscellaneous direct claims and benefits paid						
13.	All other benefits, except accident and health						
14.	Totals						
DETAILS OF WRITE-INS							
1201.							
1202.							
1203.							
1298.	Summary of remaining write-ins for Line 12 from overflow page						
1299.	Total (Lines 1201 through 1203+ 1298) (Line 12) above						

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED REPEALER

1	Ordinary		Credit Life (Group and Individual)		Group		Industrial		Total	
	2a	2b	3a	3	4a	4b	5a	5b	6a	6b
	No.	Amount	No. of Ind. Pol. & Gr Certifs.	Amount	No. of Certifs.	Amount	No.	Amount	No.	Amount
DIRECT DEATH BENEFITS AND MATURED ENDOWMENTS INCURRED										
15.	Unpaid December 31, prior year									
16.	Incurred during current year									
	Settled during current year:									
	By payment in full									
17..1.	By payment on compromised claims									
17.2	Totals paid									
17.3	Reduction by compromise									
17.4	Amount rejected									
17.5	Total settlements									
17.6	Unpaid Dec. 31, current year (15+16-17.6)									
18.					No. of Policies					
POLICY EXHIBIT										
19.	In force December 31, prior year			a)						
20.	Issued during year									
21.	Other changes to in force (Net)									
22.	In force December 31 of current year			a)						

(a) Includes Individual Credit Life Insurance: prior year \$..... current year \$.....
 Includes Group Credit Life Insurance: Loans less than or equal to 60 months at issue, prior year \$..... current year \$.....
 Loans greater than 80 months at issue BUT NOT GREATER THAN 120 MONTHS prior year \$..... current year \$.....

ACCIDENT AND HEALTH INSURANCE

1	2	3	4	5	6
	Direct Premiums	Direct Premiums Earned	Dividends Paid Or Credited On Direct Business	Direct Losses Paid	Direct Losses Incurred
23.	Group Policies				
	Federal Employees Health Benefits Program Premium				
23.1.	Credit (Group and Individual)				
23.2.	Collectively Renewable Policies				
23.3.	Other Individual Policies:				
	Non-cancelable				
24.1.	Guaranteed renewable				
24.2.	Non-renewable for stated reasons only				
24.3.					

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED REPEALER

	Other accident only					
24.4	.....	.....	.....	.....	.....	.....
	All other					
24.5	.....	.....	.....	.....	.....	.....
	Totals (sum of 24.1 to 24.5)					
24.6	.....	.....	.....	.....	.....	.....
	Total (Lines 23+23.1+23.2+23.3+24.6)					

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED REPEALER

(Health Maintenance Organization)

STATEMENT AS OF

OF THE

SCHEDULE T – PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories

1 State, Etc.	2 Guaranty Fund (Yes or No)	3 Is Insurer Licensed (Yes or No)	Direct Business Only			
			4 Premiums	5 Medicare Title XVIII	6 Medicaid Title XIX	7 Federal Employees Health Benefits Program Premiums
1. Alabama AL						
2. Alaska AK						
3. Arizona AZ						
4. Arkansas AR						
5. California CA						
6. Colorado CO						
7. Connecticut CT						
8. Delaware DE						
9. Dist. Columbia DC						
10. Florida FL						
11. Georgia GA						
12. Hawaii HI						
13. Idaho ID						
14. Illinois IL						
15. Indiana IN						
16. Iowa IA						
17. Kansas KS						
18. Kentucky KY						
19. Louisiana LA						
20. Maine ME						
21. Maryland MD						
22. Massachusetts MA						
23. Michigan MI						
24. Minnesota MN						
25. Mississippi MS						
26. Missouri MO						
27. Montana MT						
28. Nebraska NE						
29. Nevada NE						
30. New Hampshire NH						
31. New Jersey NJ						
32. New Mexico NM						
33. New York NY						
34. North Carolina NC						
35. North Dakota ND						
36. Ohio OH						
37. Oklahoma OK						
38. Oregon OR						
39. Pennsylvania PA						
40. Rhode Island RI						
41. South Carolina SC						
42. South Dakota SD						
43. Tennessee TN						
44. Texas TX						
45. Utah UT						
46. Vermont VT						
47. Virginia VA						
48. Washington WA						
49. West Virginia WV						
50. Wisconsin WI						
51. Wyoming WY						
52. Aggregate Other OT	XXX	XXX				
53. Total (Direct Business)	XXX					
DETAILS OF WRITE-INS						
5201.						
5202.						
5203.						
5298. Summary of remaining write-ins for Line 52 from overflow page						
5299. Totals (Lines 5701 through 5703 plus 5798) (Line 52 above)						

Check Premium Basis (✓): () Written () Earned () Collected () Other (Explain)
 Explain basis of Premium Allocation by State:

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED REPEALER

(Limited Health Service Organization)

STATEMENT AS OF

OF THE

SCHEDULE T – PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories

1 State, Etc.	2 Guaranty Fund (Yes or No)	3 Is Insurer Licensed (Yes or No)	Direct Business Only			
			4 Premiums	5 Medicare Title XVIII	6 Medicaid Title XIX	7 Federal Employees Health Benefits Program Premiums
1. Alabama AL
2. Alaska AK
3. Arizona AZ
4. Arkansas AR
5. California CA
6. Colorado CO
7. Connecticut CT
8. Delaware DE
9. Dist. Columbia DC
10. Florida FL
11. Georgia GA
12. Hawaii HI
13. Idaho ID
14. Illinois IL
15. Indiana IN
16. Iowa IA
17. Kansas KS
18. Kentucky KY
19. Louisiana LA
20. Maine ME
21. Maryland MD
22. Massachusetts MA
23. Michigan MI
24. Minnesota MN
25. Mississippi MS
26. Missouri MO
27. Montana MT
28. Nebraska NE
29. Nevada NE
30. New Hampshire NH
31. New Jersey NJ
32. New Mexico NM
33. New York NY
34. North Carolina NC
35. North Dakota ND
36. Ohio OH
37. Oklahoma OK
38. Oregon OR
39. Pennsylvania PA
40. Rhode Island RI
41. South Carolina SC
42. South Dakota SD
43. Tennessee TN
44. Texas TX
45. Utah UT
46. Vermont VT
47. Virginia VA
48. Washington WA
49. West Virginia WV
50. Wisconsin WI
51. Wyoming WY
52. Aggregate Other OT	XXX	XXX	.....	.....	.....	.....
53. Total (Direct Business)	XXX	.....	.....	.....	.....	.....
DETAILS OF WRITE-INS						
5201.
5202.
5203.
5298. Summary of remaining write-ins for Line 52 from overflow page		
5299. Totals (Lines 5701 through 5703 plus 5798) (Line 52 above)		

Check Premium Basis (✓): () Written () Earned () Collected () Other (Explain)
Explain basis of Premium Allocation by State:

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED REPEALER

(Dental Service Plans)

ANNUAL STATEMENT FOR THE YEAR 1998 OF THE

UNDERWRITING AND INVESTMENT EXHIBIT
PART 1-PREMIUMS

Line of Business	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Ceded	4 Net Premiums Written (Cols. 1+2-3)	5 Unearned Premiums December 31 Prior Year	6 Unearned Premiums December 31 Current Year (Part 1A)	7 Reserve for Rate Credits and Retrospective Returns Based on Experience	8 Total Reserve for Unearned Premiums (Cols. 6+7)	9 Premiums Earned (Cols. 4+5-8)
1. Comprehensive (Hospital & Medical)									
2. Medical only									
3. Medicare Supplemental									
4. Dental									
5. Federal Employee Health Benefit Plans									
6. Title XVIII – Medicare									
7. Title XIX – Medicaid									
8. Other									
9. Totals (Sum of Lines 1 through 8)									

PART 1A – UNEARNED PREMIUMS

	1 Premiums in Force December 31 Current Year	2 Amount of Premiums or Fees Unearned
1. Annual premiums		
2. Semi-annual premiums		
3. Quarterly premiums		
4. Monthly premiums		

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED REPEALER

Advanced premiums		
5.
6. Totals		

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- 1) Heading of the Part: Annual Retaliatory Tax
- 2) Code Citation: 50 Ill. Adm. Code 2515
- 3)

<u>Section Numbers:</u>	<u>Proposed Actions:</u>
2515.10	Repealed
2515.20	Repealed
2515.30	Repealed
2515.40	Repealed
2515.50	Repealed
2515.60	Repealed
2515.70	Repealed
2515.80	Repealed
2515.90	Repealed
2515.100	Repealed
2515.ILLUSTRATION A	Repealed
2515.ILLUSTRATION B	Repealed
- 4) Statutory Authority: Implementing Sections 444 and 444.1 and authorized by Section 401 of the Illinois Insurance Code [215 ILCS 5/401, 444 and 444.1].
- 5) A Complete Description of the Subjects and Issues Involved: This Part is being repealed because the majority of the text unnecessarily repeats statutory requirements and some provisions inaccurately describe current Department procedures. The provisions of this Part that are necessary are being moved into Part 2500.
- 6) Published studies or reports, and sources of underlying data, used to compose this rulemaking: None
- 7) Will this rulemaking replace an emergency rule currently in effect? No
- 8) Does this rulemaking contain an automatic repeal date? No
- 9) Does this repealer contain incorporations by reference? No
- 10) Are there any other rulemakings pending on this Part? No

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED REPEALER

- 11) Statement of Statewide Policy Objective: This rulemaking will not require a local government to establish, expand or modify its activities in such a way as to necessitate additional expenditures from local revenues.
- 12) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: Persons who wish to comment on this proposed rulemaking may submit written comments no later than 45 days after the publication of this Notice to:
- | | | |
|--|----|--|
| Kathryn Williams | or | Susan Anders |
| Assistant General Counsel | | Rules Coordinator |
| Department of Insurance | | Department of Insurance |
| 320 West Washington, 4 th Floor | | 320 West Washington, 4 th Floor |
| Springfield IL 62767-0001 | | Springfield IL 62767-0001 |
| 217/557-1416 | | 217/558-0957 |
- 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) Small Business Impact Analysis: The Department determined that the rulemaking will not have an adverse impact on small businesses.
- 15) Regulatory Agenda on which this rulemaking was summarized: Amendments that had been anticipated were described in the January 2019 Regulatory Agenda, but the rule is now being repealed instead.

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

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED REPEALER

TITLE 50: INSURANCE
CHAPTER I: DEPARTMENT OF INSURANCE
SUBCHAPTER ee: FEES, CHARGES AND TAXESPART 2515
ANNUAL RETALIATORY TAX (REPEALED)

Section

2515.10	Purpose
2515.20	Applicability
2515.30	Severability
2515.40	Definitions
2515.50	Calculation of the Annual Retaliatory Tax Amount
2515.60	Payment Schedule for the Annual Retaliatory Tax
2515.70	Filing Supplemental Retaliatory Tax Return
2515.80	Annual Retaliatory Tax Return and Quarterly Statement Filing Requirements
2515.90	Civil Penalties and Interest
2515.100	Hearings

2515.ILLUSTRATION A	Annual Privilege and Retaliatory Tax Returns and Quarterly Tax Statements
2515.ILLUSTRATION B	Supplemental Retaliatory Tax Return

AUTHORITY: Implementing Sections 444 and 444.1 and authorized by Section 401 of the Illinois Insurance Code [215 ILCS 5/401, 444 and 444.1]

SOURCE: Adopted at 23 Ill. Reg. 249, effective December 21, 1998; amended at 24 Ill. Reg. 10228, effective July 1, 2000; repealed at 44 Ill. Reg. _____, effective _____.

Section 2515.10 Purpose

This Part sets forth certain procedural requirements, and explains the calculation of the Annual Retaliatory Tax that is to be collected pursuant to Sections 444 and 444.1 of the Illinois Insurance Code [215 ILCS 5/444 and 444.1].

Section 2515.20 Applicability

This Part applies to all foreign or alien companies doing insurance business or licensed in the State of Illinois.

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED REPEALER

Section 2515.30 Severability

If any Section, subsection, paragraph, sentence, clause, or phrase of this Part is declared invalid for any reason, the remaining portions of this Part, that are severable from the invalid portion shall remain in full force and effect. If any portion of this Part is declared invalid in one or more of its applications, the remaining portion shall be severable and in effect in all valid applications.

Section 2515.40 Definitions

Except as stated and unless a different meaning of a term is clear from its context, the definitions and terms used in this Part shall be the same as those used in 50 Ill. Adm. Code 2500.40 and any of the Acts in Chapter 215 of the Illinois Compiled Statutes.

State of Illinois' Basis means the taxes, fees and charges in the aggregate assessed against and paid by a company transacting insurance business in the State of Illinois as described in subsection 2515.50(b) of this Part.

State of Incorporation's Basis means the taxes, fees and charges that would have been assessed against and paid by an Illinois company if it had similar operation in the state of domicile of the foreign or alien company, as the foreign or alien company had in Illinois, as described in subsection 2515.50(c) of this Part. If applicable, the state of domicile for the alien company may mean its port or state of entry or, for an alien Lloyds, the state in which it maintains its assets in compliance with Article V of the Code.

Section 2515.50 Calculation of the Annual Retaliatory Tax Amount

Foreign and alien companies are required to pay a retaliatory tax as calculated in subsection (e) of this Section if the sum of the State of Illinois' basis, as calculated in subsection (b) of this Section, is less than the sum of the state of incorporation's basis, as calculated pursuant to subsection (c) of this Section.

- a) For the calendar year ending December 31, 1997, the sum of the State of Illinois' basis shall be the sum as calculated by subsection (b) of this Section, plus any tax offset allowed under Section 531.13 of the Code [215 ILCS 5/531.13], and any income taxes paid in the year 1997 under the Illinois Income Tax Act [35 ILCS 5/201(a) through (d)] after any tax offset allowed under Section 531.13 of the Code [215 ILCS 5/531.13].

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- b) For calendar years starting January 1, 1998, and thereafter, the State of Illinois' basis is the sum of the amounts actually paid for the following items:
- 1) Annual Statement Filing Fee paid;
 - 2) Certificate of Authority Fee paid;
 - 3) Financial Regulation Fee paid;
 - 4) Policy Form Filing Fee paid;
 - 5) The amount of Illinois Corporate and Replacement income tax paid, decreased by the amount, if any, of any corporate and/or income replacement tax cash refund received in the same calendar year if that cash refund had been considered part of the amount of Illinois Corporate and Replacement income tax paid in the calculation of the annual retaliatory tax in a preceding year;
 - 6) The amount of Fire Department tax paid;
 - 7) Annual Privilege tax paid;
 - 8) State Fire Marshal tax paid;
 - 9) Guaranty Association tax offset allowed for the individual foreign or alien company pursuant to Section 531.13 of the Code [215 ILCS 5/531.13] based on the assessments made prior to December 31, 1997 and issued by the Illinois Life and Health Guaranty Association that have been paid prior to December 31, 2002. To receive such tax offset, proof of payment (which includes the date of eligible assessment, the allowed offset percentage and a copy of the canceled check) must be included; and
 - 10) Other insurance fees paid per Section 408 of the Code [215 ILCS 5/408].
- c) For calendar years starting January 1, 1998, and thereafter, the state of incorporation's basis is the sum of the amounts that an Illinois domiciled company would have PAID in the foreign or alien domiciliary state or country if it transacted similar operations there as did the foreign or alien company in Illinois for the following items, or their equivalent, in the foreign or alien company's state

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or country of domicile:

- 1) Annual Statement Filing Fee paid;
- 2) Certificate of Authority Fee paid;
- 3) Financial Regulation Fee paid;
- 4) Policy Form Filing Fee paid;
- 5) The amount of income tax paid without reduction, if any was otherwise allowed, for a similar association offset as the Illinois Life and Health Guaranty Association offset as long as subsection (b)(9) of this Section is effective or until January 1, 2003;
- 6) The amount of Fire Department tax paid;
- 7) Annual Privilege tax, Premium tax or Franchise tax paid;
- 8) State Fire Marshal tax paid; and
- 9) Other insurance taxes and fees paid in the foreign or alien company's state of domicile similar to those listed in subsection (b) of this Section and which may have the following characteristics:
 - A) The basis of the calculation of the tax or fee is a portion of premiums written;
 - B) The tax or fee is assessed pursuant to state authority; and
 - C) The tax or fee is assessed on a basis wherein the liability for the tax, fee or assessment is intended:
 - i) as an adjustment of past premium charges; or
 - ii) as a means of disposing of a deficit in any state mandated insurance program wherein premium rates were regulated by the state.

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- d) For the purposes of this Part, the State of Illinois' basis and the state of incorporation's basis, do not, among others, include the following items, or their equivalent:
- 1) Cost Containment Fees or fees principally for collecting underwriting data;
 - 2) Workers' Compensation Rate adjustment, Second injury adjustments or other assessments of a workers' compensation system;
 - 3) Special purpose entity assessments;
 - 4) Illinois Guaranty Fund assessments;
 - 5) Illinois Life and Health Guaranty Association assessment, unless established as an offset pursuant to subsections (a) and (b) of this Section;
 - 6) Auto Theft assessment; and
 - 7) Assessments not referenced by or contained in Article XXV of the Code [215 ILCS 5/408 through 415].
- e) The retaliatory tax owed by a foreign or alien company is the difference between the sum of the state of incorporation's basis minus the sum of the State of Illinois' basis.

Section 2515.60 Payment Schedule for the Annual Retaliatory Tax

- a) For the calendar year ending December 31, 1997, the retaliatory tax for any foreign or alien company shall be as determined pursuant to Sections 444 and 444.1 of the Code [215 ILCS 5/444 and 444.1] and this Part.
- b) Any annual retaliatory tax returns and payments made for the year ending December 31, 1997, and any quarterly statements of the taxpayer's total estimated 1998 retaliatory tax paid prior to May 29, 1998, which do not include the items specified by subsection 2515.50(a) of this Part, may be amended and restated at the taxpayer's election within one year after the effective date of this Part. An amended and restated return for the year ending December 31, 1997, filed under this subsection and pursuant to the applicable requirements of 50 Ill. Adm. Code

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2525.70 shall treat any 1997 payment of estimated privilege taxes under Section 409 of the Code [215 ILCS 5/409] as in effect prior to October 23, 1997, as a payment of estimated retaliatory taxes for the year ending December 31, 1997. Any overpayment resulting from an amended return and restated retaliatory tax burden filed pursuant to this subsection shall be allowed as a credit against any subsequent privilege or retaliatory tax obligations only after such overpayment has been approved by the Department.

- c) All foreign and alien companies shall make an annual retaliatory tax return for the preceding calendar year on or before March 15 subject to the applicable requirements of subsection 2515.80(a) of this Part. Payment of quarterly statements of the taxpayer's total estimated retaliatory tax for the current calendar year shall be due on or before April 15, June 15, September 15 and December 15 of such year in the amount of at least $\frac{1}{4}$ of either the total tax paid during the previous calendar year, or 80% of the tax due to be paid for the current calendar year and shall be filed pursuant to subsection 2515.80(b) of this Part.
- d) The fact that a foreign or alien company is domiciled in a state or country in which franchise and/or premium taxpayers may be granted an extension of time to pay their franchise and/or premium taxes in that state shall not affect the requirements of this Section in that such foreign or alien company must file an annual return and pay its retaliatory tax on or before March 15. Any underpayment will subject the company to penalties and interest pursuant to Section 412 of the Code and Section 2515.90 of this Part.
- e) All companies transacting insurance in this State whose annual retaliatory tax for the immediately preceding calendar year was less than \$5,000 are not required to file quarterly statements pursuant to subsection (c) of this Section. Companies with an annual retaliatory tax of less than \$5,000 for the immediately preceding calendar year shall file only an annual retaliatory tax return pursuant to subsection (c) of this Section.
- f) Failure to file an annual retaliatory tax return, even if no tax is owed, to make a timely payment, or to file a timely quarterly statement, if required, will subject the company to penalties pursuant to Section 2515.90 of this Part.

Section 2515.70 Filing Supplemental Retaliatory Tax Return

Any foreign or alien company that pays a portion or all of its privilege tax required by Section

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409 of the Code [215 ILCS 5/409] and 50 Ill. Adm. Code 2510 under protest shall, at the time of receiving a preliminary injunction, file a supplemental retaliatory tax return sufficient to disclose the full amount of retaliatory taxes which would be due and owing for the tax period in question if the protest was upheld. Such supplemental retaliatory tax return shall include in the State of Illinois' basis only the amount of any privilege tax paid that has not been paid under protest. An example of such tax return is set forth in Illustration B of this Part.

Section 2515.80 Annual Retaliatory Tax Return and Quarterly Statement Filing Requirements

Each company required to file an annual retaliatory tax return or quarterly statement pursuant to this Part must file using the Department's annual return or quarterly statement form, even if no tax is owed, with the following applicable information:

- a) The applicable information set forth in the privilege/retaliatory tax return as annually sent and updated by the Department, per example shown in Illustration A of this Part, which includes, but is not limited to the following:
 - 1) Name, Federal Employer Identification Number (FEIN), and address of the insurance company;
 - 2) National Association of Insurance Commissioners group number and company code;
 - 3) Information concerning the privilege tax calculation or, if applicable, the state of domicile's tax return completed using Illinois premiums only;
 - 4) Information concerning the allocation of income taxes in a Unitary group, such as, the Unitary group's total premium written including annuities, Unitary group's total income taxes paid and the individual premium written; and
 - 5) Signature of an officer of the company attesting to the truth of the information being submitted.

(Please note that page 2 of Illustration A of this Part can be substituted by the Business Page of the Annual Statement of the National Association of Insurance Commissioners.)

DEPARTMENT OF INSURANCE

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- b) Quarterly statements shall include, but not be limited to, the following information as set forth in Illustration A of this Part:
- 1) Name, Federal Employer Identification Number (FEIN), and address of the insurance company;
 - 2) Information concerning the method by which the quarterly installment is being calculated; and
 - 3) Signature of an officer of the company attesting to the truth of the information being submitted.

Section 2515.90 Civil Penalties and Interest

Failure of a company to file an annual retaliatory tax return, even if no tax is owed, to timely make the retaliatory tax payment, or to timely make the quarterly payments, if required, of at least $\frac{1}{4}$ of either the total tax paid during the previous calendar year, or 80% of the tax due to be paid for the current calendar year shall subject the company to the penalty and interest provisions set forth in Section 412 of the Code [215 ILCS 5/412] and as assessed pursuant to 50 Ill. Adm. Code 2525.100(a).

Section 2515.100 Hearings

Any person or company required to pay an annual retaliatory tax pursuant to this Part may request a hearing to be held for the purposes of determining if the assessed tax is appropriate. The hearing request shall be made pursuant to 50 Ill. Adm. Code 2500.50 of this Part grounds set forth in Section 412 of the Code [215 ILCS 5/412], a mistake of fact, an error in calculation or an erroneous interpretation of a statute of this or any other state, and such request will only be granted based on those grounds. The hearing request shall be made pursuant to the provisions of 50 Ill. Adm. Code 2500.50.

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Section 2515.ILLUSTRATION A Annual Privilege and Retaliatory Tax Return

Illinois Department of Insurance
320 W. Washington Street
Springfield, IL 62767-0001



State of Illinois

1998 Privilege and Retaliatory Tax Statement for Property and Casualty Insurers
Business during the Calendar Year 1998

Due: March 15, 1999

Form with fields for Federal Employer Identification Number, NAIC, Name of Insurance Company, principal office location (Street and Number, City, State, Zip Code), State of incorporation, Mailing address, and Contact person/Phone.

Instructions

- Important Notice: The FEIN must be on this statement to ensure proper posting to your company account.
1 The Privilege and Retaliatory Tax Statement must be filed and the taxes due must be paid on or before March 15, 1999. The official filing date is the U.S. Postal date.
2 Separate checks and statement is requested for each company of an insurance group.
3 The Department of Insurance cannot issue cash refunds of overpayments. Overpayments should be applied to all future privilege and retaliatory tax liabilities only.
4 No authority exists for granting any extension of time for filing or payment.
5 The payment received will be subject to audit and subsequent adjustments if necessary.
6 Any penalties to be levied will be assessed as provided by "215 ILCS 5/412," Illinois Compiled Statutes.
7 File only one original notarized copy. The Illinois Department of Insurance will not accept computerized, fax or any facsimile tax statements. Companies must use the prescribed form furnished by the Department. Failure to do so will subject your company to penalties per "215 ILCS 5/412" of the Illinois Compiled Statutes.
8 Remittance should be made payable to the Director of Insurance and mailed with the completed tax statement to attention Tax and Fiscal Services Section, Illinois Department of Insurance, 320 West Washington Street, Springfield, Illinois 62767-0001

Do not mail checks or forms with the Annual Statement.

Important Notice. Disclosure of this information is required under the Illinois Compiled Statutes' Insurance Laws. Failure to provide this information will result in a fine. This form has been approved by the Forms Management Center.

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NAIC Group Code _____			
NAIC Company Code _____			
Direct Business in the State of Illinois During the Year 1998 Property & Casualty Insurance			
Line of Business	Gross Premiums, Including Policy and Membership Fees, Less Return Premiums and Premiums on Policies Not Taken		Dividends Paid or Credited to Policyholders on Direct Business
	Direct Premiums Written	Direct Premiums Earned	
1. Fire			
2.1 Allied Lines			
2.2 Multiple peril crop			
2.3 Federal flood			
3. Farmowners multiple peril			
4. Homeowners multiple peril			
5.1 Commercial multiple peril (non-liability portion)			
5.2 Commercial multiple peril (liability portion)			
6. Mortgage guaranty			
8. Ocean marine			
9. Inland marine			
10. Financial guaranty			
11. Medical malpractice			
12. Earthquake			
13. Group accident and health			
14. Credit A & H (Group and Individual)			
15.1 Collectively renewable A & H			
15.2 Non-cancellable A & H			
15.3 Guaranteed renewable A & H			
15.4 Non-renewable for stated reasons only			
15.5 Other accident only			
15.6 All other A & H			
15.7 Federal employees health benefits program premium			
16. Workers' compensation			
17. Other liability			
18. Products liability			
19.1 Private passenger auto no-fault (personal injury protection)			
19.2 Other private passenger auto liability			
19.3 Commercial auto no-fault (personal injury protection)			
19.4 Other commercial auto liability			
21.1 Private passenger auto physical damage			
21.2 Commercial auto physical damage			
22. Aircraft (all perils)			
23. Fidelity			
24. Surety			
26. Burglary and theft			
27. Boiler and Machinery			
28. Credit			
31. Aggregate write-ins for other lines of business			
32. Totals (a)			

DEPARTMENT OF INSURANCE

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32a Finance and service charges not included in Lines 1 to 32 \$ _____

Amounts Must Agree to Direct Business Page of Company's Annual Statement.

2 of 6

Property and Casualty Insurance Companies			
Privilege Tax Calculation	1 Premium	2 Premium Rate	3 Premium Tax
1. Property and Casualty Insurance Premiums (Page 15 Column 2. Line 32 of the Annual Statement except Lines 13 thru 15.6 and other exempt lines of premium)			
2. Finance and service charges as reported on Page 15 of the Annual Statement			
3. DEDUCTIONS Dividends paid or credited to policyholders on premiums reported on Line 1 (Page 15. Column 4 of the Annual Statement)			
4. NET TAXABLE PROPERTY & CASUALTY PREMIUMS (Column 1. Line 1 plus 2 minus 3)			
5. Property & Casualty Premium Tax (Column 1. Line 4 x Column 2)		.005	
6. Accident and Health Premiums (Page 15. Column 2. Lines 13 thru 15.6 per Rule 2510.50) (July 1 thru Dec 31 1998)			
7. DEDUCTIONS Dividends paid or credited to policyholders on premiums reported on Line 6 (Page 15. Column 4 of the Annual Statement) (July thru December 31, 1998)			
8. NET TAXABLE ACCIDENT AND HEALTH PREMIUMS (Column 1. Line 6 minus Line 7) (July 1 thru Dec 31 1998)			
9. Property & Casualty Accident & Health Premium Tax (Column 1. Line 8 x Column 2)		.004	
10. Net Premium Tax Before Credits (Column 3. Line 5 plus Line 9)			
Less Credits to the Privilege Tax			
11. FIRE DEPARTMENT TAXES PAID			
11a Fire Department Taxes paid to Illinois Municipal League			
11b Fire Department Taxes-Other (Proof of Payment)			
11c Total Fire Department Taxes (Col 1. Lines 11a plus 11 b)			
CORPORATE & REPLACEMENT INCOME TAX INTERGRADATION EXCESS Complete Lines 12 thru 13 if Corporate and Replacement Income Taxes are not paid on a Unitary Method. If paid on a Unitary Method, go to U-1 Schedule and complete as directed			
12. ILLINOIS CORPORATE INCOME TAX PAYMENTS			
12a 1997 Final Payment			
12b 1998 Total Quarterly Payments			
12c Other Payments paid during Calendar Year 1998			
12d Less State Income Tax Cash Refunds Received			
12e TOTAL			
13. ILLINOIS PERSONAL PROPERTY REPLACEMENT CORPORATE INCOME TAX PAYMENTS			

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13a	1997 Final Payment		
13b	1998 Total Quarterly Payments		
13c	Other Payments paid during Calendar Year 1998		
13d	Less Replacement State Income Tax Cash Refunds Received		
13e	TOTAL		
14.	TOTAL NET INCOME TAXES (12e plus 13e)		
15.	Unitary Member Income Tax Offset (Schedule U-1)		
16.	Total Property and Casualty Premium & Accident and Health Premium (Col 1. Line 4 plus Col 1. Line 8)		
17.	Intergradation Offset is excess of 1.5% Net Taxable Premium (Line 16 x 1.5%)		
18.	Intergradation Offset Amount (Line 14 or 15 minus Line 17) If negative enter zero		
19.	NET PREMIUM TAX (Line 10 less Line 11c less Line 18) (cannot be less than -0-)		

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED REPEALER

Computation of Retaliatory Taxes		
<p>Under "215 ILCS 5/444 and 5/444.1" of the Illinois Compiled Statutes, when the laws of any other state require of companies domiciled in Illinois the payment of penalties, fees, charges or taxes greater than those required in the aggregate for like purposes under the laws of Illinois by companies domiciled in such states, the Director of Insurance is required to impose comparable requirements on a retaliatory basis. All insurance related taxes and fees, including premium taxes, based on the State of Incorporation requirements, should be calculated below with the total carried forward to Page 6, Line 2 under Column 2.</p>		
	Column 1	Column 2
Retaliatory Tax Calculation	State of Illinois Basis	State of Incorporation Basis
1 Annual Statement Filing Fee	\$100.00	
2 Certificate of Authority Fee	\$100.00	
3 Fire Marshal Tax		
4 Fire Department Tax (proof of payment must be attached)		
5 Financial Regulation Fee		
6 Policy Form Filing Fee		
*7a Illinois Corporate & Replacement Income Taxes Paid		xxxxxxxxxxxxxx
7b Illinois Life & Health Guaranty Fund Credit (per Association's official notice)		xxxxxxxxxxxxxx
7c Other State of Illinois Taxes and Fees per Article XXV		xxxxxxxxxxxxxx
7d Other State of Incorporation Taxes and Fees	xxxxxxxxxxxxxx	
7e State of Incorporation income tax paid without reduction, if any is otherwise allowed, for a similar association offset as the Illinois Life and Health Guaranty Association per Section 2515.50(c)(5)	xxxxxxxxxxxxxx	
8 Privilege Premium Tax Franchise Tax, etc		
9 Total Illinois Basis		xxxxxxxxxxxxxx
10 Total State of Incorporation Basis	xxxxxxxxxxxxxx	
11 Total Retaliatory Tax Due (Line 10 minus Line 9: balance cannot be less than -0-).	xxxxxxxxxxxxxx	
<p>*If Illinois Corporate and Replacement income taxes are paid on a unitary method, please complete Schedule U-1 in detail. Proof of Payment (cancelled checks and IL 1120) must be attached to verify basis.</p>		

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED REPEALER

Income Tax Offset Based on Unitary Method of Corporate and Replacement Tax Allocated by each Company's Illinois Premium Written (including annuities) to the Unitary Group's Total Illinois Premium Written (Schedule U-1)							
	Identity		Payment			Refund	Results
	1	2	3	4	5	6	7
	Company Name of Each Unitary Member	Company FEIN	Illinois Direct Premium	Percentage Allocation	Tax Offset Allocated by Percentage	Refund Offset Allocation by %	Allowed
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15	Column Totals						

Taxes Paid By (Name of Company and the FEIN of Taxpayer) _____

Total Taxes Paid _____

Total Refund Issued _____

Net Available for Offset _____
 (This amount will be verified per the Department of Revenue records.)

Procedure to Determine the Income Tax Offset on the Unitary Method

We will use Schedule U-1 to determine the income tax offset for companies using the Unitary Method. The allocation of the total income tax paid will be based on the Illinois premium written (including annuities) by each individual company as a percent of the Unitary group total. This allocation is multiplied to the unitary calendar year amount paid and the result is the available income tax offset for that individual company.

If the unitary group received a refund during the calendar year the refund must also be allocated among the individual companies. If a member of the unitary group received a refund during the calendar year the refund must be allocated among all members of the unitary group. Only the net amount is allowed.

Each unitary group must complete Schedule U-1 to be allowed the offset. Any unitary group that does **not** complete Schedule U-1 will not be allowed to use the Illinois Corporate and Replacement income taxes in the calculation of the privilege and retaliatory taxes.

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED REPEALER

Payment Summary		Column 1	Column 2
1	Amount due as Privilege Tax (Line 19, Page 3)		
2	Amount due as Retaliatory Tax (Line 11, Page 4)		
3	Total Privilege and Retaliatory Tax (Line 1 plus 2)		
4	Less Privilege Tax Estimated Installments		
4a	April 15, 1998	XXXXXXXXXXXXXXXXXX	
4b	June 15, 1998		
4c	September 15, 1998		
4d	December 15, 1998		
4e	Total: (Add 4a thru 4d)		
5	Less Retaliatory Tax Quarterly Estimates		
5a	April 15, 1998		
5b	June 15, 1998		
5c	September 15, 1998		
5d	December 15, 1998		
5e	Total: (Add 5a thru 5d)		
6	Total Estimated Payments (Lines 4e plus 5e)		
7	Less: Prior Year End Overpayment (as reported on prior year tax return)		
8	Total Credits (Line 6 plus line 7)		
9	Balance Due (Line 3 less Line 8)		
*10	Failure to file tax return penalty (\$200 per month or 5% of tax whichever is greater)		
*11	Failure to pay tax penalty (5% of tax due)		
*12	Interest on the tax paid after due date per IRS rate, minimum 12%		
13	Total remittance with tax return (sum of Lines 9, 10, 11 and 12)		
**14	Tax Overpayment (if Line 8 is greater than Line 9)		
<p>*Calculate per "215 ILCS 5/412" of the Illinois Compiled Statutes. **All overpayments must be applied to future privilege or retaliatory tax liabilities only.</p> <p>Name: _____ Title: _____ of the (Signature of Corporate Officer) _____ _____ (Company)</p> <p>declares under penalties of perjury that the foregoing Statement (including the accompanying schedules) has been examined by him, and to the best of his knowledge and belief is true, correct and complete.</p> <p style="text-align: right;">Date: _____</p>			

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED REPEALER

NAIC Group Code _____					
NAIC Company Code _____					
Direct Business in the State of Illinois During the Year 1998 Life Insurance					
	2	3	4	5	6
Line of Business	Ordinary	Credit Life (Group and Individual)	Group	Industrial	Total
1 Life Insurance					
2 Annuity considerations					
3 Deposit-type funds					
4 Totals (sum of Lines 1 to 3)					
Direct Dividends to Policyholders					
Life Insurance:					
5.1 Paid in cash or left on deposit					
5.2 Applied to pay renewal premiums					
5.3 Applied to provide paid-up additions or shorten the endowment or premium-paying agent					
5.4 Other					
5.5 Totals (sum of 5.1 to 5.4)					
Annuities					
6.1 Paid in cash or left on deposit					
6.2 Applies to provide paid-up annuities					
6.3 Other					
6.4 Totals (sum of 6.1 to 6.3)					
7 Grand Totals (Lines 5.5 plus 6.4)					
Accident and Health Insurance					
	2	3	4	5	6
	Direct Premium s	Direct Premiums Earned	Dividends Paid or Credited on Direct Business	Direct Losses Paid	Direct Losses Incurred
8 Group Policies					
8.1 Federal Employees Health Benefits Program Premium					
8.2 Credit (Group and Individual)					
8.3 Collectively Renewable Policies					
Other Individual Policies					
9.1 Non-cancellable					
9.2 Guaranteed Renewable					
9.3 Non-renewable for stated reasons only					
9.4 Other accidents only					
9.5 All other					
9.6 Totals (sum of 9.1 to 9.5)					
10 Total (Lines 8 + 8.1 + 8.2 + 8.3 + 9.6)					

Amounts Must Agree to Direct Business Page of Company's Annual Statement.

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED REPEALER

Life and Accident and Health Insurance Companies				
Privilege Tax Calculation		1 Premium	2 Premium Rate	3 Premium Tax
1	Life Insurance Premiums (Page 21 Column 6. Line 1 per Annual Statement)			
2	DEDUCTIONS			
a	Dividends Paid in Cash			
b	Dividends Applied in Reduction of Premiums			
c	Return Premiums			
d	Total Deductions			
3	NET TAXABLE DIRECT LIFE PREMIUMS (Column 1. Line 1 minus 2d)			
4	Net Direct Life Premium Tax (Line 3. Column 1 x Column 2)		.005	
5	Accident and Health Premiums (Page 21. Column 2. Line 25 minus Line 23.1 per Annual Statement) (July 1 thru December 31, 1998)			
6	DEDUCTIONS Dividends Paid in Cash or Credited to Policyholders on premiums reported on Line 5 (July thru Dec 31, 1998)			
7	NET TAXABLE ACCIDENT AND HEALTH PREMIUMS (Column 1. Line 5 minus Line 6) (July 1 thru Dec 31, 1998)			
8	Net Accident & Health Premium Tax (Line 7. Column 1 x Column 2)		.004	
9	Net Premium Tax Before Credits (Column 3. Line 4 plus Column 3. Line 8)			
Less Credits to the Privilege Tax				
CORPORATE & REPLACEMENT INCOME TAX INTERGRADATION EXCESS Complete Lines 10 thru 11 if Corporate and Replacement Income Taxes are not paid on a Unitary Method. If paid on a Unitary Method, go to U-1 Schedule and complete as directed				
10	ILLINOIS CORPORATE INCOME TAX PAYMENTS			
10a	1997 Final Payment			
10b	1998 Total Quarterly Payments			
10c	Other Payments paid during Calendar Year 1998			
10d	Less State Income Tax Cash Refunds Received			
10e	TOTAL			
11	ILLINOIS PERSONAL PROPERTY REPLACEMENT CORPORATE INCOME TAX PAYMENTS			
11a	1997 Final Payment			
11b	1998 Total Quarterly Payments			
11c	Other Payments paid during Calendar Year 1998			
11d	Less Replacement State Income Tax Cash Refunds Received			
11e	TOTAL			
12	TOTAL NET INCOME TAXES (10e plus 11e)			
13	Unitary Member Income Tax Offset (Schedule U-1)			
14	Total Life Insurance Premium & Accident and Health Premium (Column 1. Line 3 plus Column 1. Line 7)			
15	Intergradation Offset is excess of 1.5% Net Taxable Premium (Line 14 x 1.5%)			
16	Intergradation Offset Amount (Line 12 or 13 minus Line 15) If negative enter zero			

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED REPEALER

17	NET PREMIUM TAX (Line 9 minus Line 16) (cannot be less than -0-)		
----	--	--	--

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED REPEALER

Computation of Retaliatory Taxes		
<p>Under "215 ILCS 5/444 and 5/444.1" of the Illinois Compiled Statutes, when the laws of any other state require of companies domiciled in Illinois the payment of penalties, fees, charges or taxes greater than those required in the aggregate for like purposes under the laws of Illinois by companies domiciled in such states, the Director of Insurance is required to impose comparable requirements on a retaliatory basis. All insurance related taxes and fees, including premium taxes, based on the State of Incorporation requirements, should be calculated below with the total carried forward to Page 6, Line 2 under Column 2.</p>		
Retaliatory Tax Calculation	Column 1 State of Illinois Basis	Column 2 State of Incorporation Basis
1 Annual Statement Filing Fee	\$100.00	
2 Certificate of Authority Fee	\$100.00	
3 Fire Marshal Tax		
4 Fire Department Tax (proof of payment must be attached)		
5 Financial Regulation Fee		
6 Policy Form Filing Fee		
*7a Illinois Corporate & Replacement Income Taxes Paid		XXXXXXXXXXXXXX
7b Illinois Life & Health Guaranty Fund Credit (per Association's official notice)		XXXXXXXXXXXXXX
7c Other State of Illinois Taxes and Fees per Article XXV		XXXXXXXXXXXXXX
7d Other State of Incorporation Taxes and Fees	XXXXXXXXXXXXXX	
7e State of Incorporation income tax paid without reduction, if any is otherwise allowed, for a similar association offset as the Illinois Life and Health Guaranty Association per Section 2515.50(c)(5)	XXXXXXXXXXXXXX	
8 Privilege Premium Tax Franchise Tax, etc		
9 Total Illinois Basis		XXXXXXXXXXXXXX
10 Total State of Incorporation Basis	XXXXXXXXXXXXXX	
11 Total Retaliatory Tax Due (Line 10 minus Line 9: balance cannot be less than -0-).	XXXXXXXXXXXXXX	
<p>*If Illinois Corporate and Replacement income taxes are paid on a unitary method, please complete Schedule U-1 in detail. Proof of Payment (cancelled checks and IL 1120) must be attached to verify basis.</p>		

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED REPEALER

Income Tax Offset Based on Unitary Method of Corporate and Replacement Tax Allocated by each Company's Illinois Premium Written (including annuities) to the Unitary Group's Total Illinois Premium Written (Schedule U-1)							
	Identity		Payment			Refund	Results
	1	2	3	4	5	6	7
	Company Name of Each Unitary Member	Company FEIN	Illinois Direct Premium	Percentage Allocation	Tax Offset Allocated by Percentage	Refund Offset Allocation by %	Allowed
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15	Column Totals						

Taxes Paid By (Name of Company and the FEIN of Taxpayer) _____

Total Taxes Paid _____

Total Refund Issued _____

Net Available for Offset _____

(This amount will be verified per the Department of Revenue records.)

Procedure to Determine the Income Tax Offset on the Unitary Method

We will use Schedule U-1 to determine the income tax offset for companies using the Unitary Method. The allocation of the total income tax paid will be based on the Illinois premium written (including annuities) by each individual company as a percent of the Unitary group total. This allocation is multiplied to the unitary calendar year amount paid and the result is the available income tax offset for that individual company.

If the unitary group received a refund during the calendar year the refund must also be allocated among the individual companies. If a member of the unitary group received a refund during the calendar year the refund must be allocated among all members of the unitary group. Only the net amount is allowed.

Each unitary group must complete Schedule U-1 to be allowed the offset. Any unitary group that does **not** complete Schedule U-1 will not be allowed to use the Illinois Corporate and Replacement income taxes in the calculation of the privilege and retaliatory taxes.

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED REPEALER

Payment Summary	Column 1	Column 2
1 Amount due as Privilege Tax (Line 17. Page 3)		
2 Amount due as Retaliatory Tax (Line 11. Page 4)		
3 Total Privilege and Retaliatory Tax (Line 1 plus 2)		
4 Less Privilege Tax Estimated Installments		
4a April 15, 1998	XXXXXXXXXXXXXXXXXX	
4b June 15, 1998		
4c September 15, 1998		
4d December 15, 1998		
4e Total: (Add 4a thru 4d)		
5 Less Retaliatory Tax Quarterly Estimates		
5a April 15, 1998		
5b June 15, 1998		
5c September 15, 1998		
5d December 15, 1998		
5e Total: (Add 5a thru 5d)		
6 Total Estimated Payments (Lines 4e plus 5e)		
7 Less: Prior Year End Overpayment (as reported on prior year tax return)		
8 Total Credits (Line 6 plus line 7)		
9 Balance Due (Line 3 less Line 8)		
*10 Failure to file tax return penalty (\$200 per month or 5% of tax whichever is greater)		
*11 Failure to pay tax penalty (5% of tax due)		
*12 Interest on the tax paid after due date per IRS rate, minimum 12%		
13 Total remittance with tax return (sum of Lines 9, 10, 11 and 12)		
**14 Tax Overpayment (if Line 8 is greater than Line 9)		
<p>*Calculate per "215 ILCS 5/412" of the Illinois Compiled Statutes.</p> <p>**All overpayments must be applied to future privilege or retaliatory tax liabilities only.</p>		
<p>Name: _____ Title: _____ of the (Signature of Corporate Officer) _____ (Company)</p> <p>declares under penalties of perjury that the foregoing Statement (including the accompanying schedules) has been examined by him, and to the best of his knowledge and belief is true, correct and complete.</p> <p style="text-align: right;">Date: _____</p>		

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED REPEALER

Illinois Department of Insurance
320 W. Washington Street
Springfield, IL 62767-0001



State of Illinois

1998 Privilege and Retaliatory Tax Statement for Health Maintenance Organizations, Limited
Health Service Organizations, Voluntary Health Service Plans and Dental Service Plans

Business during the Calendar Year 1998

Due: March 15, 1999

Federal Employer Identification Number: _____ - _____ NAIC: _____

Name of Insurance Company

with principal office located at _____
Street and Number City State Zip Code

incorporated under the laws of the State of _____ as required by and in
accordance with "215 ILCS 5/410" of the Illinois Compiled Statutes.

Mailing address, if other than principal office location shown above _____

Contact person: _____ Phone () _____

Instructions

Important Notice: The FEIN must be on this statement to ensure proper posting to your company account.

- 1 The Privilege and Retaliatory Tax Statement must be filed and the taxes due must be paid on or before March 15, 1999. The official filing date is the U.S. Postal date.
2 Separate checks and statement is requested for each company of an insurance group.
3 The Department of Insurance cannot issue cash refunds of overpayments. Overpayments should be applied to all future privilege and retaliatory tax liabilities only.
4 No authority exists for granting any extension of time for filing or payment.
5 The payment received will be subject to audit and subsequent adjustments if necessary.
6 Any penalties to be levied will be assessed as provided by "215 ILCS 5/412," Illinois Compiled Statutes.
7 File only one original notarized copy. The Illinois Department of Insurance will not accept computerized, fax or any facsimile tax statements. Companies must use the prescribed form furnished by the Department. Failure to do so will subject your company to penalties per "215 ILCS 5/412" of the Illinois Compiled Statutes.
8 Remittance should be made payable to the Director of Insurance and mailed with the completed tax statement to attention Tax and Fiscal Services Section, Illinois Department of Insurance, 320 West Washington Street, Springfield, Illinois 62767-0001

Do not mail checks or forms with the Annual Statement.

Important Notice. Disclosure of this information is required under the Illinois Compiled Statutes' Insurance Laws. Failure to provide this information will result in a fine. This form has been approved by the Forms Management Center.

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED REPEALER

Only Complete the Part Applicable to Your License.

Type of Organization or Plan	Premium
<p data-bbox="423 569 842 596" style="text-align: center;">Health Maintenance Organization</p> <p data-bbox="224 669 578 693">Premium taxable effective January 1, 1999</p> <p data-bbox="224 695 974 718">Net taxable premium per Schedule T of the Annual Statement, Page 60, Line 14, Column 4</p>	
<p data-bbox="399 770 867 798" style="text-align: center;">Limited Health Service Organizations</p> <p data-bbox="224 898 974 921">Net taxable premium per Schedule T of the Annual Statement, Page 56, Line 14, Column 4</p>	
<p data-bbox="440 972 826 999" style="text-align: center;">Voluntary Health Service Plans</p> <p data-bbox="224 1094 974 1117">Net taxable premium per schedule T of the Annual Statement, Page 56, Line 14, Column 4</p>	
<p data-bbox="505 1167 761 1194" style="text-align: center;">Dental Service Plans</p> <p data-bbox="224 1289 829 1312">Net taxable premium per the Annual Statement, Page 7, Line 4, Column 1</p>	

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED REPEALER

Privilege Tax Calculation		1	2	3
		Premium	Premium Rate	Premium Tax
1.	PREMIUMS			
2.	NET PREMIUM TAX (Column 1. Line 1 x Column 2)		.004	
Less Credits to the Privilege Tax				
CORPORATE & REPLACEMENT INCOME TAX INTERGRADATION EXCESS Complete Lines 3 thru 4 if Corporate and Replacement Income Taxes are not paid on a Unitary Method. If paid on a Unitary Method, go to U-1 Schedule and complete as directed				
3.	ILLINOIS CORPORATE INCOME TAX PAYMENTS			
	3a 1997 Final Payment			
	3b 1998 Total Quarterly Payments			
	3c Other Payments paid during Calendar Year 1998			
	3d Less State Income Tax Cash Refunds Received			
	3e TOTAL			
4.	ILLINOIS PERSONAL PROPERTY REPLACEMENT CORPORATE INCOME TAX PAYMENTS			
	4a 1997 Final Payment			
	4b 1998 Total Quarterly Payments			
	4c Other Payments paid during Calendar Year 1998			
	4d Less Replacement State Income Tax Cash Refunds Received			
	4e TOTAL			
5.	TOTAL NET INCOME TAXES (12e plus 13e)			
6.	Unitary Member Income Tax Offset (Schedule U-1)			
7.	Intergradation Offset is excess of 1.5% Net Taxable Premium (Line 1 Column 1 x 1.5%)			
8.	Intergradation Offset Amount (Line 5 or 6 minus Line 7 if negative enter -0-)			
9.	NET PREMIUM TAX (Line 2 Column 3 minus Line 8)			

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED REPEALER

Computation of Retaliatory Taxes		
<p>Under "215 ILCS 5/444 and 5/444.1" of the Illinois Compiled Statutes, when the laws of any other state require of companies domiciled in Illinois the payment of penalties, fees, charges or taxes greater than those required in the aggregate for like purposes under the laws of Illinois by companies domiciled in such states, the Director of Insurance is required to impose comparable requirements on a retaliatory basis. All insurance related taxes and fees, including premium taxes, based on the State of Incorporation requirements, should be calculated below with the total carried forward to Page 6, Line 2 under Column 2.</p>		
Retaliatory Tax Calculation	Column 1 State of Illinois Basis	Column 2 State of Incorporation Basis
1 Annual Statement Filing Fee	\$100.00	
2 Certificate of Authority Fee	\$100.00	
3 Fire Marshal Tax		
4 Fire Department Tax (proof of payment must be attached)		
5 Financial Regulation Fee		
6 Policy Form Filing Fee		
*7a Illinois Corporate & Replacement Income Taxes Paid		XXXXXXXXXXXXXX
7b Illinois Life & Health Guaranty Fund Credit (per Association's official notice)		XXXXXXXXXXXXXX
7c Other State of Illinois Taxes and Fees per Article XXV		XXXXXXXXXXXXXX
7d Other State of Incorporation Taxes and Fees	XXXXXXXXXXXXXX	
7e State of Incorporation income tax paid without reduction, if any is otherwise allowed, for a similar association offset as the Illinois Life and Health Guaranty Association per Section 2515.50(c)(5)	XXXXXXXXXXXXXX	
8 Privilege Premium Tax Franchise Tax, etc		
9 Total Illinois Basis		XXXXXXXXXXXXXX
10 Total State of Incorporation Basis	XXXXXXXXXXXXXX	
11 Total Retaliatory Tax Due (Line 10 minus Line 9: balance cannot be less than -0-).	XXXXXXXXXXXXXX	
<p>*If Illinois Corporate and Replacement income taxes are paid on a unitary method, please complete Schedule U-1 in detail. Proof of Payment (cancelled checks and IL 1120) must be attached to verify basis.</p>		

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED REPEALER

Income Tax Offset Based on Unitary Method of Corporate and Replacement Tax Allocated by each Company's Illinois Premium Written (including annuities) to the Unitary Group's Total Illinois Premium Written (Schedule U-1)							
	Identity	Payment			Refund	Results	
	1	2	3	4	5	6	7
	Company Name of Each Unitary Member	Company FEIN	Illinois Direct Premium	Percentage Allocation	Tax Offset Allocated by Percentage	Refund Offset Allocation by %	Allowed
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15	Column Totals						

Taxes Paid By (Name of Company and the FEIN of Taxpayer) _____

Total Taxes Paid _____

Total Refund Issued _____

Net Available for Offset _____

(This amount will be verified per the Department of Revenue records.)

Procedure to Determine the Income Tax Offset on the Unitary Method

We will use Schedule U-1 to determine the income tax offset for companies using the Unitary Method. The allocation of the total income tax paid will be based on the Illinois premium written (including annuities) by each individual company as a percent of the Unitary group total. This allocation is multiplied to the unitary calendar year amount paid and the result is the available income tax offset for that individual company.

If the unitary group received a refund during the calendar year the refund must also be allocated among the individual companies. If a member of the unitary group received a refund during the calendar year the refund must be allocated among all members of the unitary group. Only the net amount is allowed.

Each unitary group must complete Schedule U-1 to be allowed the offset. Any unitary group that does **not** complete Schedule U-1 will not be allowed to use the Illinois Corporate and Replacement income taxes in the calculation of the privilege and retaliatory taxes.

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED REPEALER

Payment Summary	Column 1	Column 2
1 Amount due as Privilege Tax (Line 19. Page 3)		
2 Amount due as Retaliatory Tax (Line 11. Page 4)		
3 Total Privilege and Retaliatory Tax (Line 1 plus 2)		
4 Less Privilege Tax Estimated Installments		
4a April 15, 1998	XXXXXXXXXXXXXXXXXX	
4b June 15, 1998		
4c September 15, 1998		
4d December 15, 1998		
4e Total: (Add 4a thru 4d)		
5 Less Retaliatory Tax Quarterly Estimates		
5a April 15, 1998		
5b June 15, 1998		
5c September 15, 1998		
5d December 15, 1998		
5e Total: (Add 5a thru 5d)		
6 Total Estimated Payments (Lines 4e plus 5e)		
7 Less: Prior Year End Overpayment (as reported on prior year tax return)		
8 Total Credits (Line 6 plus line 7)		
9 Balance Due (Line 3 less Line 8)		
*10 Failure to file tax return penalty (\$200 per month or 5% of tax whichever is greater)		
*11 Failure to pay tax penalty (5% of tax due)		
*12 Interest on the tax paid after due date per IRS rate, minimum 12%		
13 Total remittance with tax return (sum of Lines 9, 10, 11 and 12)		
**14 Tax Overpayment (if Line 8 is greater than Line 9)		
<p>*Calculate per "215 ILCS 5/412" of the Illinois Compiled Statutes.</p> <p>**All overpayments must be applied to future privilege or retaliatory tax liabilities only.</p>		
<p>Name: _____ Title: _____ of the (Signature of Corporate Officer) _____ (Company)</p>		
<p>declares under penalties of perjury that the foregoing Statement (including the accompanying schedules) has been examined by him, and to the best of his knowledge and belief is true, correct and complete.</p>		
<p>Date: _____</p>		

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED REPEALER

Quarterly Tax Statement

Illinois Department of Insurance
320 W. Washington Street
Springfield, IL 62767-0001



State of Illinois

Privilege and Retaliatory Tax Installment

All companies whose annual tax for the preceding calendar year was less than \$5,000 need not file this statement

Form containing sections: Federal Employer Identification Number, 1999 Calendar Year filing options, Privilege Tax (Parts A and B), Retaliatory Tax (Parts A and B), Payment, and Signature/Date/Phone fields. Includes instructions and a disclaimer at the bottom.

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED REPEALER

Section 2515. ILLUSTRATION B Supplemental Retaliatory Tax Return

SUPPLEMENTAL RETALIATORY TAX RETURN

Federal Employer Identification Number (FEIN#) _____

Name of Company Insurance Company

Street and Number City State Zip Code

For the tax period ending the last day of December, _____ as required by Section 444.1(4) of the Insurance Code (215 ILCS 5/444.1(4)) and 50 Ill. Adm. Code 2515.70 this Supplemental Retaliatory Tax Return is being filed due to the protested privilege tax in the amount of _____ for this same tax period.

SUPPLEMENTAL RETALIATORY TAX

- 1. Total State of Illinois Basis as reported in the Retaliatory Tax Return filed pursuant to 50 Ill. Adm. Code 2515. (As shown in 2515.Illustration A page 4 line 9) \$ _____
- 2. Total State of Incorporation Basis as reported in the Retaliatory Tax Return filed pursuant to 50 Ill. Adm. Code 2515. (As shown in 2515.Illustration A page 4 line 10) \$ _____
- 3. Total Retaliatory Tax due as reported in the Retaliatory Tax Return filed pursuant to 50 Ill. Adm. Code 2515. (As shown in 2515.Illustration A page 4 line 11) \$ _____
- 4. Protested Privilege Tax Amount \$ _____
- 5. Adjusted State of Illinois Basis for protested amount (Subtract Line 4 from line 1) \$ _____
- 6. Total Supplemental Retaliatory Tax due (Subtract Line 5 from Line 2) (Line 6 is the amount, if any, of supplemental retaliatory tax due and owing for the tax period in question if the protest were upheld. If Line 5 is greater than Line 2 no Supplemental Retaliatory Tax is due.) \$ _____

Certified for deposit to General Revenue the amount shown on line 6 \$ _____

I, _____ of the _____, declare under
Name of Corporate Officer Company Name

penalties of perjury that the foregoing Supplemental Retaliatory Tax Return has been examined by me and to the best of my knowledge and belief is true correct and complete.

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED REPEALER

- 1) Heading of the Part: Annual State Fire Marshal Tax
- 2) Code Citation: 50 Ill. Adm. Code 2520
- 3)

<u>Section Numbers:</u>	<u>Proposed Actions:</u>
2520.10	Repealed
2520.20	Repealed
2520.30	Repealed
2520.40	Repealed
2520.50	Repealed
2520.60	Repealed
2520.70	Repealed
2520.80	Repealed
2520.90	Repealed
2520.ILLUSTRATION A	Repealed
- 4) Statutory Authority: Implementing Section 12 of the Fire Investigation Act [425 ILCS 5/12] and authorized by Section 401 of the Illinois Insurance Code [215 ILCS 5/401].
- 5) A Complete Description of the Subjects and Issues Involved: This Part is being repealed because the majority of the text unnecessarily repeats statutory requirements and some provisions inaccurately describe current Department procedures. The provisions of this Part that are necessary are being moved into Part 2500.
- 6) Published studies or reports, and sources of underlying data, used to compose this rulemaking: None
- 7) Will this rulemaking replace an emergency rule currently in effect? No
- 8) Does this rulemaking contain an automatic repeal date? No
- 9) Does this repealer contain incorporations by reference? No
- 10) Are there any other rulemakings pending on this Part? No
- 11) Statement of Statewide Policy Objective: This rulemaking will not require a local government to establish, expand or modify its activities in such a way as to necessitate additional expenditures from local revenues.

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED REPEALER

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

Kathryn Williams
Assistant General Counsel
Department of Insurance
320 West Washington, 4th Floor
Springfield IL 62767-0001

or

Susan Anders
Rules Coordinator
Department of Insurance
320 West Washington, 4th Floor
Springfield IL 62767-0001

217557-1416

217/558-0957

- 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) Small Business Impact Analysis: The Department determined that the rulemaking will not have an adverse impact on small businesses.
- 15) Regulatory Agenda on which this rulemaking was summarized: January 2019

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

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED REPEALER

TITLE 50: INSURANCE
CHAPTER I: DEPARTMENT OF INSURANCE
SUBCHAPTER ee: FEES, CHARGES AND TAXESPART 2520
ANNUAL STATE FIRE MARSHAL TAX (REPEALED)

Section

2520.10	Purpose
2520.20	Applicability
2520.30	Severability
2520.40	Definitions
2520.50	Calculation of the State Fire Marshal Tax
2520.60	Payment Schedule for the State Fire Marshal Tax
2520.70	State Fire Marshal Tax Return Filing Requirements
2520.80	Civil Penalties and Interest
2520.90	Hearings

2520.ILLUSTRATION A Annual State Fire Marshal Tax Return

AUTHORITY: Implementing Section 12 of the Fire Investigation Act [425 ILCS 25/12] and authorized by Section 401 of the Illinois Insurance Code [215 ILCS 5/401].

SOURCE: Adopted at 22 Ill. Reg. 268, effective December 21, 1998; repealed at 44 Ill. Reg. _____, effective _____.

Section 2520.10 Purpose

This Part sets forth certain procedural requirements, and explains the calculation of the Annual State Fire Marshal Tax that is collected pursuant to Section 12 of the Fire Investigation Act [425 ILCS 25/12].

Section 2520.20 Applicability

This Part applies to insurance companies, Farm Mutuals, Illinois Fair Plan and surplus line producers transacting insurance business in this State pursuant to Section 4 class 3 of the Illinois Insurance Code [215 ILCS 5/4 class 3] in this State, including those which hold licenses to conduct insurance business in both class 2 and class 3 of Section 4 of the Illinois Insurance Code [215 ILCS 5/4 class 2 and class 3].

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Section 2520.30 Severability

If any Section, subsection, paragraph, sentence, clause, or phrase of this Part is declared invalid for any reason, the remaining portions of this Part that are severable from the invalid portion shall remain in full force and effect. If any portion of this Part is declared invalid in one or more of its applications, the remaining portion shall be severable and in effect in all valid applications.

Section 2520.40 Definitions

Except as stated and unless a different meaning of a term is clear from its context, the definitions of terms used in this Part shall be the same as those used in 50 Ill. Adm. Code 2500.40 and any of the Acts in Chapter 215 of the Illinois Compiled Statutes.

Direct Premium means the "Direct Premiums Written" as reported in column 2 of page 15 (Exhibit of Premiums and Losses) of the 1997 Annual Statement, as hereafter amended, minus the "Dividends Paid or Credited on Direct Business" as reported in column 4 on page 15 (Exhibit of Premiums and Losses) of the 1997 Annual Statement, as hereafter amended; and for Farm Mutuals, Illinois Fair Plan and surplus line producers, it is the premium written as reported pursuant to Sections 13, 143.25 and 445 of the Code [215 ILCS 5/13, 143.25 and 445], respectively.

Section 2520.50 Calculation of the State Fire Marshal Tax

The Annual State Fire Marshal Tax shall be calculated by multiplying the sum of taxable premium for the year, as set forth in subsections (a) through (d) of this Section, by 1%.

- a) The total taxable premium for a year is calculated for insurance companies by totaling the direct premium for the following lines of business set forth below and as shown in Illustration A of this Part:
 - 1) All (100%) fire direct premium as reported on page 15 (Exhibit of Premiums and Losses) line 1 in the 1997 Annual Statement, as hereafter amended, filed pursuant to Section 136 of the Code [215 ILCS 5/136] less any Illinois Fair Plan premiums;
 - 2) Twenty-five percent (25%) of the sum of Allied Lines direct premium as reported on page 15 (Exhibit of Premiums and Losses) line 2.1 in the 1997

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Annual Statement, as hereafter amended, filed pursuant to Section 136 of the Code [215 ILCS 5/136] less any Illinois Fair Plan premiums;

- 3) One percent (1%) of Multiple Peril Crop direct premium, or Crop Hail direct premium which is not federally insured, as reported on page 15 (Exhibit of Premiums and Losses) line 2.2 in the 1997 Annual Statement, as hereafter amended, filed pursuant to Section 136 of the Code [215 ILCS 5/136];
- 4) Forty percent (40%) of Farmowners M.P. direct premium as reported on page 15 (Exhibit of Premiums and Losses) line 3 in the 1997 Annual Statement, as hereafter amended, filed pursuant to Section 136 of the Code [215 ILCS 5/136];
- 5) Forty percent (40%) of the sum of Homeowners M.P. direct premium as reported on page 15 (Exhibit of Premiums and Losses) line 4 in the 1997 Annual Statement, as hereafter amended, filed pursuant to Section 136 of the Code [215 ILCS 5/136] less any Illinois Fair Plan premiums;
- 6) Forty percent (40%) of Commercial M.P. (Non-liability) direct premium as reported on page 15 (Exhibit of Premiums and Losses) line 5.1 in the 1997 Annual Statement, as hereafter amended, filed pursuant to Section 136 of the Code [215 ILCS 5/136];
- 7) Fifteen percent (15%) of Ocean Marine direct premium as reported on page 15 (Exhibit of Premiums and Losses) line 8 in the 1997 Annual Statement, as hereafter amended, filed pursuant to Section 136 of the Code [215 ILCS 5/136];
- 8) Fifteen percent (15%) of Inland Marine direct premium as reported on page 15 (Exhibit of Premiums and Losses) line 9 in the 1997 Annual Statement, as hereafter amended, filed pursuant to Section 136 of the Code [215 ILCS 5/136];
- 9) Twenty-five percent (25%) of Earthquake direct premium as reported on page 15 (Exhibit of Premiums and Losses) line 12 in the 1997 Annual Statement, as hereafter amended, filed pursuant to Section 136 of the Code [215 ILCS 5/136];

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- 10) Five percent (5%) of Private Passenger (Automobile Physical Damage) direct premium as reported on page 15 (Exhibit of Premiums and Losses) line 21.1 in the 1997 Annual Statement, as hereafter amended, filed pursuant to Section 136 of the Code [215 ILCS 5/136];
 - 11) Five percent (5%) of Commercial (Automobile Physical Damage) direct premium as reported on page 15 (Exhibit of Premiums and Losses) line 21.2 in the 1997 Annual Statement, as hereafter amended, filed pursuant to Section 136 of the Code [215 ILCS 5/136]; and
 - 12) Ten percent (10%) of Aircraft (All Perils) direct premium as reported on page 15 (Exhibit of Premiums and Losses) line 22 in the 1997 Annual Statement, as hereafter amended, filed pursuant to Section 136 of the Code [215 ILCS 5/136].
- b) The total taxable premium for a year is calculated for Farm Mutuals by totaling the direct premium for the lines of business as determined in subsection (a) of this Section and reported to the Department pursuant to Section 13 of the Farm Mutual Insurance Company Act of 1986 [215 ILCS 120/13].
 - c) The total taxable premium for a year is calculated for the Illinois Fair Plan by totaling the direct premium for the lines of business as determined in subsection (a) of this Section and reported to the Department pursuant to Section 143.25 of the Code [215 ILCS 5/143.25].
 - d) The total taxable premium for a year is calculated for surplus line producers by totaling the direct premium for the lines of business as determined in subsection (a) of this Section and reported to the Department pursuant to Section 445 of the Code [215 ILCS 5/445].
 - e) The Annual State Fire Marshal Tax as calculated in this Section may be reduced by any overpayment from the prior year as long as there has been a credit letter issued by the Department pursuant to 50 Ill. Adm. Code 2525.60 and a copy is attached to the Annual State Fire Marshal Tax return in which the reduction is taken.
 - f) The adoption of this Part does not provide for the amendment or alteration of the stated percentage applicable for each type of premium.

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Section 2520.60 Payment Schedule for the State Fire Marshal Tax

The Annual State Fire Marshal Tax owed pursuant to Section 12 of the Fire Investigation Act [425 ILCS 25/12] for any calendar year is due in March of the following year, but no later than March 31 of the following year. Failure to file a return, even if no tax is owed, or to make a timely payment will subject the company to penalties pursuant to Section 2520.80 of this Part. Payments shall be made in accordance with 50 Ill. Adm. Code 2500.70(b).

Section 2520.70 State Fire Marshal Tax Return Filing Requirements

The Annual State Fire Marshal Tax shall be submitted on a form similar to the format found in Illustration A of this Part that includes the same information contained in Illustration A of this Part together with a copy of page 15 (Exhibit of Premiums and Losses) from the 1997 Annual Statement, as hereafter amended, filed pursuant to Section 136 of the Code [215 ILCS 5/136], if being filed by an insurance company, or if being filed by the Illinois Fair Plan, Farm Mutuals, and surplus line producers, the annual statements or reports, if any, filed with the Department.

Section 2520.80 Civil Penalties and Interest

The failure of a company, the Illinois Fair Plan or a surplus line producer to file a tax return, even if no tax is owed, or to make a timely payment for the previous calendar year's tax, shall subject it to the penalty and interest provisions set forth in Section 412 of the Code [215 ILCS 5/412] and assessed pursuant to 50 Ill. Adm. Code 2525.100(a).

Section 2520.90 Hearings

Any person or company required to pay a State Fire Marshal Tax pursuant to this Part may request a hearing to be held for the purposes of determining if the assessed tax is appropriate. The hearing request shall be made pursuant to 50 Ill. Adm. Code 2500.50 and shall be made on the grounds set forth in Section 412 of the Code [215 ILCS 5/412], a mistake of fact, an error in calculation or an erroneous interpretation of a statute of this or any other state, and such request will only be granted based on those grounds.

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Section 2520.ILLUSTRATION A Annual State Fire Marshal Tax Return

Name of Company FEIN

For the year ending the last day of December, _____ as required by 425 ILCS 25/12.

Illinois State Fire Marshal Tax Worksheet Must Be Completed First

- 1. Net amount of taxable premiums from Worksheet Line 13 \$ _____
2. Tax Due (1% of Line 1) \$ _____
3. State Fire Marshal Tax Credit (deduct prior year overpayment; attach copy of credit letter) \$ _____
4. Amount of tax paid (subtract Line 3 from Line 2) \$ _____
Penalty for failure to file tax statement (\$200/month or 5% of tax, whichever is
5. greater) \$ _____
6. Penalty for failure to pay tax (5% of tax due) \$ _____
Interest on tax paid after due date (IRS rate during tax period, 12%
7. minimum) \$ _____
8. Total penalty and interest (add Lines 5 through 7) \$ _____
9. Balance due (Line 4 plus Line 8) \$ _____

A separate check is requested for each company of an insurance group and for each tax or fee. You must complete and return this statement, even if no tax is due.

The undersigned President and Secretary of the _____ Insurance Company, being duly sworn upon their oaths, say that the foregoing report and the statements contained therein and each and every one of them are true and correct.

Secretary's signature Date President's signature Date

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

Notary Public Contact Person

My commission expires _____ Phone: _____

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Remittance should be made payable to Director of Insurance and mailed with the completed tax statement form to attention: Tax and Fiscal Services Section, Illinois Department of Insurance, 320 West Washington Street, Springfield, Illinois, 62767-0001.

Important Notice: Disclosure of this information is **required** under the Illinois Compiled Statutes' insurance laws. Failure to provide this information could result in a fine.

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED REPEALER

Illinois State Fire Marshal Tax Worksheet

FEIN: _____

Name of Company _____

Street and Number City State Zip Code

Line of Business & Corresponding Line from Page 15, Annual Statement	Net Direct Premium (Col. 2 less Col. 4, Page 15)	Illinois Fair Plan Premiums	Percentage Applicable	Taxable Premium
Fire*	1. _____	Less _____	100%	_____ 1.
Allied Lines *	2.1 _____	Less _____	25%	_____ 2.
Multiple Peril Crop	2.2 _____		1%	_____ 3.
Farmowners M.P.	3. _____		40%	_____ 4.
Homeowners M.P.*	4. _____	Less _____	40%	_____ 5.
Commercial M.P. (non-liability)	5.1 _____		40%	_____ 6.
Ocean Marine	8. _____		15%	_____ 7.
Inland Marine	9. _____		15%	_____ 8.
Earthquake	12. _____		25%	_____ 9.
Private Pass Auto P/Dam TOTAL	21.1 _____		5%	_____ 10.
Commercial Auto P/Dam TOTAL	21.2 _____		5%	_____ 11.
Aircraft (All Perils)	22. _____		10%	_____ 12.
Total Taxable Premiums (carry forward to line 1 of Annual Return)				\$ _____ 13.

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State Fire Marshal Tax
Rate

..... \$ _____ 14.

State Fire Marshal Tax (carry forward to line 2 of Annual
Return)

..... \$ _____ 15.

*Do not include the FAIR Plan as your company direct premium written. The FAIR Plan will pay the State Fire Marshal Tax on these premiums.

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NOTICE OF PROPOSED REPEALER

- 1) Heading of the Part: Overpayments, Refunds, Amendments and Penalties
- 2) Code Citation: 50 Ill. Adm. Code 2525
- 3)

<u>Section Numbers</u> :	<u>Proposed Actions</u> :
2525.10	Repealed
2525.20	Repealed
2525.30	Repealed
2525.40	Repealed
2525.45	Repealed
2525.50	Repealed
2525.60	Repealed
2525.70	Repealed
2525.80	Repealed
2525.85	Repealed
2525.90	Repealed
2525.100	Repealed
2525.110	Repealed
2525.ILLUSTRATION A	Repealed
2525.ILLUSTRATION B	Repealed
2525.ILLUSTRATION C	Repealed
- 4) Statutory Authority: Implementing Section 412 of the Illinois Insurance Code [215 ILCS 5/412] and Section 13 of the Fire Investigation Act [425 ILCS 25/13] and authorized by Section 401 of the Illinois Insurance Code [215 ILCS 5/401].
- 5) A Complete Description of the Subjects and Issues Involved: This Part is being repealed because the majority of the text unnecessarily repeats statutory requirements and some provisions inaccurately describe current Department procedures. The provisions of this Part that are necessary are being moved into Part 2500.
- 6) Published studies or reports, and sources of underlying data, used to compose this rulemaking: None
- 7) Will this rulemaking replace an emergency rule currently in effect? No
- 8) Does this rulemaking contain an automatic repeal date? No
- 9) Does this repealer contain incorporations by reference? No

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED REPEALER

- 10) Are there any other rulemakings pending on this Part? No
- 11) Statement of Statewide Policy Objective: This rulemaking will not require a local government to establish, expand or modify its activities in such a way as to necessitate additional expenditures from local revenues.
- 12) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: Persons who wish to comment on this proposed rulemaking may submit written comments no later than 45 days after the publication of this Notice to:
- | | | |
|---|----|---|
| Kathryn Williams
Assistant General Counsel
Department of Insurance
320 West Washington, 4th Floor
Springfield IL 62767-0001

217/557-1416 | or | Susan Anders
Rules Coordinator
Department of Insurance
320 West Washington, 4th Floor
Springfield IL 62767-0001

217/558-0957 |
|---|----|---|
- 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) Small Business Impact Analysis: The Department determined that the rulemaking will not have an adverse impact on small businesses.
- 15) Regulatory Agenda on which this rulemaking was summarized: January 2019 Regulatory Agenda, but the rule is now being repealed instead.

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

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED REPEALER

TITLE 50: INSURANCE
CHAPTER I: DEPARTMENT OF INSURANCE
SUBCHAPTER ee: FEES, CHARGES AND TAXESPART 2525
OVERPAYMENTS, REFUNDS, AMENDMENTS AND PENALTIES (REPEALED)

Section

2525.10	Purpose
2525.20	Applicability
2525.30	Severability
2525.40	Definitions
2525.45	Calculation of the 6-Year Period Limitation
2525.50	Overpayments Concerning the Annual Privilege and Retaliatory Taxes
2525.60	Overpayments for All Other Fees, Charges or Taxes
2525.70	Amended Returns
2525.80	Cash Refund of Taxes Assessed Pursuant to Sections 409, 444 and 444.1 of the Code
2525.85	Cash Refund of Other Fees, Taxes and Charges
2525.90	Transfer of Overpayments
2525.100	Penalty Assessment
2525.110	Hearings
2525.ILLUSTRATION A	Notice to Transfer a Privilege or Retaliatory Tax Overpayment
2525.ILLUSTRATION B	Notice to Transfer a Surplus Lines Tax Overpayment
2525.ILLUSTRATION C	Notice to Transfer a State Fire Marshal Tax Overpayment

AUTHORITY: Implementing Section 412 of the Illinois Insurance Code [215 ILCS 5/412] and Section 13 of the Fire Investigation Act [425 ILCS 25/13] and authorized by Section 401 of the Illinois Insurance Code [215 ILCS 5/401].

SOURCE: Adopted at 23 Ill. Reg. 302, effective December 21, 1998; amended at 24 Ill. Reg. 10235, effective July 1, 2000; repealed at 44 Ill. Reg. _____, effective _____.

Section 2525.10 Purpose

This Part sets forth certain procedural requirements for the amendment of tax returns, clarifies the establishment and use of overpayments and refunds, and sets forth penalties pursuant to

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED REPEALER

Section 412 of the Illinois Insurance Code [215 ILCS 5/412] for the failure to file a return, for late filings and for insufficient payments.

Section 2525.20 Applicability

This Part applies to any company, Illinois Fair Plan or surplus line producer that has paid, or is required to pay, to the Director, taxes, fees or charges pursuant to Sections 408, 409, 444, 444.1 and 445 of the Illinois Insurance Code [215 ILCS 5/408, 409, 444, 444.1 and 445] and Section 12 of the Fire Investigation Act [425 ILCS 25/12].

Section 2525.30 Severability

If any Section, subsection, paragraph, sentence, clause, or phrase of this Part is declared invalid for any reason, the remaining portions of this Part that are severable from the invalid portion shall remain in full force and effect. If any portion of this Part is declared invalid in one or more of its applications, the remaining portion shall be severable and in effect in all valid applications.

Section 2525.40 Definitions

Except as stated and unless a different meaning of a term is clear from its context, the definitions of terms used in this Part shall be the same as those used in 50 Ill. Adm. Code 2500.40 and any of the Acts in Chapter 215 of the Illinois Compiled Statutes.

Taxpayer's estimated liability means either:

The total tax paid during the previous calendar year, or

80% of the actual tax for the current calendar year.

Timely filing of a tax return means when a filing is made as calculated pursuant to 50 Ill. Adm. Code 2500.60 on or before the due date. For example, pursuant to 50 Ill. Adm. Code 2500.60(b)(1) the time of filing for documents mailed through the U.S. Mail is the date of the U.S. postmark, thus a timely tax return filing would be a tax return filing that has been U.S. postmarked on or before March 15.

Section 2525.45 Calculation of the 6-Year Period Limitation

- a) The 6-year limitation period set forth in this Part and Section 412 of the Code [215 ILCS 5/412] shall be calculated by counting backwards 6 calendar years

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NOTICE OF PROPOSED REPEALER

from the date of the discovery of the mistake of fact, error in calculation, or erroneous interpretation of a statute of this or any other state. For purposes of this Section the "date of the discovery" of the mistake of fact, error in calculation, or erroneous interpretation of a statute of this or any other state is the date when an amended tax return is filed with the Department pursuant to subsection (b) of this Section, or when a written detailed description as required in subsection (b) of this Section is filed with the Department concerning a fee or charge.

- b) A discovery of a mistake of fact, error in calculation, or erroneous interpretation of a statute of this or any other state shall be reported by the filing of an amended tax return pursuant to Section 2525.70 of this Part. In case of a fee or charge a written detailed description of the fee calculation stating the differences between the Department's and company's calculation shall be filed with the Department. Such description shall be in writing and sent to the attention of the Tax and Fiscal Services Section, Illinois Department of Insurance, 320 West Washington Street, Springfield, Illinois 62767-0001.
- c) The mistake of fact, error in calculation, or erroneous interpretation of a statute of this or any other state must have occurred within the 6-year calendar period regardless of whether it affects a final tax return that was filed within the 6-year calendar period. For example, if the date of discovery is January 1, 2000 the 6-year calendar period would include the 1993 final tax return filed on March 15, 1994, but would not include any of calendar year 1993 and therefore would not include any mistake of fact, error in calculation, or erroneous interpretation of a statute of this or any other state that occurred in the 1993 calendar year.

Section 2525.50 Overpayments Concerning the Annual Privilege and Retaliatory Taxes

- a) If the requirements of this Part are met, overpayments will be recorded on the current balance of the privilege or retaliatory tax account maintained by the Department upon the filing of an annual privilege or retaliatory tax return showing overpayments, or pursuant to the filing of an amended privilege or retaliatory tax return in accordance with Section 2525.70 of this Part. All recorded overpayments are subject to subsequent auditing and adjustment by the Department pursuant to subsection (b) of this Section.
- b) Upon notice to the company, the Department shall adjust all overpayments recorded pursuant to this Section if upon verification and audit the recorded overpayment is incorrect and/or not the result of a mistake of fact, error in

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calculation, or an erroneous interpretation of a statute of this or any other state. The company may contest the Department's stated adjustment in writing which includes the following information:

- 1) The company's name and FEIN#;
 - 2) The company's reason(s) why the stated adjustment is incorrect; and
 - 3) A contact person for the company.
- c) If after the filing of a written response pursuant to subsection (b) of this Section the company and the Department can not resolve the matter, the company may request a hearing pursuant to Section 2525.110 of this Part for the purpose of determining the correct amount of the adjustment.
- d) In addition to subsection (a) of this Section an overpayment will be recorded on the current balance of the privilege or retaliatory tax account maintained by the Department as a result of an audit by the Department which indicates that there has been an overpayment.
- e) All overpayments recorded pursuant to subsection (a) of this Section must result from the following:
- 1) A mistake of fact including, but not limited to:
 - A) Applying a previous year's corporate and/or replacement income tax overpayment in the current year's tax return; and
 - B) Using premium written in the state of incorporation to determine the state of incorporation's basis for retaliatory tax purposes; or
 - 2) An error in calculation including, but not limited to:
 - A) An incorrect decimal assignment; and
 - B) An erroneous sum, result or total arising out of a mathematical function, operation or equation; or
 - 3) An erroneous interpretation of a statute of this or any other state,

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including, but not limited to:

- A) A misapplication of a statute;
- B) A misunderstanding of an equivocal term or phrase used in a statute.

However, an erroneous interpretation of a statute of this or any other state does not include a finding of unconstitutionality of the statute in question. Additionally, a mistake in fact shall not include the assertion that a statute is unconstitutional on its face.

- f) Overpayment pursuant to this Section will automatically be used to offset future retaliatory or privilege tax liabilities. Alternatively, cash refunds can be received pursuant to Section 2525.80 of this Part or the overpayment may be transferred pursuant to Section 2525.90 of this Part upon written notification to the Department as set forth in those Sections. However, the transferred overpayment may only be used to offset future retaliatory and privilege taxes.
- g) Upon written notice to the company at its last known address any overpayment that has not been used and has not been transferred will be removed from the Department's records after 7 years and be considered unclaimed monies under the Uniform Disposition of Unclaimed Property Act [765 ILCS 1025].

Section 2525.60 Overpayments for All Other Fees, Charges or Taxes

Upon a written request, to the attention of the Tax and Fiscal Section of the Department, which includes information supporting the request to change the amount assessed by the Department's invoice and a copy of the Department's invoice, or upon an amended return filed pursuant to Section 2525.70 of this Part, or as a result of an audit, if it appears to the satisfaction of the Director that there has been an overpayment of the amount legally chargeable pursuant to Sections 408 and 445 of the Code [215 ILCS 5/408 and 445] or Section 12 of the Fire Investigation Act [425 ILCS 25/12], the Department may issue a letter of credit for such overpayment. Any written request or amended return must be based on a mistake of fact, error in calculation, or erroneous interpretation of a statute of this or any other state, during the 6-year period immediately preceding the discovery of such overpayment as determined by Section 2525.45 of this Part.

- a) For purposes of this Section:

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NOTICE OF PROPOSED REPEALER

- 1) A mistake of fact includes, but is not limited to:
 - A) Applying a percentage different than that provided in 50 Ill. Adm. Code 2520. Illustration A in calculating the Illinois Fire Marshal Tax; and
 - B) Using the unitary allocation for the financial regulation fee; or
 - 2) An error in calculation includes, but is not limited to:
 - A) An incorrect decimal assignment; and
 - B) An erroneous sum, result or total arising out of a mathematical function, operation or equation; or
 - 3) An erroneous interpretation of a statute of this or any other state, including, but not limited to:
 - A) A misapplication of a statute;
 - B) A misunderstanding of an equivocal term or phrase used in a statute.
- b) However, an erroneous interpretation of a statute of this or any other state does not include a finding of unconstitutionality of the statute in question. Additionally, a mistake in fact shall not include the assertion that a statute is unconstitutional on its face.
- c) Overpayments pursuant to this Section may only be used to offset the same type of tax, charge or fee in which the overpayment was made and may be transferred pursuant to Section 2525.90 of this Part. However, the transferred overpayment may only be used to offset the same type of tax, charge or fee in which the overpayment was made. Alternatively, a cash refund of the overpayment may be considered by the Director pursuant to a written request as set forth in Section 2525.85 of this Part.
- d) Overpayments pursuant to this Section for which the underlying tax, fee or charge has been prospectively repealed may be used to offset any tax owed pursuant to

DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED REPEALER

Section 409 of the Code [215 ILCS 5/409] and may be transferred after 7 years pursuant to Section 2525.90 of this Part. Transferred overpayments in which the underlying tax has been prospectively repealed may be used to offset any tax owed pursuant to Section 409 of the Code [215 ILCS 5/409].

- e) Upon written notice to the company, at its last known address, any overpayment that is not used and is not transferred will be removed from the Department's records after 7 years and be considered unclaimed monies under the Uniform Disposition of Unclaimed Property Act [765 ILCS 1025].

Section 2525.70 Amended Returns

Any company, Illinois Fair Plan, or surplus line producer may file an amended return with the Department. An amended return shall be made by filing a copy of the original return which shows the amendments and includes explanations for those amendments. Amended returns will only be allowed if it appears to the satisfaction of the Director that because of some mistake of fact, error in calculation, or erroneous interpretation of a statute of this or any other state, anyone has paid in excess of the amount legally chargeable against it during the 6-year period immediately preceding the discovery of such overpayment as determined pursuant to Section 2525.45 of this Part. Adjustments (e.g., cash refunds or additional cash payments, of prior income or fire department taxes paid) shall be accounted for in the year paid or when issued a cash refund and shall not be the basis for amending a previous privilege or retaliatory tax return. Furthermore, any overpayment adjustment requested for the amount of fire department taxes or aggregate income taxes paid may not exceed the amount of privilege or retaliatory tax owed in the year the aggregate income tax or fire department tax was paid and for which the overpayment adjustment is now being sought.

Section 2525.80 Cash Refund of Taxes Assessed Pursuant to Sections 409, 444 and 444.1 of the Code

- a) The Director shall provide a cash refund within 120 days after receipt of the written request, if all necessary information has been filed with the Department in order for it to perform an audit of the annual return for the year in which the overpayment occurred, or within 120 days from the date the Department receives all the necessary information to perform such audit unless one of the following conditions apply:
 - 1) The amount of the requested cash refund can be fully offset against the taxpayer's estimated liability for the current year;

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- 2) The amount of the requested cash refund is less than \$100; or
 - 3) If there is insufficient funds in the Insurance Premium Tax Refund Fund to provide the requested cash refund.
- b) The written request for a cash refund must include the following information in addition to any other appropriate supporting documentation:
- 1) The company's name, including the company's Federal Employee Identification Number (FEIN);
 - 2) The cash refund amount being requested;
 - 3) A statement of reasons why the overpayment was generated as set forth in Section 2525.50 of this Part; and
 - 4) A certification of an officer of the company that the provided information in the written request is true and accurate to the best of his/her knowledge.
- c) In addition to subsection (a) of this Section, a cash refund may be available if the overpayment was part of a protested payment pursuant to the State Officers and Employees Disposition Act [30 ILCS 230/1 through 6a], and is allowed by the court having jurisdiction of the protest action.
- d) In the event that there are insufficient funds, no payment will be made until sufficient funds are available and during the period that there are insufficient funds the requested refund will be applied towards any existing/new privilege or retaliatory tax liabilities, and, when sufficient funds are available, payment will only be made if none of the conditions of subsection (a) of this Section apply to the remaining requested amount.

Section 2525.85 Cash Refund of Other Fees, Taxes and Charges

- a) Upon a written request, a cash refund of an overpayment pursuant to Section 2525.60 of this Part may be possible if there is a budget appropriation already established for the Department by which overpayments may be refunded. Alternatively, relief may be possible through transferring the overpayment pursuant to Section 2525.90 of this Part.

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- b) The written request for a cash refund must include the information as set forth in Section 2525.80(b) of this Part.
- c) In addition to subsection (a) of this Section a cash refund may be available if the overpayment was part of a protested payment pursuant to the State Officers and Employees Disposition Act [30 ILCS 230/1 through 6a], and is allowed by the court having jurisdiction of the protest action.
- d) In the event that there are insufficient funds, no payment will be made until sufficient funds are available and during the period that there are insufficient funds the requested refund will be applied towards any existing/new liabilities of the same type from which the overpayment resulted.

Section 2525.90 Transfer of Overpayments

An overpayment allowable pursuant to Sections 2525.50 and 2525.60 of this Part may be transferred in whole or in part to another company upon written approval of the Director. Such approval may be an adjustment invoice, letter of credit or a signed Notice of Transfer of Overpayment form. The company, surplus line producer or Illinois Fair Plan that made the payment creating the overpayment of privilege or retaliatory tax, surplus line tax or State Fire Marshal tax pursuant to this Part must file with the Department a written "Notice of Transfer of Overpayment" as set forth in Illustrations A, B or C of this Part. Otherwise the company, surplus line producer or Illinois Fair Plan shall provide a written notice to transfer that includes the following information:

- a) The company's name that is transferring the overpayment, including that company's Federal Employee Identification Number (FEIN);
- b) The amount of the overpayment being transferred;
- c) The name of the company and the company's Federal Employee Identification Number (FEIN) to which the transfer is being made;
- d) The monetary amount, if any, exchanged between the entities; and
- e) A certification of an officer of the company that the provided information in the Notice of Transfer of Overpayment is true and accurate to the best of their knowledge.

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Section 2525.100 Penalty Assessment

- a) When an insurance company, the Illinois Fair Plan or surplus line producer fails to timely file any tax return or pay the full amount required under 50 Ill. Adm. Code 2510, 50 Ill. Adm. Code 2515, 50 Ill. Adm. Code 2520, and Section 409, 444, 444.1 or 445 of this Code [215 ILCS 5/409, 444, 444.1 or 445], or Section 12 of the Fire Investigation Act [425 ILCS 25/12] on the date prescribed, the following assessment may be made:
- 1) There shall be added as a penalty \$200 or 5% of the amount of such tax, whichever is greater, for each month or part of a month of failure to file a return even if no tax is owed, the entire penalty not to exceed \$1,000 or 25% of the tax due, whichever is greater;
 - 2) When an insurance company, the Illinois Fair Plan or any surplus line producer fails to timely pay the full amount due under the provisions of 50 Ill. Adm. Code 2510, 50 Ill. Adm. Code 2515, 50 Ill. Adm. Code 2520, and Section 409, 444, 444.1 or 445 of this Code [215 ILCS 5/409, 444, 444.1 or 445], or Section 12 of the Fire Investigation Act [425 ILCS 25/12] the following penalties may be assessed:
 - A) There shall be added to the amount due as a penalty an amount equal to 5% of the deficiency; and
 - B) If such failure to pay is determined by the Director to be willful, after a hearing held pursuant to 50 Ill. Adm. Code 2500.50 and 50 Ill. Adm. Code 2402 and Sections 402 and 403 of the Code [215 ILCS 5/402 and 403], there shall be added to the tax as a penalty an amount equal to the greater of 25% of the deficiency or 5% of the amount due and unpaid for each month or part of a month that the deficiency remains unpaid commencing with the date that the amount becomes due. Such amount shall be in lieu of any amount determined under subsection (a)(2)(A) of this Section; and
 - 3) In addition to subsections (a)(1) and (2) of this Section an insurance company, the Illinois Fair Plan, insurance company or any surplus line producer which fails to timely pay the full amount due under 50 Ill. Adm. Code 2510, 50 Ill. Adm. Code 2515, 50 Ill. Adm. Code 2520, and Section

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409, 444, 444.1 or 445 of this Code [215 ILCS 5/409, 444, 444.1 or 445], or Section 12 of the Fire Investigation Act [425 ILCS 25/12], in addition to the tax and any penalties, shall be assessed interest on such deficiency at the rate of 12% per annum, or at such higher adjusted rates as are or may be established under subsection 6621(b) of the Internal Revenue Code (26 USCS 6621(b)), from the date that payment of any such tax was due, determined without regard to any extensions, to the date of payment of such amount.

- 4) Adjustments to any tax return that do not result in the payment of additional taxes to this State will not subject an insurance company, the Illinois Fair Plan or surplus line producers to penalties or interest under this Section unless found to be willful under subsection (a)(2)(B) of this Section.
- b) When an insurance company or affiliated group fails to timely pay the full amount of any fee or charge of \$100 or more due under 50 Ill. Adm. Code 2505 and Section 408 of the Code [215 ILCS 5/408], there may be added to the amount due as a penalty the greater of \$50 or an amount equal to 5% of the deficiency for each month or part of a month that the deficiency remains unpaid. In addition to the fee or charge, interest on such deficiency shall be assessed at the rate of 12% per annum, or at such higher adjusted rates as are or may be established under subsection 6621(b) of the Internal Revenue Code (26 USCS 6621(b)), from the date that payment of any such fee or charge was due to the date of payment of such amount may be also added.

Section 2525.110 Hearings

Any person or company required to pay a fee, charge or tax pursuant to Subchapter ee may request a hearing to be held for the purposes of determining if the assessed fee, charge or tax is appropriate or adjustment to accredited overpayment pursuant to subsection 2525.50(c) of this Part is correct. The hearing request shall be made pursuant to 50 Ill. Adm. Code 2500.50 and shall be based on the grounds set forth in Section 412 of the Code [215 ILCS 5/412], a mistake of fact, an error in calculation or an erroneous interpretation of a statute of this or any other state, and such request will only be granted based on those grounds.

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Section 2525.ILLUSTRATION A Notice to Transfer a Privilege or Retaliatory Tax Overpayment

NOTICE TO TRANSFER A PRIVILEGE OR RETALIATORY TAX OVERPAYMENT

Federal Employer Identification Number (FEIN) _____
Company Transferring Overpayment

By the _____ Insurance Company
Name of Company Transferring Overpayment

Street and Number City State Zip Code

The overpayment amount being transferred \$ _____ to

Name of Company Receiving the Overpayment

Federal Employer Identification Number (FEIN) _____
Company Receiving the Overpayment

The monetary amount exchanged for the overpayments transferred \$ _____

I, _____, do hereby certify that, to the best of my
(print)
knowledge, the matters asserted in this Notice of Transfer are true and correct.

Signature of an Officer of the Company Transferring the Overpayment Date: _____

I, _____, do hereby certify that, to the best of my
(print)
knowledge, the matters asserted in this Notice of Transfer are true and correct.

Signature of an Officer of the Company Receiving the Overpayment Date: _____

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Internal Department Use Only

Date Transfer was completed _____

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Section 2525.ILLUSTRATION B Notice to Transfer a Surplus Lines Tax Overpayment

NOTICE TO TRANSFER A
SURPLUS LINES TAX OVERPAYMENT

Social Security Number (SS) _____
Producer Transferring Overpayment

By the _____ Surplus Line Producer
Name of Producer Transferring Overpayment

Street and Number City State Zip Code

The overpayment amount being transferred \$ _____ to

Name of Producer Receiving the Overpayment

Social Security Number (SS) _____
Producer Receiving the Overpayment

The monetary amount exchanged for the overpayments transferred \$ _____

I, _____, do hereby certify that, to the best of my
(print)
knowledge, the matters asserted in this Notice of Transfer are true and correct.

Signature of Surplus Line Producer Transferring the Overpayment Date: _____

I, _____, do hereby certify that, to the best of my
(print)
knowledge, the matters asserted in this Notice of Transfer are true and correct.

Signature of Surplus Line Producer Receiving the Overpayment Date: _____

Internal Department Use Only

Date Transfer was completed _____

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Section 2525.ILLUSTRATION C Notice to Transfer a State Fire Marshal Tax Overpayment

NOTICE TO TRANSFER A STATE FIRE MARSHAL TAX OVERPAYMENT

Federal Employer Identification Number (FEIN) _____
Company Transferring Overpayment

By the _____ Insurance Company
Name of Company Transferring Overpayment

Street and Number City State Zip Code

The overpayment amount being transferred \$ _____ to

Name of Company Receiving the Overpayment

Federal Employer Identification Number (FEIN) _____
Company Receiving the Overpayment

The monetary amount exchanged for the overpayments transferred \$ _____

I, _____, do hereby certify that, to the best of my
(print)
knowledge, the matters asserted in this Notice of Transfer are true and correct.

Signature of an Officer of the Company Transferring the Overpayment Date: _____

I, _____, do hereby certify that, to the best of my
(print)
knowledge, the matters asserted in this Notice of Transfer are true and correct.

Signature of an Officer of the Company Receiving the Overpayment Date: _____

Internal Department Use Only

Date Transfer was completed _____

DEPARTMENT OF PUBLIC HEALTH

NOTICE OF PROPOSED AMENDMENTS

- 1) Heading of the Part: Sexual Assault Survivors Emergency Treatment Code
- 2) Code Citation: 77 Ill. Adm. Code 545
- 3)

<u>Section Numbers:</u>	<u>Proposed Actions:</u>
545.10	Amendment
545.20	Amendment
545.25	Amendment
545.35	Amendment
545.40	New Section
545.50	Amendment
545.55	New Section
545.60	Amendment
545.61	Amendment
545.62	New Section
545.63	New Section
545.64	New Section
545.65	Amendment
545.66	New Section
545.67	Amendment
545.95	Amendment
545.100	Amendment
545.105	New Section
- 4) Statutory Authority: Sexual Assault Survivors Emergency Treatment Act [410 ILCS 70]
- 5) A Complete Description of the Subjects and Issues Involved: This rulemaking implements PA 100-775, signed August 10, 2018 and effective January 1, 2019, which amended the Sexual Assault Emergency Treatment Center Act to provide for emergency treatment for pediatric sexual assault survivors, whether in a hospital or in a new category of health care provider, an approved pediatric health care facility. Also included in this rulemaking are amendments from PA 100-1087, signed into law on August 24, 2018, and PA 101-73, signed into law on July 12, 2019.

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*.

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- 6) Published studies or reports, and sources of underlying data, used to compose this rulemaking: None
- 7) Will this rulemaking replace any emergency rule currently in effect? No
- 8) Does this rulemaking contain an automatic repeal date? No
- 9) Does this rulemaking contain incorporations by reference? Yes
- 10) Are there any other rulemakings pending on this Part? No
- 11) Statement of Statewide Policy Objective: This rulemaking does not create a State mandate.
- 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:

Erin Conley
Rules Coordinator
Division of Legal Services
Illinois Department of Public Health
Division of Legal Services
535 W. Jefferson St., 5th Floor
Springfield IL 62761

217782-2043
e-mail: dph.rules@illinois.gov
- 13) Initial Regulatory Flexibility Analysis:
 - A) Types of small businesses, small municipalities and not-for-profit corporations affected: Hospitals, pediatric health care facilities
 - B) Reporting, bookkeeping or other procedures required for compliance: Facilities will be required to maintain chain of custody in handling evidence.
 - C) Types of professional skills necessary for compliance: Nursing, medical

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14) Small Business Impact Analysis:

A) Types of businesses subject to the proposed rule:

62 Health Care and Social Assistance

B) Categories that the agency reasonably believes the rulemaking will impact, including:

- i. hiring and additional staffing
- ii. regulatory requirements
- iii. record keeping
- iv. training requirements

15) Regulatory Agenda on which this rulemaking was summarized: January 2019

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

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NOTICE OF PROPOSED AMENDMENTS

TITLE 77: PUBLIC HEALTH
CHAPTER I: DEPARTMENT OF PUBLIC HEALTH
SUBCHAPTER f: EMERGENCY SERVICES AND HIGHWAY SAFETYPART 545
SEXUAL ASSAULT SURVIVORS
EMERGENCY TREATMENT CODE

Section	
545.10	Applicability
545.20	Definitions
545.25	Incorporated and Referenced Materials
545.30	Application of Rules (Repealed)
545.35	Development and Approval of Plans
545.40	Qualified Medical Provider and Emergency Department Clinical Staff Program Administration (Repealed)
545.50	Areawide Sexual Assault Treatment Plans
545.55	Treatment and Transfer of Pediatric Sexual Assault Survivors
545.60	Treatment of Sexual Assault Survivors
545.61	Submitting Sexual Assault Evidence to Law Enforcement
545.62	Pediatric Health Care Facilities
545.63	Treatment Hospitals with Pediatric Transfer
545.64	Out-of-State Hospitals
545.65	Transfer of Sexual Assault Survivors
545.66	Photo Documentation
545.67	Compliance Review
545.70	Approval of a Sexual Assault Transfer Plan
545.75	Approval of a Sexual Assault Treatment Hospital with a Pediatric Transfer Plan
545.80	Approval of a Sexual Assault Treatment Plan
545.85	Approval of a Pediatric Health Care Facility Sexual Assault Treatment Plan
545.90	Approval of an Out-of-State Hospital Sexual Assault Treatment Plan
545.95	Emergency Contraception
545.100	Sexual Assault Services Vouchers and Written Notice to Sexual Assault Survivors
545.105	Treatment Data Required by the Department
545.APPENDIX A	Sexual Assault Treatment Plan Form (Repealed)
545.APPENDIX B	Sexual Assault Transfer Plan Form (Repealed)
545.APPENDIX C	Emergency Contraception Protocols

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AUTHORITY: Implementing and authorized by the Sexual Assault Survivors Emergency Treatment Act [410 ILCS 70].

SOURCE: Filed December 30, 1977; rules repealed and new rules adopted at 5 Ill. Reg. 1139, effective January 23, 1981; codified at 8 Ill. Reg. 16334; amended at 11 Ill. Reg. 1589, effective February 1, 1987; amended at 12 Ill. Reg. 20790, effective December 1, 1988; emergency amendment at 26 Ill. Reg. 5151, effective April 1, 2002, for a maximum of 150 days; emergency expired August 28, 2002; amended at 27 Ill. Reg. 1567, effective January 15, 2003; amended at 33 Ill. Reg. 14588, effective October 9, 2009; amended at 34 Ill. Reg. 12214, effective August 4, 2010; amended at 41 Ill. Reg. 14980, effective November 27, 2017; amended at 42 Ill. Reg. 16036, effective August 2, 2018; emergency amendment at 43 Ill. Reg. 1089, effective January 1, 2019, for a maximum of 150 days; amended at 43 Ill. Reg. 4992, effective April 17, 2019; amended at 44 Ill. Reg. _____, effective _____.

Section 545.10 Applicability

This Part establishes requirements for the treatment of sexual assault survivors in emergency departments of hospitals licensed under the Hospital Licensing Act ~~[210 ILCS 85]~~, or operated under the University of Illinois Hospital Act, that provide *general medical and surgical hospital services* (Section 2 of the Act), *out-of-state hospitals that consent to the jurisdiction of the Department in accordance with Section 2.06 of the Act* (Section 5.4(b)(2)(i) of the Act), or *approved pediatric health care facilities*. ~~(Section 2 of the Act).~~

(Source: Amended at 44 Ill. Reg. _____, effective _____)

Section 545.20 Definitions

Act – the Sexual Assault Survivors Emergency Treatment Act ~~[410 ILCS 70]~~.

Advanced practice registered nurse or APRN – has the meaning ascribed in Section 50-10 of the Nurse Practice Act ~~[225 ILCS 65]~~. (Section 1a of the Act)

Alcohol-facilitated sexual assault – the use of any alcoholic beverage in the commission of a sexual assault.

Ambulance provider – an individual or entity that owns and operates a business or service using ambulances or emergency medical services vehicles to transport emergency patients. (Section 1a of the Act)

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Approved pediatric health care facility – a health care facility, other than a hospital, with a sexual assault treatment plan approved by the Department to provide medical forensic services to pediatric sexual assault survivors who present with a complaint of sexual assault within ~~seven a minimum of the last 7~~ seven ~~days after the assault~~ or who have disclosed past sexual assault by a specific individual and were in the care of that individual within ~~a minimum of the last seven~~ 7 days. (Section 1a of the Act)

Areawide sexual assault treatment plan or areawide plan – a plan, developed by hospitals or by hospitals and approved pediatric health care facilities in a community or area to be served, which provides for medical forensic services to sexual assault survivors that shall be made available by each of the participating hospitals and approved pediatric health care facilities. (Section 1a of the Act)

Board-certified child abuse pediatrician – a physician certified by the American Board of Pediatrics in child abuse pediatrics. (Section 1a of the Act)

Board-eligible child abuse pediatrician – a physician who has completed the requirements set forth by the American Board of Pediatrics to take the examination for certification in child abuse pediatrics. (Section 1a of the Act)

Caregiver – any person who is legally responsible for providing care to the patient or who renders support to the patient.

Department – the Department of Public Health. (Section 1a of the Act)

Drug-facilitated sexual assault – the use of a chemical submissive agent in the commission of a sexual assault, given without consent of the victim, that produces relaxant effects, blackouts, coma, impaired judgment, or loss of coordination.

Emergency contraception – medication as approved by the federal Food and Drug Administration (FDA) that can significantly reduce the risk of pregnancy if taken within 72 hours after sexual assault. (Section 1a of the Act)

Follow-up health care – health care services related to a sexual assault, including laboratory services and pharmacy services, rendered within 90 days after the initial visit for medical forensic services. (Section 1a of the Act)

Health care professional – a physician, a physician assistant, a sexual assault

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forensic examiner, an ~~APRN~~ advanced practice registered nurse, a registered professional nurse, a licensed practical nurse, or a sexual assault nurse examiner. (Section 1a of the Act)

Hospital – a hospital licensed under the Hospital Licensing Act or operated under the University of Illinois Hospital Act, any outpatient center or freestanding emergency center licensed under 77 Ill. Adm. Code 518 included in the hospital's sexual assault treatment plan where hospital employees provide medical forensic services, and an out-of-state hospital that has consented to the jurisdiction of the Department under Section 2.06 of the Act. (Section 1a of the Act)

~~Illinois State Police Sexual Assault Evidence Collection Kit – a prepackaged set of materials and forms to be used for the collection of evidence relating to sexual assault. The standardized evidence collection kit for the State of Illinois shall be the Illinois State Police Sexual Assault Evidence Collection Kit. (Section 1a of the Act)~~

Law enforcement agency having jurisdiction – the law enforcement agency in the jurisdiction where an alleged sexual assault or sexual abuse occurred. (Section 1a of the Act)

Licensed practical nurse – has the meaning ascribed in Section 50-10 of the Nurse Practice Act. (Section 1a of the Act)

Medical forensic services – health care delivered to patients within or under the care and supervision of personnel working in a designated emergency department of a hospital or an approved pediatric health care facility. "Medical forensic services" includes, but is not limited to, taking a medical history, performing photo documentation, performing a physical and anogenital examination, assessing the patient for evidence collection, collecting evidence in accordance with a statewide sexual assault evidence collection program administered by the ~~Illinois~~ Department of State Police using the ~~Illinois State Police~~ Sexual Assault Evidence Collection Kit, if appropriate, assessing the patient for drug-facilitated or alcohol-facilitated sexual assault, providing an evaluation of and care for sexually transmitted infection and human immunodeficiency virus (HIV), pregnancy risk evaluation and care, and discharge and follow-up healthcare planning. (Section 1a of the Act)

Pediatric health care facility – a clinic or physician's office that provides medical

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services to pediatric patients. (Section 1a of the Act)

Pediatric sexual assault survivor – a person under the age of 13 who presents for medical forensic services in relation to injuries or trauma resulting from a sexual assault. (Section 1a of the Act)

Photo documentation – digital photographs or colposcope videos stored and backed-up securely in the original file format. (Section 1a of the Act)

Physician – a person licensed to practice medicine in all its branches as defined in the Medical Practice Act of 1987. (Section 1a of the Act)

Physician assistant – has the meaning ascribed in Section 4 of the Physician Assistant Practice Act of 1987. (Section 1a of the Act)

Prepubescent sexual assault survivor – a female who is under the age of 18 years and has not had a first menstrual cycle or a male who is under the age of 18 years and has not started to develop secondary sex characteristics who presents for medical forensic services in relation to injuries or trauma resulting from a sexual assault. (Section 1a of the Act)

Qualified medical provider – a board-certified child abuse pediatrician, board-eligible child abuse pediatrician, sexual assault forensic examiner, or sexual assault nurse examiner who has access to photo documentation tools, and who participates in peer review. (Section 1a of the Act)

Registered Professional Nurse – has the meaning ~~ascribed~~^{provided} in Section 50-10 of the Nurse Practice Act. (Section 1a of the Act)

Sexual assault:

An act of sexual conduct; as used in this Part, "sexual conduct" has the meaning ascribed under Section 11-0.1 of the Criminal Code of 2012; or

Any act of sexual penetration; as used in this ~~Part~~^{paragraph}, "sexual penetration" has the meaning ascribed under Section 11-0.1 of the Criminal Code of 2012 and includes, without limitation, acts prohibited under Sections 11-1.20 through 11-1.60 of the Criminal Code of 2012.
(Section 1a of the Act)

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Sexual Assault Evidence Collection Kit – the Illinois State Police Sexual Assault Evidence Collection Kit; a prepackaged set of materials and forms to be used for the collection of evidence relating to sexual assault. The standardized evidence collection kit for the State of Illinois shall be the Sexual Assault Evidence Collection Kit. (Section 1a of the Act)

Sexual assault forensic examiner – a physician or physician assistant who has completed training that meets or is substantially similar to the Sexual Assault Nurse Examiner Education Guidelines established by the International Association of Forensic Nurses. (Section 1a of the Act)

Sexual assault nurse examiner – an ~~APRN~~~~advanced practice registered nurse~~ or registered professional nurse who has completed a sexual assault nurse examiner (SANE) training program that meets the Forensic Sexual Assault Nurse Examiner Education Guidelines established by the International Association of Forensic Nurses. (Section 1a of the Act)

Sexual assault services voucher – a document generated by a hospital or approved pediatric health care facility at the time the sexual assault survivor receives outpatient medical forensic services that may be used to seek payment for any ambulance services, medical forensic services, laboratory services, pharmacy services, and follow-up healthcare provided as a result of the sexual assault. (Section 1a of the Act)

Sexual assault survivor or survivor – a person who presents for medical forensic hospital emergency services in relation to injuries or trauma resulting from a sexual assault. (Section 1a of the Act)

Sexual assault transfer plan – a written plan developed by a hospital and approved by the Department, which describes the hospital's procedures for transferring sexual assault survivors to another hospital, and an approved pediatric health care facility, if applicable, in order to receive forensic medical services. (Section 1a of the Act)

Sexual assault treatment plan – a written plan that describes the procedures and protocols for providing medical forensic services to sexual assault survivors who present themselves for such services, either directly or through transfer from a hospital or approved pediatric health care facility. (Section 1a of the Act)

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Transfer hospital – a hospital with a sexual assault transfer plan approved by the Department. (Section 1a of the Act)

Transfer services – the appropriate medical screening examination and necessary stabilizing treatment prior to the transfer of a sexual assault survivor to a hospital or an approved pediatric health care facility that provides medical forensic services to sexual assault survivors pursuant to a sexual assault treatment plan or areawide sexual assault treatment plan. (Section 1a of the Act)

Treatment hospital – a hospital with a sexual assault treatment plan approved by the Department to provide medical forensic services to all sexual assault survivors who present with a complaint of sexual assault within ~~seven-a minimum of the last 7~~ days after the assault or who have disclosed past sexual assault by a specific individual and were in the care of that individual within ~~a minimum of the last~~ seven7 days. (Section 1a of the Act)

Treatment hospital with approved pediatric transfer – a hospital with a treatment plan approved by the Department to provide medical forensic services to sexual assault survivors 13 years old or older who present with a complaint of sexual assault within ~~seven-a minimum of the last 7~~ days after the assault or who have disclosed past sexual assault by a specific individual and were in the care of that individual within ~~a minimum of the last~~ seven7 days. (Section 1a of the Act)

Unauthorized personnel – all individuals whose presence in the examination room is not desired or required either by the hospital or by the survivor (e.g., representatives of the media).

(Source: Amended at 44 Ill. Reg. _____, effective _____)

Section 545.25 Incorporated and Referenced Materials

- a) The following materials are referenced in this Part:
 - 1) State of Illinois Statutes:
 - A) Sexual Assault Survivors Emergency Treatment Act [410 ILCS 70].

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- B) Hospital Licensing Act [210 ILCS 85].
- C) [University of Illinois Hospital Act \[110 ILCS 330\]](#).
- D) Criminal Code of 2012 [720 ILCS 5].
- E) Crime Victims Compensation Act [740 ILCS 45].
- F) Criminal Identification Act [20 ILCS 2630].
- G) Code of Criminal Procedure of 1963 [725 ILCS 5].
- H) Illinois Public Aid Code [305 ILCS 5].
- I) Illinois Insurance Code [215 ILCS 5].
- J) Medical Practice Act of 1987 [225 ILCS 60].
- K) Emergency Medical Treatment Act [210 ILCS 70].
- L) Nurse Practice Act [225 ILCS 65].
- M) Consent by Minors to Medical Procedures Act [410 ILCS 210].
- N) AIDS Confidentiality Act [410 ILCS 305].
- O) Physician Assistant Practice Act of 1987 [225 ILCS 95].
- P) [Abused and Neglected Child Report Act \[325 ILCS 5\]](#).
- Q) [Abused and Neglected Long Term Care Facility Residence Reporting Act \[210 ILCS 30\]](#).
- R) [Adult Protective Services Act \[320 ILCS 20\]](#).
- S) [Health Care Surrogate Act \[755 ILCS 40\]](#).
- T) [Emergency Medical Services \(EMS\) Systems Act \[210 ILCS 50\]](#).

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U) Juvenile Court Act of 1987 [705 ILCS 405].

2) State of Illinois Rules

A) Department of Public Health, ~~Rules of~~ Practice and Procedure in Administrative Hearings (77 Ill. Adm. Code 100).

B) Department of Public Health, Hospital Licensing Requirements (77 Ill. Adm. Code 250).

C) Healthcare and Family Services, Hospital Services (89 Ill. Adm. Code 148).

D) Freestanding Emergency Center Code (77 Ill. Adm. Code 518).

3) Federal Statute

Emergency Medical Treatment and Active Labor Act (EMTALA) (42 USC 1395dd).

4) Crime Victim Compensation – Frequently Asked Questions by Sexual Assault Victims Recover/Rebuild: Crime Victims Assistance, which may be obtained from the Office of the Attorney General, 500 S. Second Street, Springfield, Illinois 62706.

b) The following materials are incorporated in this Part:

1) Federal Guidelines

A) Sexually Transmitted Diseases Treatment Guidelines, ~~2015~~2006, Centers for Disease Control and Prevention, Morbidity and Mortality Weekly Report (MMWR), ~~June 5, 2015, Vol. 64 (RR 3)~~August 4, 2006, Vol. 55 (RR 11); ~~errata published August 28, 2015~~updated April 13, 2007; Fluoroquinolones No Longer Recommended for Treatment of Gonococcal Infections, ~~April 13, 2007~~, Vol. 56, No. 14. Available from the Centers for Disease Control and Prevention, 1600 Clifton Rd., Atlanta, Georgia ~~30329-4027~~30333.

B) Centers for Disease Control and Prevention, "Sexually Transmitted

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Disease Surveillance, 2016," Atlanta: U.S. Department of Health and Human Services, 2017, available ~~Antiretroviral Postexposure Prophylaxis After Sexual, Injection Drug Use, or Other Nonoccupational Exposure to HIV in the United States, Morbidity and Mortality Weekly Report (MMWR), January 21, 2005, Vol. 54 (RR-02).~~ Available from the Centers for Disease Control and Prevention, 1600 Clifton Rd., Atlanta, Georgia 30329-4027, or from https://www.cdc.gov/std/stats16/CDC_2016_STDS_Report-for508WebSep21_2017_1644.pdf.~~30333.~~

C) Centers for Disease Control and Prevention, "Updated Guidelines for Antiretroviral Postexposure Prophylaxis After Sexual, Injection Drug Use, or Other Nonoccupational Exposure to HIV – United States, 2016," available from the Centers for Disease Control and Prevention, 1600 Clifton Rd., Atlanta, Georgia 30329-4027, or from <https://www.cdc.gov/hiv/pdf/programresources/cdc-hiv-npep-guidelines.pdf>.

2) Association Standards
Management of the Patient with the Complaint of Sexual Assault, April 2014~~Evaluation and Management of the Sexually Assaulted or Sexually Abused Patient, American College of Emergency Physicians, June 1999.~~ Available from the American College of Emergency Physicians, Post Office Box 619911, Dallas, Texas 75261-9911.

c) All incorporations by reference of federal guidelines and association standards refer to the guidelines and standards in effect on the date specified and do not include any later editions or amendments.

(Source: Amended at 44 Ill. Reg. _____, effective _____)

Section 545.35 Development and Approval of Plans

a) *Every hospital required to be licensed by the Department, pursuant to the Hospital Licensing Act or operated under the University of Illinois Hospital Act that provides general medical and surgical hospital services shall provide either transfer services to all sexual assault survivors, medical~~or hospital-emergency services and forensic services~~ to all sexual assault survivors, or transfer services to pediatric sexual assault survivors and medical forensic services to sexual*

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~~assault survivors 13 years old or older, in accordance with this Part, to all sexual assault survivors who apply for either transfer services or hospital emergency services and forensic services in relation to injuries or trauma resulting from the sexual assault.~~ (Section 2(a) of the Act)

- b) ~~Every such hospital, regardless of whether or not a request is made for reimbursement, shall submit to the Department a plan to provide either transfer services to all sexual assault survivors, medical or hospital emergency services and forensic services to all sexual assault survivors, or transfer services to pediatric sexual assault survivors and medical forensic services to sexual assault survivors 13 years or older.~~ (Section 2(a) of the Act)
- c) ~~The plan shall be submitted to the Department for approval prior to becoming effective. The hospital or approved pediatric health care facility shall submit the plan to the Department within 60 days after receiving the Department's request for the plan. Such plan shall be submitted to the Department for approval prior to becoming effective. The hospital shall submit the plan to the Department within 60 days after receiving the Department's request for the plan.~~ (Section 2 of the Act)
- d) A sexual assault treatment plan, transfer plan, pediatric transfer plan, approved pediatric health care facility treatment plan, or out-of-state hospital treatment plan shall be completed using the respective forms provided by the Department ~~form provided in Appendix A of this Part. A sexual assault transfer plan shall be completed using the form provided in Appendix B of this Part.~~ An emergency contraception protocol consistent with the sample protocols in Appendix C shall be completed. ~~The Department will~~shall approve a plan for either transfer services to all sexual assault survivors, medical or hospital emergency services and forensic services to all sexual assault survivors, or transfer services to pediatric sexual assault survivors and medical forensic services to sexual assault survivors 13 years old or older, if it finds that the implementation of the proposed plan would provide ~~adequate~~ transfer services or medical hospital emergency services and forensic services for sexual assault survivors in accordance with the Act and this Part, and provide sufficient protections from the risk of pregnancy to sexual assault survivors. (Section 2(a) of the Act)
- e) Every hospital and approved pediatric health care facility shall submit an updated transfer plan, pediatric transfer plan, approved pediatric health care facility treatment plan, or out-of-state hospital treatment plan ~~treatment, transfer, or~~

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~~areawide plan~~ to the Department every three years. A transfer or treatment plan may be part of an areawide plan pursuant to Section 545.50 ~~of this Part~~.

- 1) *The Department will not approve a sexual assault transfer plan unless a treatment hospital has agreed, as a part of an areawide treatment plan, to accept sexual assault survivors from the proposed transfer hospital and a transfer to the treatment hospital would not unduly burden the sexual assault survivor.*
- 2) *In counties with a population of less than 1,000,000, the Department will not approve a sexual assault transfer plan for a hospital located within a 20-mile radius of a 4-year public university, not including community colleges, unless there is a treatment hospital with a sexual assault treatment plan approved by the Department within a 20-mile radius of the 4-year public university.*
- 3) *A transfer shall be in accordance with federal and State laws and local ordinances.*
- 4) *A treatment hospital with approved pediatric transfer shall submit an areawide treatment plan under Section 3 of the Act and Section 545.50 of this Part that includes a written agreement with a treatment hospital stating that the treatment hospital will provide medical forensic services to pediatric sexual assault survivors transferred from the treatment hospital with approved pediatric transfer. The areawide treatment plan may also include an approved pediatric health care facility. The Department may approve a sexual assault transfer plan for the provision of medical forensic services until January 1, 2022 if:*
 - A) *A treatment hospital with approved pediatric transfer has agreed, as part of an areawide treatment plan, to accept sexual assault survivors 13 years of age or older from the proposed transfer hospital; and*
 - B) *If the treatment hospital with approved pediatric transfer is geographically closer to the transfer hospital than a treatment hospital or another treatment hospital with approved pediatric transfer and the transfer is not unduly burdensome on the sexual assault survivor.*

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- 5) *A transfer hospital shall submit an areawide treatment plan under Section 3 of the Act and Section 545.50 of this Part that includes a written agreement with a treatment hospital stating that the treatment hospital will provide medical forensic services to all sexual assault survivors transferred from the transfer hospital. The areawide treatment plan may also include an approved pediatric health care facility. The Department may approve a sexual assault transfer plan for the provision of medical forensic services until January 1, 2022 if:*
- A) *A treatment hospital with approved pediatric transfer has agreed, as part of an areawide treatment plan, to accept sexual assault survivors 13 years of age or older from the proposed transfer hospital, if the treatment hospital with approved pediatric transfer is geographically closer to the transfer hospital than a treatment hospital or another treatment hospital with approved pediatric transfer and the transfer is not unduly burdensome on the sexual assault survivor; and*
- B) *A treatment hospital has agreed, as a part of an areawide treatment plan, to accept sexual assault survivors under 13 years of age from the proposed transfer hospital and transfer to the treatment hospital would not unduly burden the sexual assault survivor. (Section 2(a) of the Act)*
- f) To provide ~~hospital emergency~~ medical forensic services to sexual assault survivors, a hospital or an approved pediatric health care facility shall have a plan that has been approved by the Department.
- g) If the Department disapproves the plan because the plan does not provide adequate ~~medical forensic~~~~hospital emergency~~ services for the sexual assault survivor, the Department shall send notice of the rejection and the reason for the rejection to the hospital or pediatric health care facility. The hospital or pediatric health care facility shall have 10 days after receipt of the notice of rejection in which to submit a modified plan.
- h) *Each treatment hospital, treatment hospital with approved pediatric transfer, and approved pediatric health care facility shall enter into a memorandum of understanding with a rape crisis center for medical advocacy services, if these*

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services are available to the approved pediatric health care facility. With the consent of the sexual assault survivor, a rape crisis counselor shall remain in the exam room during the collection for forensic evidence. (Section 2(c) of the Act)

- i) *Every treatment hospital, treatment hospital with approved pediatric transfer, and approved pediatric health care facility's sexual assault treatment plan shall include procedures for complying with mandatory reporting requirements pursuant to the:*
- 1) *Abused and Neglected Child Reporting Act;*
 - 2) *Abused and Neglected Long Term Care Facility Residents Reporting Act;*
 - 3) *Adult Protective Services Act; and*
 - 4) *Criminal Identification Act. (Section 2(d) of the Act)*
- jH) Questions regarding a hospital's or approved pediatric health care facility's compliance with its approved plan and this Part should be directed to:

Illinois Department of Public Health
Division of Health Care Facilities and Programs
525 West Jefferson St., 4th Floor
Springfield, Illinois 62761
(217) 782-7412

(Source: Amended at 44 Ill. Reg. _____, effective _____)

Section 545.40 Qualified Medical Provider and Emergency Department Clinical Staff Program Administration (Repealed)

- a) *Beginning January 1, 2019, each treatment hospital and treatment hospital with approved pediatric transfer shall ensure that emergency department attending physicians, physician assistants, APRNs, and registered professional nurses providing clinical services, who do not meet the definition of a qualified medical provider in Section 1a of the Act and Section 545.20 of this Part, receive a minimum of two hours of sexual assault training by July 1, 2020 or until the treatment hospital or treatment hospital with approved pediatric transfer certifies to the Department, in a form and manner prescribed by the Department, that it*

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employs or contracts with a qualified medical provider in accordance with Section 5(a-7) of the Act, whichever occurs first. Protocols for training shall be included in the hospital's sexual assault treatment plan. (Section 2(a) of the Act)

- b) After July 1, 2020 or once a treatment hospital or a treatment hospital with approved pediatric transfer certifies compliance with Section 5(a-7) of the Act, whichever occurs first, each treatment hospital and treatment hospital with approved pediatric transfer shall ensure that emergency department attending physicians, physician assistants, APRNs, and registered professional nurses providing clinical services, who do not meet the definition of a qualified medical provider in Section 1a of the Act and Section 545.20 of this Part, receive a minimum of two hours of continuing education on responding to sexual assault survivors every two years. (Section 2(a) of the Act)
- c) By January 1, 2022, every hospital with a treatment plan approved by the Department shall employ or contract with a qualified medical provider to initiate medical forensic services to a sexual assault survivor within 90 minutes after the patient presenting to the treatment hospital or treatment hospital with approved pediatric transfer. The provision of medical forensic services by a qualified medical provider shall not delay the provision of life-saving medical care. (Section 5(a-7) of the Act)
- d) Sexual assault training provided under this Section may be provided in person or online and shall include, but not be limited to:
- 1) Information provided on the provision of medical forensic services;
 - 2) Information on the use of the Sexual Assault Evidence Collection Kit;
 - 3) Information on sexual assault epidemiology, neurobiology of trauma, drug-facilitated sexual assault, child sexual abuse, and Illinois sexual assault-related laws; and
 - 4) Information on the hospital's sexual assault-related policies and procedures. (Section 2(a) of the Act)
- e) The online training made available by the Office of the Attorney General under Section 10(b) of the Act may be used to comply with this Section. (Section 2(a) of the Act)

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(Source: Old Section repealed at 27 Ill. Reg. 1567, effective January 15, 2003; new Section added at 44 Ill. Reg. _____, effective _____)

Section 545.50 Areawide Sexual Assault Treatment Plans

- a) *Hospitals and approved pediatric health care facilities in the area to be served may develop and participate in areawide plans that shall describe the ~~medical~~hospital emergency services and forensic services to sexual assault survivors that each participating hospital and approved pediatric health care facility has agreed to make available. Each hospital and approved pediatric health care facility participating in such a plan shall provide ~~such~~ services as it is designated to provide in the plan agreed upon by the participants. An areawide plan~~Areawide plans~~ may include treatment hospitals, treatment hospitals with approved pediatric transfer, transfer hospitals, approved pediatric health care facilities, or out-of-state hospitals as provided in Section 5.4 of the Act~~hospital transfer plans~~. (Section 3 of the Act)*
- b) *All areawide plans shall be submitted to the Department for approval prior to becoming effective. (Section 3 of the Act)*
- c) *The Department ~~will~~shall approve a proposed plan if it finds that the minimum requirements set forth in Section 5 of the Act and Section 545.60 of this Part are met and implementation of the plan would provide for appropriate ~~medical~~hospital emergency services and forensic services, pursuant to this Part, for the people of the area to be served. (Section 3 of the Act)*
- d) *Each plan shall include a description of the role of each hospital or pediatric health care facility participating in the plan, as well as the individual treatment or transfer plans for each hospital or pediatric health care facility, in accordance with Section 545.60, 545.62, 545.63, 545.64 or ~~Section 545.65 of this Part~~.*
- e) *Areawide plans ~~must~~shall conform to the ~~requirements of the~~ federal Emergency Medical Treatment and Active Labor Act.*
- f) *Areawide plans must incorporate all of the requirements set forth in Section 545.55 for the treatment and transfer of pediatric sexual assault survivors.*
- g) *Until January 1, 2022, the areawide treatment plan may include a written*

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agreement, with a treatment hospital with approved pediatric transfer that is geographically closer than other hospitals providing medical forensic services to sexual assault survivors 13 years of age or older, stating that the treatment hospital with approved pediatric transfer will provide medical services to sexual assault survivors 13 years of age or older who are transferred from the transfer hospital. If the areawide treatment plan includes a written agreement with a treatment hospital with approved pediatric transfer, it must also include a written agreement with a treatment hospital stating that the treatment hospital will provide medical forensic services to sexual assault survivors under 13 years of age who are transferred from the transfer hospital. (Section 2(a) of the Act)

(Source: Amended at 44 Ill. Reg. _____, effective _____)

Section 545.55 Treatment and Transfer of Pediatric Sexual Assault Survivors**a) Transfer of Medically Stable Pediatric Sexual Assault Survivors**

- 1) If a medically stable pediatric sexual assault survivor presents at a transfer hospital or treatment hospital with approved pediatric transfer that has a plan approved by the Department requesting medical forensic services, then the hospital emergency department staff shall contact an approved pediatric health care facility, if one is designated in the hospital's plan.
- 2) If the transferring hospital confirms that medical forensic services can be initiated within 90 minutes after the patient's arrival at the approved pediatric health care facility following an immediate transfer, then the hospital emergency department staff shall notify the patient and non-offending parent or legal guardian that the patient will be transferred for medical forensic services and shall provide the patient and non-offending parent or legal guardian the option of being transferred to the approved pediatric health care facility or the treatment hospital designated in the hospital's transfer plan. The pediatric sexual assault survivor may be transported by ambulance, law enforcement, or personal vehicle.
- 3) If medical forensic services cannot be initiated within 90 minutes after the patient's arrival at the approved pediatric health care facility, there is no approved pediatric health care facility designated in the hospital's areawide plan, or the patient or non-offending parent or legal guardian

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chooses to be transferred to a treatment hospital, the hospital emergency department staff shall contact a treatment hospital designated in the hospital's areawide plan to arrange for the transfer of the patient to the treatment hospital for medical forensic services, which are to be initiated within 90 minutes after the patient's arrival at the treatment hospital. The treatment hospital shall provide medical forensic services and shall not transfer the patient to another facility. The pediatric sexual assault survivor may be transported by ambulance, law enforcement, or personal vehicle. (Section 5.3 of the Act)

b) Treatment of Medically Stable Pediatric Sexual Assault Survivors

- 1) If a medically stable pediatric sexual assault survivor presents at a treatment hospital that has a plan approved by the Department, and the pediatric sexual assault survivor requests medical forensic services, then the hospital emergency department staff shall contact an approved pediatric health care facility, if one is designated in the treatment hospital's areawide treatment plan.
- 2) If medical forensic services can be initiated within 90 minutes after the patient's arrival at the approved pediatric health care facility following an immediate transfer, the hospital emergency department staff shall provide the patient and non-offending parent or legal guardian the option of having medical forensic services performed at the treatment hospital or at the approved pediatric health care facility. If the patient or non-offending parent or legal guardian chooses to be transferred, the pediatric sexual assault survivor may be transported by ambulance, law enforcement, or personal vehicle.
- 3) If medical forensic services cannot be initiated within 90 minutes after the patient's arrival at the approved pediatric health care facility, there is no approved pediatric health care facility designated in the hospital's areawide plan, or the patient or non-offending parent or legal guardian chooses not to be transferred, the hospital shall provide medical forensic services to the patient.
- 4) If a pediatric sexual assault survivor presents at an approved pediatric health care facility requesting medical forensic services or the facility is contacted by law enforcement or the Department of Children and Family

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Services requesting medical forensic services for a pediatric sexual assault survivor, the services shall be provided at the facility if the medical forensic services can be initiated within 90 minutes after the patient's arrival at the facility. If medical forensic services cannot be initiated within 90 minutes after the patient's arrival at the facility, then the patient shall be transferred to a treatment hospital designated in the approved pediatric health care facility's areawide plan for medical forensic services. The pediatric sexual assault survivor may be transported by ambulance, law enforcement, or personal vehicle. (Section 5.3 of the Act)

(Source: Added at 44 Ill. Reg. _____, effective _____)

Section 545.60 Treatment of Sexual Assault Survivors

- a) Every hospital ~~and approved pediatric health care facility~~ providing ~~medical hospital emergency services and~~ forensic services to sexual assault survivors shall comply with the federal Emergency Medical Treatment and Active Labor Act and, as minimum requirements for such services, provide, with the consent of the sexual assault survivor, and as ordered by the attending physician, an ~~APRN advanced practice nurse~~ who possesses clinical privileges recommended by the hospital or approved pediatric health care facility medical staff and granted by the hospital or approved pediatric health care facility, as authorized by the Nurse Practice Act, ~~or a physician assistant, the services set forth in Section 5(a-5) of the Act and this Section. (Section 5(a) of the Act)~~ following:
- b) Beginning January 1, 2022, a qualified medical provider shall provide the services set forth in Section 5(a-5) of the Act and this Section. (Section 5(a) of the Act)
- c) By January 1, 2022, every hospital with a treatment plan approved by the Department shall employ or contract with a qualified medical provider to initiate medical forensic services to a sexual assault survivor within 90 minutes after the patient presenting to the treatment hospital or treatment hospital with approved pediatric transfer. The provision of medical forensic services by a qualified medical provider shall not delay the provision of life-saving medical care. (Section 5(a-7) of the Act)
- d) A treatment hospital, a treatment hospital with approved pediatric transfer, or an

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approved pediatric health care facility shall provide the following services in accordance with Section 5(a) of the Act:

- 1) Appropriate medical forensic services without delay, in a private, age-appropriate or developmentally appropriate space, examinations and laboratory tests required to ensure the health, safety, and welfare of a sexual assault survivor ~~and that~~ ~~or which~~ may be used as evidence in a criminal proceeding against a person accused of the sexual assault, in a proceeding under the Juvenile Court Act of 1987, or in an investigation under the Abused and Neglected Child Reporting Act. or both. ~~Records of the results of such examinations and tests shall be maintained by the hospital and made available to law enforcement officials upon the request of the sexual assault survivor.~~ (Section 5(a-5) of the Act) Medical forensic services shall ~~Examinations and tests shall~~ include, but are not ~~be~~ limited to:
 - A) A general physical examination;
 - B) Evaluation and treatment for sexually transmitted infections in accordance with the guidelines of the Centers for Disease Control and Prevention titled Sexually Transmitted Diseases Treatment Guidelines, or the standards of the American College of Emergency Physicians titled Management of the Patient with the Complaint of Sexual Assault ~~Evaluation and Management of the Sexually Assaulted or Sexually Abused Patient~~ (see Section 545.25);
 - C) Evaluation and possible treatment for HIV exposure in accordance with the guidelines of the Centers for Disease Control and Prevention titled Sexually Transmitted Diseases Treatment Guidelines, or the recommendations titled Antiretroviral Postexposure Prophylaxis After Sexual, Injection Drug Use, or Other Nonoccupational Exposure to HIV in the United States, or the standards of the American College of Emergency Physicians titled Management of the Patient with the Complaint of Sexual Assault ~~Evaluation and Management of the Sexually Assaulted or Sexually Abused Patient~~. Testing for HIV shall be conducted in accordance with the AIDS Confidentiality Act; and

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- D) Pregnancy test for females of childbearing age;
- 2) An offer to complete the Sexual Assault Evidence Collection Kit for any sexual assault survivor who presents within seven days after the assault or who has disclosed past sexual assault by a specific individual and was in the care of that individual within the last seven days. Nothing in the Act or this Part prevents a treatment hospital, a treatment hospital with approved pediatric transfer, or an approved pediatric health care facility from offering to complete the Sexual Assault Evidence Collection Kit for any sexual assault survivor who presents more than seven days after the assault;
- A) Appropriate oral and written information concerning evidence-based guidelines for the appropriateness of evidence collection, depending on the sexual development of the sexual assault survivor, the type of sexual assault, and the timing of the sexual assault, shall be provided to the sexual assault survivor. A qualified medical provider shall encourage prepubescent sexual assault survivors who present to a hospital or approved pediatric health care facility with a complaint of sexual assault within 96 hours after the sexual assault to agree to evidence collection (however, the seven day period in subsection (d)(2) still applies);
- B) Before January 1, 2022, the information required under this subsection (d) shall be provided in person by the health care professional providing medical forensic services directly to the sexual assault survivor;
- C) On and after January 1, 2022, the information required under this subsection (d) shall be provided in person by the qualified medical provider providing medical forensic services directly to the sexual assault survivor;
- D) The written information provided shall be the information created in accordance with Section 10 of the Act;
- E) Following the discussion regarding the evidence-based guidelines for evidence collection in accordance with subsection (d)(2)(A), evidence collection shall be completed at the sexual assault

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survivor's request. A sexual assault nurse examiner conducting an examination using the Sexual Assault Evidence Collection Kit may do so without the presence or participation of a physician. (Section 5(a-5) of the Act)

- 32) *Appropriate oral and written information concerning the possibility of infection, sexually transmitted infection, including an evaluation of the sexual assault survivor's risk of contracting human immunodeficiency virus (HIV) from sexual assault, ~~disease~~ and pregnancy resulting from sexual assault (Section 5(a-5) of the Act);*
- 43) *Medically and factually accurate written and oral information about emergency contraception; the indications and contraindications and risks associated with the use of emergency contraception; and a description of how and when sexual assault survivors may be provided emergency contraception at no cost upon the written order of a physician, a licensed APRNadvanced practice nurse, or a licensed physician assistant (Section 2.2(b) of the Act);*
- 54) *Appropriate oral and written information concerning accepted medical procedures, laboratory tests, medication, and possible contraindications of ~~that such~~ medication available for the prevention or treatment of infection or disease resulting from sexual assault (Section 5(a-5) of the Act);*
- 6) *After a medical forensic or physical examination, access to a shower at no cost, unless showering facilities are unavailable (Section 5(a) of the Act);*
- 75) *An amount of medication, including HIV prophylaxis, for treatment at the hospital or approved pediatric health care facility and after discharge as is deemed appropriate by the attending physician, an APRNadvanced practice nurse, or a physician assistant in accordance with the Centers for Disease Control and Prevention guidelines in Section 545.25(b)(1) and (2), and consistent with the hospital's or approved pediatric health care facility's current approved protocol for sexual assault survivors. (Section 5(a-5) of the Act) When HIV prophylaxis is deemed appropriate, an initial dose or doses of HIV prophylaxis, along with written and oral instructions indicating the importance of timely follow-up health care, shall be given to the survivor(Section 5(a) of the Act);*

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- 86) *Beginning July 1, 2019, photo documentation of the sexual assault survivor's injuries, anatomy involved in the assault, or other visible evidence on the sexual assault survivor's body to supplement the medical forensic history and written documentation of physical findings and evidence. Photo documentation does not replace written documentation of the injury. (Section 5(a-5) of the Act) An evaluation of the sexual assault survivor's risk of contracting human immunodeficiency virus (HIV) from sexual assault. When HIV prophylaxis is deemed appropriate, an initial dose or doses of HIV prophylaxis, along with written and oral instructions indicating the importance of timely follow-up health care, shall be given to the survivor. (Section 5(a) of the Act) In developing policies on risk assessment of HIV exposure and on HIV prophylaxis, hospitals shall consider the guidelines of the Centers for Disease Control and Prevention (CDC) titled Sexually Transmitted Diseases Treatment Guidelines, or the CDC recommendations titled Antiretroviral Postexposure Prophylaxis After Sexual, Injection Drug Use, or Other Nonoccupational Exposure to HIV in the United States, or the Standards of the American College of Emergency Physicians titled Evaluation and Management of the Sexually Assaulted or Sexually Abused Patient;*
- 97) *Written and oral instructions indicating the need for follow-up examinations and laboratory tests one to two weeks after the sexual assault to determine the presence or absence of sexually transmitted infectiondisease (Section 5(a-5) of the Act);*
- 108) *Appropriate referral to a physician. The survivor shall be referred for follow-up health care and monitoring of medication given or prescribed at the time of the initial hospital or approved pediatric health care facility medical forensic servicesemergency visit as may be deemed appropriate by the attending physician, APRNadvanced practice nurse, or physician assistant;*
- 119) *Referral by hospital or approved pediatric health care facility personnel for appropriate counseling. (Section 5(a-5) of the Act) Initial referral should be to a community-based rape crisis center, if a center is available, or referral to other counseling shall be provided;*
- 12) *Medical advocacy services provided by a rape crisis counselor whose*

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communications are protected under Section 8-802.1 of the Code of Civil Procedure, if there is a memorandum of understanding between the hospital or approved pediatric health care facility and a rape crisis center. With the consent of the sexual assault survivor, a rape crisis counselor shall remain in the exam room during the medical forensic examination (Section 5(a-5) of the Act);

13) Written information regarding services provided by a children's advocacy center and rape crisis center, if applicable (Section 5(a-5) of the Act);

1410) The brochure "After Sexual Assault", published by the Illinois Coalition Against Sexual Assault and the Illinois Department of Public Health, and the pamphlet "Crime Victim Compensation – Frequently Asked Questions by Sexual Assault Victims Rights in Illinois", published by the Illinois Office of the Attorney General;

1511) Information on drug- or alcohol-facilitated sexual assault testing, including an explanation of the comprehensive scope of a drug test or blood alcohol test, screen and the limited time frame within which evidence can be collected; and

1612) Information regarding evidence collection, and the process and use of evidence in criminal investigation/cases.

e) Records of medical forensic services, including results of examinations and tests, the Illinois State Police Medical Forensic Documentation Forms, the Illinois State Police Patient Discharge Materials, and the Illinois State Police Patient Consent: Collect and Test Evidence or Collect and Hold Evidence Form, shall be maintained by the hospital or approved pediatric health care facility as part of the patient's electronic medical record.

A) Records of medical forensic services for sexual assault survivors under the age of 18 shall be retained by the hospital for a period of 60 years after the sexual assault survivor reaches the age of 18. Records of medical forensic services of sexual assault survivors 18 years of age or older shall be retained by the hospital for a period of 20 years after the date the record was created.

B) Records of medical forensic services may only be disseminated in

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accordance with Section 6.5 of the Act, Section 545.61 of this Part, and other State and federal law. (Section 5(a-5) of the Act)

- fb) Any person who is a sexual assault survivor who seeks medicalemergency hospital services and forensic services or follow-up healthcare under thethe Act shall be provided thosesuch services without the consent of any parent, guardian, custodian, surrogate, or agent. If a sexual assault survivor is unable to consent to medical forensic services, the services may be provided under the Consent by Minors to Medical Procedures Act, the Health Care Surrogate Act, or other applicable State and federal laws. (Section 5(b) of the Act)
- ge) The hospital or approved pediatric health care facility shall develop a *uniform system for recording results of medical examinations and all diagnostic tests performed in connection with the examination to determine the condition and necessary treatment of sexual assault survivors. The results shall be preserved in a confidential manner as part of the hospital's or approved pediatric health care facility'shospital record of the sexual assault survivor.* (Section 6.1 of the Act)
The medical record shall include the information required in this subsection (ge):
- 1) The medical record shall indicate if the sexual assault survivor changed clothes, bathed or douched, defecated, urinated, ate, smoked, or performed oral hygiene between the time of the sexual assault and the time of the examination.
 - 2) The medical record shall indicate presence of all indications of trauma, major or minor, that may be used in a criminal proceeding (e.g., cuts, scratches, bruises, red marks, any minor signs of trauma). Photographs of indications of trauma may be taken for evidentiary purposes with the written consent of the sexual assault survivor or the survivor's parent or guardian if the survivor is under 13 years of age. If the survivor is under 13 years of age and the parent or guardian is not immediately available, photographs may be taken and shall be released to law enforcement personnel and State's Attorney staff with written consent of a parent, guardian, or law enforcement officer, or the Department of Children and Family Services.
 - 3) The medical record shall not reflect any conclusions regarding whether a crime (e.g., criminal sexual assault, criminal sexual abuse) occurred.

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- 4) Medical history shall include brief, general information concerning possible injury; drug allergies; and, for female patients, a detailed gynecological history, including whether the patient knows or believes that she is pregnant, history of prior gynecological surgery such as hysterectomy or tubal ligation, history of contraceptive use, history of cancer, and any prior genital injury or trauma.
 - 5) The medical record shall indicate the presence of any and all persons during the examination process.
 - 6) The medical record shall document the compliance with each procedure required by subsection ~~(i)(f) of this Section~~.
 - 7) The medical record shall indicate whether a report was filed with the Department of Children and Family Services, or whether the Department on Aging or the Department of Public Health was contacted.
 - 8) The medical record shall include a completed emergency department record.
 - 9) The medical record shall indicate whether the ~~Illinois State Police~~ Sexual Assault Evidence Collection Kit was completed.
- ~~hd)~~ All medical records for sexual assault survivors shall be maintained through a filing system that allows for immediate accessibility during Department surveys. This filing system may be maintained electronically.
- ~~ie)~~ Procedures to ensure the welfare and privacy of the survivor shall be followed and shall include, but not be limited to, the following:
- 1) A member of the health care team shall respond within minutes to move the survivor to a closed environment to ensure privacy. Health care personnel shall refer to survivors by code to avoid embarrassment.
 - 2) If, for any reason, the survivor is incapable of receiving oral and written information required in subsection ~~(a) of this Section~~, the information shall be given to the caregiver/guardian.
 - 3) All unauthorized personnel, including law enforcement personnel and

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security personnel, shall remain outside the examination room during the medical examination. If a survivor who is in the custody of law enforcement or security officers exhibits behavior that may cause physical harm to herself/himself or hospital or approved pediatric health care facility staff, the staff shall request that law enforcement or security officers be posted outside the examination room door.

- 4) The hospital or approved pediatric health care facility shall offer to call a friend or family member and a sexual assault crisis advocate, where available, to accompany the survivor.

- j) *When a minor is the victim of a predatory criminal sexual assault of a child, aggravated criminal sexual assault, criminal sexual assault, aggravated criminal sexual abuse or criminal sexual abuse, as provided in Sections 11-1.20 through 11-1.60 of the Criminal Code of 2012, the consent of the minor's parent or legal guardian need not be obtained to authorize a hospital, approved pediatric health care facility, physician, chiropractic physician, optometrist, APRN, physician assistant, or other medical personnel to furnish medical care or counseling related to the diagnosis or treatment of any disease or injury arising from ~~the~~such offense. The minor may consent to ~~such~~ counseling, diagnosis or treatment as if the minor had reached his or her age of majority. ~~This~~Such consent shall not be voidable, nor subject to later disaffirmance, because of minority. (Section 3(b) of the Consent by Minors to Medical Procedures Act ~~[410 ILCS 210/3]~~)*
- k) All hospitals or approved pediatric health care facilities that provide emergency medical services to sexual assault survivors shall comply with the Crime Victims Compensation Act, the Consent by Minors to Medical Procedures Act and any local ordinances, municipal codes, rules, or regulations that may apply to the treatment of sexual assault survivors.
- l) All hospitals or approved pediatric health care facilities shall comply with the reporting procedures for sexual assault survivors required by Section 3.2 of the Criminal Identification Act.
- m) *Nothing in this Section creates a physician-patient relationship that extends beyond discharge from the hospital or approved pediatric health care facility~~emergency department~~. (Section 5(c) of the Act)*
- n) The hospital or approved pediatric health care facility shall take all reasonable

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steps to secure the patient's written informed consent to or refusal of the examination and treatment.

- o) Nothing in the Act or this Part prohibits a treatment hospital, a treatment hospital with approved pediatric transfer, or an approved pediatric health care facility from treating a sexual assault survivor who presents more than seven days following the assault.

(Source: Amended at 44 Ill. Reg. _____, effective _____)

Section 545.61 Submitting Sexual Assault Evidence to Law Enforcement

- a) The ~~Illinois State Police~~ Sexual Assault Evidence Collection Kit shall be used in the manner prescribed by the information contained in ~~that kit~~ the Evidence Collection Kit.
- 1) With the survivor's consent, as prescribed by subsection (b), the ~~kit~~ Evidence Collection Kit shall be completed if the survivor presents himself or herself for ~~medical forensic hospital emergency~~ services within ~~seven days after the sexual assault or who has disclosed past sexual assault by a specific individual and was in the care of that individual within the last seven days~~ seven days after the sexual assault. (Section 1a of the Act)
- 2) If the Evidence Collection Kit is not collected by law enforcement upon completion, the hospital or approved pediatric health care facility shall comply with subsection (c).
- b) *Written Consent to the Release of Sexual Assault Evidence for Testing*
- 1) *Upon the completion of ~~medical hospital emergency services and~~ forensic services, the health care professional providing the medical forensic services shall provide the patient the opportunity to sign a written consent to allow law enforcement to submit the sexual assault evidence for testing, if collected. The written consent shall be on a form included in the sexual assault evidence collection kit and posted on the Illinois State Police website. The consent form shall include whether the survivor consents to the release of information about the sexual assault to law enforcement.*

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- A) *A survivor 13 years of age or older may sign the written consent to release the evidence for testing.*
- B) *If the survivor is a minor who is under 13 years of age, the written consent to release the sexual assault evidence for testing may be signed by the parent, guardian, investigating law enforcement officer, or Department of Children and Family Services.*
- C) *If the survivor is an adult who has a guardian of the person, a health care surrogate, or an agent acting under a health care power of attorney, the consent of the guardian, surrogate, or agent is not required to release evidence and information concerning the sexual assault or sexual abuse. If the adult is unable to provide consent for the release of evidence and information and a guardian, surrogate, or agent under a health care power of attorney is unavailable or unwilling to release the information, then an investigating law enforcement officer may authorize the release.*
- D) *Any health care professional ~~or, including any physician, advanced practice nurse, physician assistant, nurse, or sexual assault nurse examiner, and any~~ health care institution, including any hospital or approved pediatric health care facility, who provides evidence or information to a law enforcement officer under a written consent, as specified in this subsection (b), is immune from any civil or professional liability that might arise from those actions, with the exception of willful or wanton misconduct. The immunity provision applies only if all of the requirements of the Act and this Section~~this Section~~ are met.*
- 2) *The hospital or approved pediatric health care facility shall keep a copy of a signed or unsigned written consent form in the patient's medical record pursuant to 77 Ill. Adm. Code Section 250.1510 ~~of the~~ (Hospital Licensing Requirements).*
- 3) *If a written consent to allow law enforcement to ~~hold~~test the sexual assault evidence is ~~not~~ signed at the completion of ~~medical~~hospital emergency services and forensic services, the hospital or approved pediatric health care facility shall include the following information in its discharge*

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instructions:

- A) *The sexual assault evidence will be stored for 10five years from the completion of ~~an Illinois State Police~~ Sexual Assault Evidence Collection Kit, or 10five years from the age of 18 years, whichever is longer;*
- B) *A person authorized to consent to the testing of the sexual assault evidence may sign a written consent to allow law enforcement to test the sexual assault evidence at any time during that 10five-year period for an adult victim, or until a minor victim turns 2823 years of age by:*
- i) *Contacting the law enforcement agency having jurisdiction, or, if unknown, the law enforcement agency contacted by the hospital or approved pediatric health care facility under Section 3.2 of the Criminal Identification Act; or*
 - ii) *By working with an advocate at a rape crisis center;*
- C) *The name, address, and phone number of the law enforcement agency having jurisdiction, or, if unknown, the name, address, and phone number of the law enforcement agency contacted by the hospital under Section 3.2 of the Criminal Identification Act; and*
- D) *The name and phone number of a local rape crisis center. (Section 6.5 of the Act)*
- c) *Submission of Sexual Assault Evidence*
- 1) *As soon as practicable, but in no event more than four hours after the completion of ~~medical hospital emergency services and~~ forensic services, the hospital or approved pediatric health care facility shall make reasonable efforts to determine the law enforcement agency having jurisdiction where the sexual assault occurred, if sexual assault evidence was collected. The hospital or approved pediatric health care facility may obtain the name of the law enforcement agency with jurisdiction from the local law enforcement agency.*

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- 2) *Within four hours after the completion of ~~medical~~hospital-emergency services and forensic services, the hospital or approved pediatric health care facility shall notify the law enforcement agency having jurisdiction that the hospital or approved pediatric health care facility is in possession of sexual assault evidence and the date and time the collection of evidence was completed. The hospital or approved pediatric health care facility shall document the notification in the patient's medical records and shall include the agency notified, the date and time of the notification, and the name of the person who received the notification. This notification to the law enforcement agency having jurisdiction satisfies the hospital's or approved pediatric health care facility's requirement to contact its local law enforcement agency under Section 3.2 of the Criminal Identification Act.*
- 3) *If the law enforcement agency having jurisdiction has not taken physical custody of sexual assault evidence within five days after the first contact by the hospital or approved pediatric health care facility, the hospital or approved pediatric health care facility shall renotify the law enforcement agency having jurisdiction that the hospital or approved pediatric health care facility is in possession of sexual assault evidence and the date the sexual assault evidence was collected. The hospital or approved pediatric health care facility shall document the renotification in the patient's medical records and shall include the agency notified, the date and time of the notification, and the name of the person who received the notification.*
- 4) *If the law enforcement agency having jurisdiction has not taken physical custody of the sexual assault evidence within 10 days after the first contact by the hospital or approved pediatric health care facility and the hospital or approved pediatric health care facility has provided renotification under subsection (b)(3), the hospital or approved pediatric health care facility shall contact the State's Attorney of the county where the law enforcement agency having jurisdiction is located. The hospital or approved pediatric health care facility shall inform the State's Attorney that the hospital or approved pediatric health care facility is in possession of sexual assault evidence, the date the sexual assault evidence was collected, the law enforcement agency having jurisdiction, and the dates, times and names of persons notified under subsections (b)(2) and (b)(3). The notification shall be made within 14 days after the collection of the sexual assault evidence. (Section 6.6 of the Act)*

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(Source: Amended at 44 Ill. Reg. _____, effective _____)

Section 545.62 Pediatric Health Care Facilities

- a) A pediatric health care facility that submits a plan to the Department for approval under Section 2 of the Act and Section 85 of this Part consents to the jurisdiction and oversight of the Department, including, but not limited to, inspections, investigations, and evaluations arising out of complaints relevant to the Act made to the Department. (Section 2.06 of the Act)
- b) A pediatric health care facility that submits a plan to the Department for approval under Section 2 of the Act and Section 85 of this Part shall be deemed to have given consent to annual inspections, surveys, or evaluations relevant to the Act by properly identified personnel of the Department or by such other properly identified persons, including local health department staff, as the Department may designate. (Section 2.06 of the Act)
- c) Representatives of the Department shall have access to and may reproduce or photocopy any books, records, and other documents maintained by the pediatric health care facility or the facility's representatives, to the extent necessary to carry out the Act and this Part. (Section 2.06 of the Act)
- d) No representative, agent, or person acting on behalf of the pediatric health care facility in any manner shall intentionally prevent, interfere with, or attempt to impede in any way any duly authorized investigation and enforcement of the Act and this Part. (Section 2.06 of the Act)
- e) An approved pediatric health care facility may provide medical forensic services, in accordance with this Part, to all pediatric sexual assault survivors who present for medical forensic services in relation to injuries or trauma resulting from a sexual assault. These services shall be provided by a qualified medical provider. (Section 2(b) of the Act)
- f) A pediatric health care facility shall participate in or submit an areawide treatment plan under Section 3 of the Act and Section 545.50 of this Part that includes a treatment hospital. If a pediatric health care facility does not provide certain medical or surgical services that are provided by hospitals, the areawide sexual assault treatment plan shall include a procedure for ensuring a sexual

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assault survivor in need of these medical or surgical services receives the services at the treatment hospital. The areawide treatment plan may also include a treatment hospital with approved pediatric transfer. (Section 2(b) of the Act)

- g) The Department will review a proposed sexual assault treatment plan submitted by a pediatric health care facility within 60 days after receipt of the plan. If the Department finds that the proposed plan meets the minimum requirements set forth in Section 5 of the Act and Section 545.60 of this Part, and that implementation of the proposed plan would provide medical forensic services for pediatric sexual assault survivors, then the Department will approve the plan.
- 1) If the Department does not approve a plan, then the Department will, via certified mail, notify the pediatric health care facility that the proposed plan has not been approved. The pediatric health care facility shall have 30 days after receipt of the Department's notice of disapproval to submit a revised plan.
 - 2) The Department will review the revised plan within 30 days after receipt of the plan and notify the pediatric health care facility whether the revised plan is approved or rejected. (Section 2(b) of the Act)
- h) A pediatric health care facility may not provide medical forensic services to pediatric sexual assault survivors until the Department has approved a treatment plan. (Section 2(b) of the Act)
- i) If an approved pediatric health care facility is not open 24 hours a day, seven days a week, it shall post signage at each public entrance to its facility that:
- 1) Is at least 14 inches by 14 inches in size;
 - 2) Directs those seeking services as follows: "If closed, call 911 for services or go to the closest hospital emergency department, (insert name) located at (insert address).";
 - 3) Lists the approved pediatric health care facility's hours of operation;
 - 4) Lists the street address of the building;
 - 5) Has a black background with white bold capital lettering in a clear and

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easy to read font that is at least 72-point type, and with "call 911" in at least 125-point type;

- 6) Is posted clearly and conspicuously on or adjacent to the door at each entrance and, if building materials allow, is posted internally for viewing through glass; if posted externally, the sign shall be made of weather-resistant and theft-resistant materials, non-removable, and adhered permanently to the building; and
- 7) Has lighting that is part of the sign itself or is lit with a dedicated light that fully illuminates the sign. (Section 2(b) of the Act)
- j) A copy of the proposed sign shall be submitted to the Department and approved as part of the approved pediatric health care facility's sexual assault treatment plan. (Section 2(b) of the Act)
- k) Each approved pediatric health care facility shall enter into a memorandum of understanding with a rape crisis center for medical advocacy services, if these services are available to the approved pediatric health care facility. With the consent of the sexual assault survivor, a rape crisis counselor shall remain in the exam room during the collection for forensic evidence. (Section 2(c) of the Act)
- l) Every approved pediatric health care facility's sexual assault treatment plan shall include procedures for complying with mandatory reporting requirements pursuant to the:
- 1) Abused and Neglected Child Reporting Act;
 - 2) Abused and Neglected Long Term Care Facility Residents Reporting Act;
 - 3) Adult Protective Services Act; and
 - 4) Criminal Identification Act. (Section 2(d) of the Act)
- m) Pursuant to Section 5.2(b) of the Act, each employee of an approved pediatric health care facility with access to the Medical Electronic Data Interchange or successor system shall sign a statement affirming that system will only be used for the purpose of issuing sexual assault services vouchers. (Section 5.2(b) of the Act)

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- n) Within 60 days after the Department's approval of a treatment plan, an approved pediatric health care facility and any health care professional employed by an approved pediatric health care facility shall develop a billing protocol that ensures that no survivor of sexual assault is sent a bill for any medical forensic services and submit the billing protocol to the Crime Victim Services Division of the Office of the Attorney General for approval. (Section 7.5(d) of the Act)
- o) In carrying out oversight of a pediatric health care facility, the Department will respect the confidentiality of all patient records, including by complying with the patient record confidentiality requirements set out in Section 6.14b of the Hospital Licensing Act. (Section 2.06 of the Act)

(Source: Added at 44 Ill. Reg. _____, effective _____)

Section 545.63 Treatment Hospitals with Pediatric Transfer

- a) A treatment hospital with approved pediatric transfer shall submit to the Department an areawide plan with a treatment hospital. This areawide plan may also include an approved pediatric health care facility. The treatment hospital with approved pediatric transfer must comply with Sections 545.55, 545.60 and 545.65 for the treatment of sexual assault survivors and the transfer of pediatric patients.
- b) Each treatment hospital with approved pediatric transfer shall enter into a memorandum of understanding with a rape crisis center for medical advocacy services, if these services are available to the treatment hospital with approved pediatric transfer. With the consent of the sexual assault survivor, a rape crisis counselor shall remain in the exam room during the collection for forensic evidence. (Section 2(c) of the Act)
- c) Every treatment hospital with approved pediatric transfer's sexual assault treatment plan shall include procedures for complying with mandatory reporting requirements pursuant to the:
- 1) Abused and Neglected Child Reporting Act;
 - 2) Abused and Neglected Long Term Care Facility Residents Reporting Act;

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- 3) *Adult Protective Services Act; and*
- 4) *Criminal Identification Act. (Section 2(d) of the Act)*

(Source: Added at 44 Ill. Reg. _____, effective _____)

Section 545.64 Out-of-State Hospitals

- a) *An out-of-state hospital that submits an areawide treatment plan to the Department in accordance with Section 5.4(b) of the Act and Section 545.90 of this Part consents to the jurisdiction and oversight of the Department, including, but not limited to, inspections, investigations, and evaluations arising out of complaints, relevant to the Act, made to the Department. (Section 2.06 of the Act)*
- b) *An out-of-state hospital that submits an areawide treatment plan to the Department in accordance with Section 5.4(b) of the Act and Section 545.90 of this Part shall be deemed to have given consent to annual inspections, surveys, or evaluations relevant to the Act by properly identified personnel of the Department or by such other properly identified persons, including local health department staff, as the Department may designate. (Section 2.06 of the Act)*
- c) *Representatives of the Department shall have access to and may reproduce or photocopy any books, records, and other documents maintained by the out-of-state hospital or the out-of-state hospital's representative to the extent necessary to carry out the Act and this Part. (Section 2.06 of the Act)*
- d) *No representative, agent, or person acting on behalf of the out-of-state hospital in any manner shall intentionally prevent, interfere with, or attempt to impede in any way any duly authorized investigation and enforcement of the Act and this Part. (Section 2.06 of the Act)*
- e) *Each out-of-state treatment hospital shall enter into a memorandum of understanding with a rape crisis center for medical advocacy services, if these services are available to the out-of-state treatment hospital. With the consent of the sexual assault survivor, a rape crisis counselor shall remain in the exam room during the collection for forensic evidence. (Section 2(c) of the Act)*
- f) *Every out-of-state treatment hospital's sexual assault treatment plan shall include*

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procedures for complying with mandatory reporting requirements pursuant to the:

- 1) Abused and Neglected Child Reporting Act;
 - 2) Abused and Neglected Long Term Care Facility Residents Reporting Act;
 - 3) Adult Protective Services Act; and
 - 4) Criminal Identification Act. (Section 2(d) of the Act)
- g) An out-of-state hospital shall comply with Section 545.60.
- h) Out-of-state Hospitals Designated as Trauma Centers
- 1) Nothing in the Act or this Part shall prohibit the transfer of a patient in need of medical services to a hospital that has been designated as a trauma center by the Department in accordance with Section 3.90 of the Emergency Medical Services (EMS) Systems Act.
 - 2) A transfer hospital, treatment hospital with approved pediatric transfer, or approved pediatric health care facility may transfer a sexual assault survivor to an out-of-state hospital that has been designated as a trauma center by the Department under Section 3.90 of the Emergency Medical Services (EMS) Systems Act if the out-of-state hospital:
 - A) Submits an areawide treatment plan approved by the Department; and
 - B) Has certified to the Department, in a form and manner prescribed by the Department, that the out-of-state hospital will:
 - i) Consent to the jurisdiction of the Department in accordance with Section 2.06 of the Act and this Section;
 - ii) Comply with Section 545.60 and all requirements of the Act applicable to treatment hospitals, including, but not limited to, offering evidence collection to any Illinois sexual assault survivor who presents with a complaint of sexual

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assault within seven days after the assault or who has disclosed past sexual assault by a specific individual and was in the care of that individual within the last seven days, and not billing the sexual assault survivor for medical forensic services or 90 days of follow-up healthcare;

- iii) Use a Sexual Assault Evidence Collection Kit to collect forensic evidence from an Illinois sexual assault survivor;
 - iv) Ensure its staff cooperates with Illinois law enforcement agencies and is responsive to subpoenas issued by Illinois courts; and
 - v) Provide appropriate transportation, upon the completion of medical forensic services, back to the transfer hospital, treatment hospital with pediatric transfer, or approved pediatric health care facility where the sexual assault survivor initially presented seeking medical forensic services, unless the sexual assault survivor chooses to arrange his or her own transportation. (Section 5.4 of the Act)
- i) In carrying out oversight of an out-of-state hospital, the Department will respect the confidentiality of all patient records, including by complying with the patient record confidentiality requirements set out in Section 6.14b of the Hospital Licensing Act. (Section 2.06 of the Act)

(Source: Added at 44 Ill. Reg. _____, effective _____)

Section 545.65 Transfer of Sexual Assault Survivors

- a) All transfers shall comply with the federal Emergency Medical Treatment and Active Labor Act and with Sections 545.50 and 545.55 of this Part.
- b) Sexual assault survivors may be transferred to another hospital or approved pediatric health care facility, in accordance with the requirements of this Section, as part of an areawide plan.
- c) The hospital shall provide an appropriate medical screening examination and

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necessary stabilizing treatment prior to transfer of the survivor. If a survivor has an emergency medical condition that has not stabilized, the requirements of the federal Emergency Medical Treatment and Active Labor Act shall be met.

- d) All unauthorized personnel, including law enforcement personnel, shall remain outside the examination room during the medical examination. If a survivor who is in the custody of law enforcement officers exhibits behavior that may cause physical harm to herself/himself or hospital staff, the staff shall request that law enforcement officers be posted outside the examination room door.
- e) A member of the health care team at the receiving hospital [or approved pediatric health care facility](#) shall respond within minutes to ensure privacy, shall refer to survivors by code to avoid embarrassment, and shall offer a private room if a short wait is unavoidable.
- f) The sexual assault survivor shall be given an appropriate explanation concerning the reason for the transfer to another hospital [or approved pediatric health care facility](#) for treatment.
- g) The emergency department personnel of the transfer hospital shall notify the receiving hospital [or approved pediatric health care facility](#) of the transfer of the sexual assault survivor.
- h) The receiving hospital [or approved pediatric health care facility](#) shall:
 - 1) Have the available space and staff for the treatment of the sexual assault survivor; and
 - 2) Agree to accept the transfer of the sexual assault survivor and to [initiate medical forensic services within 90 minutes after the patient's arrival](#)~~provide appropriate medical treatment~~ pursuant to the Act and this Part. [\(Section 5.3\(b\) of the Act\)](#)
- i) An emergency department record shall be completed and a copy transported with the survivor to the receiving hospital [or approved pediatric health care facility](#). This record shall include:
 - 1) A completed emergency department admission form;

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- 2) Clinical findings, if any;
 - 3) Nurses' notes;
 - 4) The name and relationship to the survivor, if known, of any person present during an examination conducted pursuant to this Section;
 - 5) Observations of signs and symptoms and the presence of any trauma or injury (e.g., cuts, scratches, bruises, red marks, and broken bones), if any examination was conducted or treatment rendered pursuant to subsection (c) ~~of this Section~~; and
 - 6) The results of any tests.
- j) The emergency department record shall not reflect any conclusions regarding whether a crime (e.g., criminal sexual assault, criminal sexual abuse) occurred.
- k) The hospital shall maintain a chain of custody in the handling of the sexual assault survivor and his or her clothing.
- 1) The hospital shall handle the survivor and clothing as minimally as possible.
 - 2) The hospital shall not attempt to obtain any specimens for evidentiary purposes (e.g., blood, saliva, hair samples, etc.).
 - 3) If removal of any clothing is necessary to render emergency services as described in subsection (c) ~~of this Section~~, removal should be attempted without cutting, tearing or shaking the garments.
 - 4) All loose or removed articles of clothing or other possessions of the survivor shall be left to dry if possible, placed in separate paper bags, and then placed in one larger paper bag. The bag shall be sealed and labeled with the survivor's name, the names of the health care personnel in attendance, the contents, the date, and the time collected. ~~The bag shall be transported with the survivor to the receiving hospital.~~
- A) Except as otherwise provided in subsection (k)(4)(C), the sealed bag shall not be transported with the survivor to the receiving

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hospital or approved pediatric health care facility.

- B) If the survivor is transferred by a friend or family member, the hospital shall notify the law enforcement agency having jurisdiction that a sexual assault survivor sought medical forensic services related to a sexual assault. The hospital shall maintain and secure the sealed bag with the law enforcement report number until the sealed bag is released to the law enforcement agency having jurisdiction (see Section 545.61).
- C) If the survivor is transported by ambulance, the sealed bag shall be transported with EMS personnel only upon completion of a chain of custody form. The chain of custody form shall be signed by the transfer hospital relinquishing custody of the sealed bag, the EMS personnel with custody of the sealed bag during transport, and the receiving hospital or approved pediatric health care facility taking custody of the sealed bag. Each signature shall include the times and dates the sealed bag was handled.
- l) If the transfer hospital collects a urine sample from the survivor for testing for a drug-facilitated or alcohol-facilitated sexual assault, the hospital shall follow Illinois State Police guidelines for collection. The urine sample shall be submitted to the local law enforcement agency having jurisdiction (see Section 545.61).
- m) If the sexual assault survivor was brought to the transfer hospital by the police, a friend, or a family member, and has no life-threatening conditions, the survivor may be transported by the police or by the friend or family member to a treatment hospital or approved pediatric health care facility, with the consent of the survivor. All other transfers shall be by ambulance.
- n) A transfer hospital shall ~~first attempt to~~ transfer a sexual assault survivor to a treatment hospital or approved pediatric health care facility designated in its approved transfer plan.
- o) The hospital shall offer to call a friend, family member or rape crisis advocate to accompany the survivor.
- p) The hospital shall take all reasonable steps to secure the sexual assault survivor's written informed consent to a transfer to another hospital.

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- g) The hospital shall comply with the Emergency Medical Treatment Act and the federal Emergency Medical Treatment and Active Labor Act ~~(see Section 245.25)~~.

(Source: Amended at 44 Ill. Reg. _____, effective _____)

Section 545.66 Photo Documentation

- a) Photo documentation taken during a medical forensic examination shall be maintained by the hospital or approved pediatric health care facility as part of the patient's medical record.
- b) Photo documentation shall be stored and backed up securely in its original file format in accordance with written facility protocol. The written facility protocol shall require limited access to the images and shall be included in the sexual assault treatment plan submitted to the Department.
- c) Photo documentation of a sexual assault survivor under the age of 18 shall be retained for a period of 60 years after the sexual assault survivor reaches the age of 18. Photo documentation of a sexual assault survivor 18 years of age or older shall be retained for a period of 20 years after the record was created.
- d) Photo documentation of the sexual assault survivor's injuries, anatomy involved in the assault, or other visible evidence on the sexual assault survivor's body may be used in connection with peer review; expert second opinion; or in a criminal proceeding against a person accused of sexual assault, a proceeding under the Juvenile Court Act of 1987, or an investigation under the Abused and Neglected Child Reporting Act. Any dissemination under this subsection (d) shall be in accordance with State and federal law. (Section 5.1 of the Act)

(Source: Added at 44 Ill. Reg. _____, effective _____)

Section 545.67 Compliance Review

- a) The Department will conduct on-site reviews of approved sexual assault treatment plans with hospital and approved pediatric health care facility personnel at least once during each 3-year approval period to ensure that the established procedures are being followed. (Section 2.05(a) of the Act)~~The Department shall conduct on-~~

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~~site reviews of approved plans with hospital personnel at least once during each three year approval period to ensure that the established procedures are being followed. (Section 2 of the Act)~~

- b) *If the Department determines that the hospital or approved pediatric health care facility is not in compliance with its approved plan, the Department shall provide the hospital or approved pediatric health care facility with a written list of the specific items of noncompliance within 10 working days after the conclusion of the on-site review. The hospital or approved pediatric health care facility shall have 10 working days to submit to the Department a plan of correction that contains the hospital's or approved pediatric health care facility's specific proposals for correcting the items of noncompliance. The Department ~~will~~shall review the plan of correction and notify the hospital or approved pediatric health care facility in writing within 10 working days as to whether the plan is acceptable or unacceptable. (Section 2.1(a) of the Act)*
- c) The plan of correction must include the following specific~~Specific~~ proposals for correcting items of noncompliance ~~shall include~~:
- 1) A time frame for implementing corrections;
 - 2) A description of the activity that will be undertaken to correct the items of noncompliance;
 - 3) Identification of the person or persons responsible for implementing the corrections; and
 - 4) A description of how the requirements of the Act and this Part will be met.
- d) *If the Department finds the plan of correction unacceptable, the hospital or approved pediatric health care facility shall have 10 working days to resubmit an acceptable plan of correction. Upon notification that its plan of correction is acceptable, a hospital or approved pediatric health care facility shall implement the plan of correction within 60 days. (Section 2.1(a) of the Act)*
- e) *The failure of a hospital to submit an acceptable plan of correction or to implement the plan of correction, within the time frames required in this Section, will subject a hospital to the imposition of a fine by the Department. The Department ~~will~~shall impose a fine of up to \$500 per day until the Department has*

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~~determined that the hospital is in compliance~~ ~~a hospital complies with the requirements of the Act and this Section~~ ~~this Section~~. (Section 2.1(b) of the Act)

- f) If an approved pediatric health care facility fails to submit an acceptable plan of correction or to implement the plan of correction within the time frames required in the Act and this Section, then the Department will notify the approved pediatric health care facility that the approved pediatric health care facility may not provide medical forensic services under the Act and this Part. The Department, subject to subsection (g), may impose a fine of up to \$500 per patient provided services in violation of the Act and this Part. (Section 2.1(b) of the Act)
- gf) Before imposing a fine pursuant to the Act and this Section ~~this Section~~, the Department ~~will~~ ~~shall~~ provide the hospital or approved pediatric health care facility via certified mail with written notice and an opportunity for an administrative hearing. A hospital or approved pediatric health care facility must submit a written hearing request to the Department ~~Such hearings must be requested~~ within 10 working days after receipt of the Department's notice. All hearings shall be conducted in accordance with the Department's rules, Rules of Practice and Procedure in Administrative Hearings. (Section 2.1(c) of the Act)
- hg) The Department ~~will~~ ~~shall~~ maintain the confidentiality of all patient identities and medical information provided during a site survey or otherwise received by the Department pursuant to this Part.
- i) The Department will comply with the patient record confidentiality requirements set out in Section 6.14b of the Hospital Licensing Act. (Section 2.06 of the Act)

(Source: Amended at 44 Ill. Reg. _____, effective _____)

Section 545.95 Emergency Contraception

- a) Every hospital or approved pediatric health care facility providing services to sexual assault survivors in accordance with a plan approved under Section 545.35 of this Part must develop a protocol for providing emergency contraception information and treatment to sexual assault survivors. (Section 2.2(b) of the Act)
- b) The Department will ~~shall~~ approve the protocol if it finds that the implementation of the protocol would provide sufficient protection for survivors of sexual assault

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and if the protocol provides for the following as soon as possible and, in any event, no later than 12 hours after the sexual assault survivor presents himself or herself at the hospital or approved pediatric health care facility for emergency care:

- 1) *Medically and factually accurate written and oral information about emergency contraception;*
 - 2) *The indications and ~~contraindications~~counter indications and risks associated with the use of emergency contraception;*
 - 3) *A description of how and when victims may be provided emergency contraception at no cost upon the written order of a physician, a licensed ~~APRN~~advanced practice nurse who possesses clinical privileges recommended by the hospital or approved pediatric health care facility medical staff and granted by the hospital or approved pediatric health care facility as authorized by the Nurse Practice Act, *or a licensed physician assistant* (Section 2.2(b) of the Act); and*
 - 4) *Appropriate referral to a physician.*
- c) *The hospital or approved pediatric health care facility shall implement the protocol upon approval by the Department.* (Section 2.2(b) of the Act)
- d) The Department ~~will~~shall produce medically and factually accurate written materials that all treatment hospitals and approved pediatric health care facilities shall provide to each female sexual assault survivor of childbearing age.

(Source: Amended at 44 Ill. Reg. _____, effective _____)

Section 545.100 Sexual Assault Services Vouchers and Written Notice to Sexual Assault Survivors

- a) *Every hospital or approved pediatric health care facility providing medical forensic services to sexual assault survivors shall issue a voucher to any sexual assault survivor who is eligible to receive one in accordance with Section 5.2 of the Act. The hospital shall make a copy of the voucher and place it in the medical record of the sexual assault survivor. The hospital shall provide a copy of the voucher to the sexual assault survivor after discharge upon request.* (Section 5(b-

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5) of the Act)

ba) Every hospital ~~the~~ and approved pediatric health care facility providing treatment services to sexual assault survivors in accordance with a plan approved under Section 2 of ~~the~~ Act and this ~~Part~~ Section shall provide a written notice to a sexual assault survivor. The written notice shall include, but is not limited to, the following:

- 1) A statement that the sexual assault survivor should not be directly billed by any ambulance provider providing transportation services, or by any hospital, approved pediatric health care facility, health care professional, laboratory, or pharmacy for the services the sexual assault survivor received as an outpatient at the hospital or approved pediatric health care facility;
- 2) A statement that a sexual assault survivor who is admitted to a hospital may be billed for inpatient services provided by a hospital, health care professional, laboratory, or pharmacy;
- 3) A statement that, prior to the sexual assault survivor leaving the hospital or approved pediatric health care facility ~~emergency department of the treating facility~~, the hospital or approved pediatric health care facility will give the sexual assault survivor a sexual assault services voucher for follow-up healthcare if the sexual assault survivor is eligible to receive a sexual assault services voucher;
- 4) The definition of "follow-up healthcare" as set forth in Section 1a of the Act and Section 545.20 of this Part;
- 5) A phone number the sexual assault survivor may call should the sexual assault survivor receive a bill from the hospital or pediatric health care facility for medical ~~hospital emergency services and~~ forensic services; and
- 6) The toll-free phone number of the Office of the Illinois Attorney General, Crime Victim Services Division, that the sexual assault survivor may call should the sexual assault survivor receive a bill from an ambulance provider, approved pediatric health care facility, a health care professional, a laboratory, or a pharmacy.

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- c) Subsection (b) shall not apply to hospitals that provide transfer services as defined under Section 1a of the Act and Section 545.20 of this Part. (Section 7.5(c) of the Act)
- d) A sexual assault services voucher shall be issued by a treatment hospital, treatment hospital with approved pediatric transfer, or approved pediatric health care facility at the time a sexual assault survivor receives medical forensic services.
- e) Each treatment hospital, treatment hospital with approved pediatric transfer, and approved pediatric health care facility shall include in its sexual assault treatment plan submitted to the Department in accordance with Section 2 of the Act and Section 545.35 of this Part a protocol for issuing sexual assault services vouchers. The protocol shall, at a minimum, include the following:
- 1) Identification of employee positions responsible for issuing sexual assault services vouchers;
 - 2) Identification of employee positions with access to the Medical Electronic Data Interchange or successor system; and
 - 3) For pediatric health care facilities, a statement to be signed by each employee of that facility with access to the Medical Electronic Data Interchange or successor system affirming that system will only be used for the purpose of issuing sexual assault services vouchers.
- f) A sexual assault services voucher may be used to seek payment for any ambulance services, medical forensic services, laboratory services, pharmacy services, and follow-up healthcare provided as a result of the sexual assault.
- g) Any treatment hospital, treatment hospital with approved pediatric transfer, or approved pediatric health care facility may submit a bill for services provided to a sexual assault survivor as a result of a sexual assault to the Department of Healthcare and Family Services Sexual Assault Emergency Treatment Program. The bill shall include the:
- 1) Name and date of birth of the sexual assault survivor;
 - 2) Service provided;

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- 3) Charge of service;
 - 4) Date the service was provided; and
 - 5) Recipient identification number, if known. (Section 5.2 of the Act)
- h) A hospital, approved pediatric health care facility, health care professional, ambulance provider, laboratory, or pharmacy furnishing medical forensic services, transportation, follow-up healthcare, or medication to a sexual assault survivor shall not:
- 1) Charge or submit a bill for any portion of the costs of the services, transportation, or medications to the sexual assault survivor, including any insurance deductible, co-pay, co-insurance, denial of claim by an insurer, spenddown, or any other out-of-pocket expense;
 - 2) Communicate with, harass, or intimidate the sexual assault survivor for payment of services, including, but not limited to, repeatedly calling or writing to the sexual assault survivor and threatening to refer the matter to a debt collection agency or to an attorney for collection, enforcement, or filing of other process;
 - 3) Refer a bill to a collection agency or attorney for collection action against the sexual assault survivor;
 - 4) Contact or distribute information to affect the sexual assault survivor's credit rating; or
 - 5) Take any other action adverse to the sexual assault survivor or his or her family on account of providing services to the sexual assault survivor. (Section 7.5(a) of the Act)
- i) Nothing in subsection (h) precludes a hospital, health care provider, ambulance provider, laboratory, or pharmacy from billing the sexual assault survivor or any applicable health insurance or coverage for inpatient services. (Section 7.5(b) of the Act)~~b) This Section shall not apply to hospitals that provide transfer services as defined under Section 1a of the Act and Section 545.20 of this Part. (Section 7.5 of the Act)~~

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(Source: Amended at 44 Ill. Reg. _____, effective _____)

Section 545.105 Treatment Data Required by the Department

- a) Each treatment hospital, treatment hospital with approved pediatric transfer, and approved pediatric health care facility shall submit to the Department every 6 months, in a manner prescribed by the Department, the following information:
- 1) The total number of patients who presented with a complaint of sexual assault; and
 - 2) The total number of Sexual Assault Evidence Collection Kits:
 - A) Offered to all sexual assault survivors and pediatric sexual assault survivors pursuant to of Section 5(a-5)(1.5) of the Act;
 - B) Completed for all sexual assault survivors and pediatric sexual assault survivors; and
 - C) Declined by all sexual assault survivors and pediatric sexual assault survivors.
- b) This information will be made available on the Department's website. (Section 2(e) of the Act)

(Source: Added at 44 Ill. Reg. _____, effective _____)

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- 1) Heading of the Part: Tobacco Products Tax Act of 1995
- 2) Code Citation: 86 Ill. Adm. Code 660
- 3)

<u>Section Numbers:</u>	<u>Proposed Actions:</u>
660.5	Amendment
660.10	Amendment
660.19	New Section
- 4) Statutory Authority: Implementing the Tobacco Products Tax Act of 1995 [35 ILCS 143/Art.10] and authorized by Section 2505-795 of the Civil Administrative Code of Illinois [20 ILCS 2505/2505-795].
- 5) A Complete Description of the Subjects and Issues Involved: Sections 660.5 and 660.10 are Amended and Section 660.19 is created to implement changes to Tobacco Products Tax Act of 1995 made by PA 101-31. PA 101-31, effective July 1, 2019, increased the tax on little cigars from 99 mills per little cigar to 149 mills per little cigar (\$1.98 per package of 20 little cigars to \$2.98 per package of 20 little cigars). All moneys received by the Department under the Tobacco Products Tax Act from the additional 50 mills tax per little cigar are to be paid in accordance with Section 2 of the Cigarette Tax Act.

PA 101-31 also defines "electronic cigarettes" and adds electronic cigarettes to the definition of "tobacco products." Beginning July 1, 2019, the tax on electronic cigarettes is at the rate of 15% of the wholesale price of electronic cigarettes sold or otherwise disposed of to consumers.

A new Section 660.19 regarding electronic cigarettes is created to respond to changes made by the Act. Because retailers of electronic cigarettes historically have not been subject to regulation, the new section makes it clear that Part 660 applies to distributors and retailers of electronic cigarettes. The new section addresses electronic cigarettes marketed as therapeutic products under the Compassionate Use of Medical Cannabis Program Act, the taxation of components or parts that can be used to build electronic cigarettes, registration of distributors and retailers, and the content of invoices issued by distributors to retailers of electronic cigarettes.
- 6) Published studies or reports, and sources of underlying data, used to compose this rulemaking: None
- 7) Will this rulemaking replace an emergency rule currently in effect? No

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- 8) Does this rulemaking contain an automatic repeal date? No
- 9) Does this rulemaking contain incorporations by reference? No
- 10) Are there any other rulemakings pending on this Part? No
- 11) Statement of Statewide Policy Objective: This rulemaking does not create a State mandate, nor does it modify any existing State Mandates Act.
- 12) Time, Place, and Manner in which interested persons may comment on this proposed rulemaking: Persons who wish to submit comments on this proposed rulemaking may submit them in writing by no later than 45 days after publication of this Notice to:
- Richard S. Wolters
Illinois Department of Revenue
Legal Services Office
101 West Jefferson
Springfield IL 62794
- 217/782-2844
- 13) Initial Regulatory Flexibility Analysis:
- A) Types of small businesses, small municipalities and not-for-profit corporations affected: Distributors and retailers of electronic cigarettes
- B) Reporting, bookkeeping or other procedures required for compliance: Simple accounting and bookkeeping skills
- C) Types of professional skills necessary for compliance: Simple accounting and computer skills.
- 14) Small Business Impact Analysis: Distributors and retailers of electronic cigarettes that did not sell tobacco products were not regulated by the Department of Revenue, and sales of electronic cigarettes were not subject to Cigarette Tax or Tobacco Products Tax. As a result of PA 101-31, electronic cigarettes now are included in the definition of tobacco products. Distributors and retailers of electronic cigarettes must register with the

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Department, and distributors must pay the Tobacco Products Tax on the sale of electronic cigarettes.

A) Types of businesses subject to the proposed rule:

- 31-33 Manufacturing
- 42 Wholesale Trade
- 44-45 Retail Trade

B) Categories that the agency reasonably believes the rulemaking will impact, including:

- ii. regulatory requirements
- iii. record keeping

15) Regulatory Agenda on which this rulemaking was summarized: July 2019

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

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TITLE 86: REVENUE
CHAPTER I: DEPARTMENT OF REVENUEPART 660
TOBACCO PRODUCTS TAX ACT OF 1995

Section	
660.5	Nature and Rate of Tobacco Products Tax
660.10	General Definitions
660.15	Distributor Licenses
660.16	Retailer Licenses
660.18	Stamping Distributors; Purchasing Tax Stamps; Affixing Tax Stamps to Packages of Little Cigars
660.19	Electronic Cigarettes
660.20	Returns
660.24	Books and Records; Invoices – Retailers
660.25	Books and Records; Invoices – Distributors
660.26	Invoices Relating to Packages of Little Cigars
660.27	Manufacturers – Sale of Little Cigars
660.28	Retailers – Purchase and Possession of Tobacco Products
660.29	Wholesalers – Possession of Little Cigars
660.30	Exempt Sales
660.35	Claims for Credit
660.40	Credit for Stamps that Are Damaged, Unused, Destroyed or Affixed to Packages of Little Cigars Returned to the Manufacturer
660.45	License Actions: Revocations, Cancellations and Suspensions
660.50	Penalties, Interest and Procedures
660.55	Incorporation by Reference

AUTHORITY: Implementing the Tobacco Products Tax Act of 1995 [35 ILCS 143/Art. 10] and authorized by Section 2505-795 of the Civil Administrative Code of Illinois [20 ILCS 2505].

SOURCE: Adopted at 20 Ill. Reg. 10174, effective July 16, 1996; amended at 26 Ill. Reg. 13310, effective August 23, 2002; amended at 34 Ill. Reg. 12972, effective August 19, 2010; amended at 40 Ill. Reg. 10954, effective July 29, 2016; amended at 43 Ill. Reg. 8923, effective July 30, 2019; amended at 44 Ill. Reg. _____, effective _____.

Section 660.5 Nature and Rate of Tobacco Products Tax

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The Tobacco Products Tax Act [of 1995](#) imposes a tax on any person in business as a distributor of tobacco products. The tax is based on the wholesale price of tobacco products sold or otherwise disposed of to distributors located in Illinois, except moist snuff sold or otherwise disposed of on or after January 1, 2013 and little cigars sold or otherwise disposed of on or after July 1, 2013. Beginning January 1, 2013, under the Act, moist snuff is taxed by the ounce and all fractional parts of an ounce. Beginning July 1, 2013, little cigars are taxed under the Act at the same rate as cigarettes. Little cigars in packages of 20 or 25 little cigars sold by stamping distributors must have a tax stamp affixed. Stamping distributors must purchase tax stamps from the Department in same manner as licensed cigarette distributors purchase tax stamps that are affixed to packages of cigarettes. The same tax stamps are affixed to packages of little cigars and cigarettes containing 20 or 25 little cigars or cigarettes. Taxes on packages of little cigars containing other than 20 or 25 little cigars are reported on a return to be filed no later than the 15th of the month and paid on or before the date the return is due.

- a) Except as otherwise provided in this Section with respect to moist snuff, [electronic cigarettes](#), and little cigars, the Tobacco Products Tax is imposed upon the last distributor, as defined in Section 660.10, who sells tobacco products to a retailer or consumer located in Illinois at the rate of 18% of the wholesale price of tobacco products sold or otherwise disposed of in this State *prior to July 1, 2012 and 36% of the wholesale price of tobacco products sold or otherwise disposed of to retailers or consumers located in this State beginning on July 1, 2012. Beginning on January 1, 2013, the tax on moist snuff shall be imposed at a rate of \$0.30 per ounce, and a proportionate tax at the like rate on all fractional parts of an ounce, sold or otherwise disposed of to retailers or consumers located in this State, provided that the rate of tax imposed on moist snuff after any future rate increases may not exceed 15% of the tax imposed upon a package of 20 cigarettes pursuant to the Cigarette Tax Act [35 ILCS 130]. Beginning July 1, 2013, the tax on little cigars shall be imposed at the same rate, and the proceeds shall be distributed in the same manner as the tax imposed on cigarettes under the Cigarette Tax Act. ~~[35 ILCS 143/10-10]~~ Beginning July 1, 2013, [and prior to July 1, 2019](#), the tax on little cigars is 99 mills per little cigar sold or otherwise disposed of. [Beginning July 1, 2019, the tax on little cigars is 149 mills per little cigar sold or otherwise disposed of. Beginning July 1, 2019, the tax on electronic cigarettes shall be at the rate of 15% of the wholesale price of electronic cigarettes sold or otherwise disposed of to retailers or consumers located in this State. \[35 ILCS 143/10-10\]](#)*
- b) *The tax is in addition to all other occupation or privilege taxes imposed by the State of Illinois, by any political subdivision thereof, or by any municipal*

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corporation [35 ILCS ~~14314~~/10-10(a)].

- c) A retailer is required to register as a distributor, file returns and pay the Tobacco Products Tax imposed by the Act on all sales of tobacco products on which the tax has not been paid unless the sales are exempt under Section 660.30. (See Sections 660.15, 660.20 and 660.30.) *Retailers that are not stamping distributors shall purchase stamped packages of little cigars containing 20 or 25 little cigars for resale only from stamping distributors, distributors, or wholesalers. Retailers who are not stamping distributors may not purchase or possess unstamped packages of little cigars containing 20 or 25 little cigars. Retailers who are not stamping distributors may not purchase or possess packages of little cigars containing other than 20 or 25 little cigars, unless the retailer receives an invoice from a stamping distributor, distributor, or wholesaler stating the tax on the packages has been or will be paid.* [35 ILCS 143/10-27] (See Section 660.28.)
- d) The Tobacco Products Tax is paid on the wholesale price of tobacco products, except on moist snuff and little cigars. The wholesale price is the established list price for which a manufacturer sells tobacco products to a distributor, or the established list price for which a wholesaler or distributor sells tobacco products to the last distributor, before the allowance of any discounts, trade allowances, rebates or other reductions. Surcharges added by manufacturers or distributors are considered part of the wholesale price subject to tax.
- 1) The wholesale price for purposes of imposing the Tobacco Products Tax on the last distributor is the invoice price at which tobacco products are sold by a wholesaler or distributor to the last distributor before the allowance of any discounts, trade allowances, rebates or other reductions. Surcharges added by distributors are considered part of the wholesale price subject to tax.
 - 2) The wholesale price for purposes of imposing the tax on a retailer who receives or purchases tobacco products on which the tax has not been paid or will not be paid by a licensed distributor is the invoice price paid by the retailer to an unlicensed distributor or other supplier of tobacco products before the allowance of any discounts, trade allowances, rebates or other reductions. Surcharges added by manufacturers, distributors or other suppliers are considered part of the wholesale price subject to tax.

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- 3) The wholesale price for purposes of imposing tax on a manufacturer of a tobacco product who sells the tobacco product directly to consumers is the cost to the manufacturer to manufacture the tobacco product. When determining its cost, the time period used for purpose of the study should be long enough to include all costs incurred by the manufacturer to manufacture the product.
- e) Whenever any sales invoice issued by a supplier to a retailer for tobacco products sold to the retailer does not comply with the requirements of Section 660.25(d), (e) and (g), a prima facie presumption shall arise that the tax imposed by Section 10-10 of the Act and this Section has not been paid on the tobacco products listed on the sales invoice. A retailer that is unable to rebut this presumption is in violation of both the Act and this Part and is subject to applicable tax, the penalties, and interest provided in Section 10-50 of the Act.
- f) Beginning July 1, 2013, all moneys received by the Department under the Act from the tax imposed on little cigars shall be distributed as provided in Section 2 of the Cigarette Tax Act [35 ILCS 143/10-10].

(Source: Amended at 44 Ill. Reg. _____, effective _____)

Section 660.10 General Definitions

"Act" means the Tobacco Products Tax Act of 1995 [35 ILCS 143/Art. 10].

"Business" means any trade, occupation, activity, or enterprise engaged in, at any location whatsoever, for the purpose of selling tobacco products. [35 ILCS 143/10-5]

"Contraband little cigar" means:

packages of little cigars containing 20 or 25 little cigars that do not bear a required tax stamp under the Act;

packages of little cigars containing 20 or 25 little cigars that bear a fraudulent, imitation, or counterfeit tax stamp;

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packages of little cigars containing 20 or 25 little cigars that are improperly tax stamped, including packages of little cigars that bear only a tax stamp of another state or taxing jurisdiction; or

packages of little cigars containing other than 20 or 25 little cigars in the possession of a distributor, retailer or wholesaler, unless the distributor, retailer, or wholesaler possesses, or produces within the time frame provided in Section 10-27 or 10-28 of the Act, an invoice from a stamping distributor, distributor, or wholesaler showing that the tax on the packages has been or will be paid. [35 ILCS 143/10-5]

"Department" means the Illinois Department of Revenue. [35 ILCS 143/10-5]

"Distributor" means any of the following:

Any manufacturer or wholesaler in this State engaged in the business of selling tobacco products who sells, exchanges, or distributes tobacco products to retailers or consumers in this State.

Any manufacturer or wholesaler engaged in the business of selling tobacco products from without this State who sells, exchanges, distributes, ships, or transports tobacco products to retailers or consumers located in this State, so long as that manufacturer or wholesaler has or maintains within this State, directly or by subsidiary, an office, sales house, or other place of business, or any agent or other representative operating within this State under the authority of the person or subsidiary, irrespective of whether the place of business or agent or other representative is located here permanently or temporarily.

Any retailer who receives tobacco products on which the tax has not been or will not be paid by another distributor.

Distributor does not include any person, wherever resident or located, who makes, manufactures, or fabricates tobacco products as a part of a Correctional Industries program for sale to residents incarcerated in penal institutions or resident patients of a State operated mental health facility. [35 ILCS 143/10-5] A Correctional Industries program is a program that employs committed persons confined in institutions and facilities of the Illinois Department of Corrections to make, manufacture, or fabricate tobacco

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products for sale to residents incarcerated in penal institutions or resident patients of a State operated mental health facility.

"Electronic cigarette" means:

any device that employs a battery or other mechanism to heat a solution or substance to produce a vapor or aerosol intended for inhalation;

any cartridge or container of a solution or substance intended to be used with or in the device or to refill the device; or

any solution or substance, whether or not it contains nicotine, intended for use in the device.

"Electronic cigarette" includes, but is not limited to, any electronic nicotine delivery system, electronic cigar, electronic cigarillo, electronic pipe, electronic hookah, vape pen, or similar product or device, and any component or part that can be used to build the product or device. "Electronic cigarette" does not include:

cigarettes, as defined in Section 1 of the Cigarette Tax Act;

any product approved by the United States Food and Drug Administration for sale as a tobacco cessation product, a tobacco dependence product, or for other medical purposes that is marketed and sold solely for that approved purpose;

any asthma inhaler prescribed by a physician for that condition that is marketed and sold solely for that approved purpose; or

any therapeutic product approved for use under the Compassionate Use of Medical Cannabis Program Act [410 ILCS 130]. [35 ILCS 143/10-5]

"Little cigar" means and includes any roll, made wholly or in part of tobacco, where such roll has an integrated cellulose acetate filter and weighs less than 4 pounds per thousand and the wrapper or cover of which is made in whole or in part of tobacco. [35 ILCS 143/10-5]

"Manufacturer" means any person, wherever resident or located, who

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manufactures and sells tobacco products, except a person who makes, manufactures, or fabricates tobacco products as a part of a Correctional Industries program for sale to residents incarcerated in penal institutions or resident patients of a State operated mental health facility. [35 ILCS 143/10-5]

"Moist snuff" means any finely cut, ground, or powdered tobacco that is not intended to be smoked, including tobacco products referred to as "snus", but does not include any finely cut, ground, or powdered tobacco that is intended to be placed in the nasal cavity. [35 ILCS 143/10-5]

"Person" means any natural individual, firm, partnership, association, joint stock company, joint venture, limited liability company, or public or private corporation, however formed, or a receiver, executor, administrator, trustee, conservator, or other representative appointed by order of any court. [35 ILCS 143/10-5]

"Place of business" means and includes any place where tobacco products are sold or where tobacco products are manufactured, stored, or kept for the purpose of sale or consumption, including any vessel, vehicle, airplane, train, or vending machine. [35 ILCS 143/10-5]

"Retailer" means any person in this State engaged in the business of selling tobacco products to consumers in this State, regardless of quantity or number of sales. [35 ILCS 143/10-5]

"Sale" means any transfer, exchange, or barter in any manner or by any means whatsoever for a consideration and includes all sales made by persons. [35 ILCS 143/10-5]

"Secondary distributor" means any person engaged in the business of selling cigarettes who purchases stamped original packages of cigarettes from a licensed distributor under the Cigarette Tax Act or the Cigarette Use Tax Act [\[35 ILCS 135\]](#), sells 75% or more of those cigarettes to retailers for resale, and maintains an established business where a substantial stock of cigarettes is available to retailers for resale. [35 ILCS 130/1]

"Stamp" or "stamps" mean the indicia required to be affixed on a package of little cigars that evidence payment of the tax on packages of little cigars containing 20

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or 25 little cigars under Section 10-10 of the Act. These stamps shall be the same stamps used for cigarettes under the Cigarette Tax Act. [35 ILCS 143/10-5]

"Stamping distributor" means a distributor licensed under the Act and also licensed as a distributor under the Cigarette Tax Act or Cigarette Use Tax Act. [35 ILCS 143/10-5]

"Tobacco products" means any cigars, including little cigars; cheroots; stogies; periques; granulated, plug cut, crimp cut, ready rubbed, and other smoking tobacco; snuff or snuff flour; cavendish; plug and twist tobacco; fine-cut and other chewing tobaccos; shorts; refuse scraps, clippings, cuttings, and sweeping of tobacco; and other kinds and forms of tobacco, prepared in such manner as to be suitable for chewing or smoking in a pipe or otherwise, or both for chewing and smoking; but does not include cigarettes as defined by Section 1 of the Cigarette Tax Act or tobacco purchased for the manufacture of cigarettes by cigarette distributors and manufacturers defined in the Cigarette Tax Act and persons who make, manufacture, or fabricate cigarettes as a part of a Correctional Industries program for sale to residents incarcerated in penal institutions or resident patients of a State operated mental health facility. Beginning on July 1, 2019, "tobacco products" also includes electronic cigarettes. [35 ILCS 143/10-5]

"Wholesale price" means the established list price for which a manufacturer sells tobacco products to a distributor, before the allowance of any discount, trade allowance, rebate, or other reduction. In the absence of such an established list price, the manufacturer's invoice price at which the manufacturer sells the tobacco product to unaffiliated distributors, before any discounts, trade allowances, rebates, or other reductions, shall be presumed to be the wholesale price. [35 ILCS 143/10-5] The wholesale price of tobacco products is the established list price at the time of purchase, by the distributor who remits tax to the Department, of such tobacco products. Surcharges added by manufacturers or distributors are considered part of the wholesale price subject to tax.

"Wholesaler" means any person, wherever resident or located, who is engaged solely in making sales of tobacco products to others for resale or sales that are otherwise exempt from tax. "Wholesaler", when used in the Act, does not include a person licensed as a distributor under Section 10-20 of the Act unless expressly stated in the Act. [35 ILCS 143/10-5]

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(Source: Amended at 44 Ill. Reg. _____, effective _____)

Section 660.19 Electronic Cigarettes

- a) Beginning July 1, 2019, electronic cigarettes are included in the definition of "tobacco products" and subject to the provisions of this Part.
- b) To be excluded from the definition of "electronic cigarette" as a therapeutic product approved for use under the Compassionate Use of Medical Cannabis Program Act, the product must be marketed as a therapeutic product and sold in a dispensary that possesses a dispensary license under the Compassionate Use of Medical Cannabis Program Act.
- c) Components or parts that can be used to build a product or device that are sold to consumers by a vape shop that are generally available from other retailers and can be used for purposes other than for use in a product or device are not taxable under the Act. For example, if the same cotton product sold at a vape store is sold by a drug store for general use, it would not be taxable under the Act. If the same batteries or coils sold at a vape store can be purchased from a hardware store for general use and other applications, they are not taxable under the Act. However, if the packaging or product description of the item states the item is for use in a vape device, or the product is designed, produced and marketed by the manufacturer for use in a specific device and cannot be used in other products or for other purposes, the item is taxable under the Act.
- d) Registration and Licenses
 - 1) Retailers selling electronic cigarettes at retail to users and consumers must obtain a tobacco retailer license. (See Section 660.16.)
 - 2) Retailers selling electronic cigarettes on which the tax has not or will not be paid by a distributor must obtain a distributor license, file returns, and remit the tax to the Department. (See Section 660.15.)
 - 3) Manufacturers of electronic cigarettes (e.g., devices, liquids, pods) meeting the definition of "distributor" selling electronic cigarettes directly to consumers must obtain both a distributor license and a tobacco retailer license.

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- 4) Any manufacturer or wholesaler engaged in the business of selling tobacco products from outside of Illinois who sells, exchanges, distributes, ships, or transports electronic cigarettes to retailers or consumers located in Illinois must register to become a distributor if the manufacturer or wholesaler has or maintains within Illinois, directly or by subsidiary, an office, sales house, or other place of business, or any agent or other representative operating within Illinois under the authority of the person or subsidiary, irrespective of whether the place of business or agent or other representative is located here permanently or temporarily.

EXAMPLE: An out-of-state manufacturer of electronic cigarettes sells electronic cigarettes over the internet at retail to consumers in this State. It also sells electronic cigarettes to retailers in this State. The manufacturer has representatives that solicit sales by retail stores in this State. The manufacturer is required to obtain a distributor license and pay the tax on all sales made to retailers and consumers in this State.

- e) Invoices
Whenever any sales invoice issued by an in-state or out-of-state seller for electronic cigarettes sold to a retailer does not comply with the requirements of Section 660.25(d) and (e), a prima facie presumption shall arise that the tax imposed by Section 10-10 of the Act and Section 660.5 has not been paid on the electronic cigarettes listed on the sales invoice. A retailer that is unable to rebut this presumption is in violation of both the Act and this Part and is subject to applicable taxes, penalties, and interest.

(Source: Added at 44 Ill. Reg. _____, effective _____)

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- 1) Heading of the Part: Requirements for Accounting, Budgeting, Financial Reporting, and Auditing
- 2) Code Citation: 23 Ill. Adm. Code 100
- 3)

<u>Section Numbers:</u>	<u>Proposed Actions:</u>
100.20	Amendment
100.30	Amendment
100.80	Amendment
100.85	New Section
100.100	Amendment
100.TABLE A	Amendment
100.TABLE B	Amendment
100.TABLE C	Amendment
100.TABLE D	Amendment
- 4) Statutory Authority: 105 ILCS 5
- 5) A Complete Description of the Subjects and Issues Involved: In 2008, there was a significant revision to 23 Ill. Adm. Code 100 that resulted in the establishment of the Tort Immunity and Judgement Fund to conform with the Local Governmental and Governmental Employees Tort Immunity Act (Act). Before this revision, districts reported their tort expenditures paid with Tort Tax Levy proceeds in the Educational Fund, Operations and Maintenance Fund, Bond and Interest, and Transportation Fund. The 2008 revision established tort expenditures (functions) in the 2300 Support Services-General Administration functions to comport with the Act.

Inadvertently, classifying the tort expenditures within the 2300 functions resulted in the districts' general administration cost per pupil increasing and being overstated when compared to other states' general administration cost per pupil. The proposed rules open all expenditure functions for districts to report their tort expenditures within the fund, resulting in all tort expenditures to not be classified as general administration.

Additionally, student activity funds are currently accounted for separately from district funds. The Governmental Accounting Standard Board's Statement 84 requires that student activity funds be reported within the district's Educational Fund cash balance, fund balance, revenues, and expenditures. The proposed rules add new account numbers for implementation of these reporting requirements.

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- 6) Published studies or reports, and sources of underlying data, used to compose this rulemaking: None
- 7) Will this rulemaking replace any emergency rule 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 rulemakings pending on this Part? No
- 11) Statement of Statewide Policy Objective: This rulemaking will not create or enlarge a State mandate.
- 12) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: Written comments may be submitted within 45 days of the publication of this Notice to:

Azita Kakvand
Illinois State Board of Education
100 North First Street
Springfield IL 62777-0001

217/782-6510
rules@isbe.net
- 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) Small Business Impact Analysis: None
- 15) This rulemaking was not included on the most recent Regulatory Agenda: This rulemaking was not anticipated at the time the Regulatory Agenda was filed.

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

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TITLE 23: EDUCATION AND CULTURAL RESOURCES
SUBTITLE A: EDUCATION
CHAPTER I: STATE BOARD OF EDUCATION
SUBCHAPTER c: FINANCEPART 100
REQUIREMENTS FOR ACCOUNTING, BUDGETING,
FINANCIAL REPORTING, AND AUDITING

Section

100.10	Purpose and Applicability
100.20	Definitions
100.30	General Requirements
100.40	Types of Funds, Basis of Accounting, and Recognition of Transactions
100.50	Intra-Fund and Inter-Fund Transactions
100.60	Capital Assets and Depreciation
100.70	Revolving Funds
100.80	Student Activity Funds
100.85	Fiduciary Funds
100.90	Submission of Budgets and Deficit Reduction Plans
100.100	Annual Financial Reports
100.110	Annual Audit Requirements
100.120	Provisions Related to Debt
100.130	Requirements Specific to Funds Received Pursuant to the American Recovery and Reinvestment Act of 2009 (ARRA), the Education Jobs Fund Program (Ed Jobs), the Race to the Top Program, and the Preschool Expansion Grant Program
100.TABLE A	Classification of Funds
100.TABLE B	Balance Sheet Accounts
100.TABLE C	Revenue Accounts
100.TABLE D	Expenditure Accounts
100.TABLE E	"Sources and Uses" Accounts; Miscellaneous
100.TABLE F	Expenditure Object Accounts

AUTHORITY: Implementing and authorized by Sections 2-3.17a, 2-3.27, 2-3.28, 3-7, 17-1, and 34-43.1 of the School Code [105 ILCS 5].

SOURCE: Old Part repealed at 10 Ill. Reg. 20507, effective December 2, 1986; new Part adopted at 31 Ill. Reg. 14874, effective October 19, 2007; amended at 32 Ill. Reg. 16439, effective September 24, 2008; emergency amendment at 33 Ill. Reg. 6313, effective April 17,

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2009, for a maximum of 150 days; emergency expired September 13, 2009; emergency amendment at 33 Ill. Reg. 12589, effective August 26, 2009, for a maximum of 150 days; amended at 33 Ill. Reg. 16728, effective November 23, 2009; emergency amendment at 34 Ill. Reg. 15489, effective September 22, 2010, for a maximum of 150 days; amended at 35 Ill. Reg. 2259, effective January 20, 2011; emergency amendment at 36 Ill. Reg. 5624, effective March 21, 2012, for a maximum of 150 days; amended at 36 Ill. Reg. 12623, effective July 18, 2012; emergency amendment at 39 Ill. Reg. 3146, effective February 11, 2015, for a maximum of 150 days; amended at 39 Ill. Reg. 9982, effective June 30, 2015; emergency amendment at 39 Ill. Reg. 12398, effective August 20, 2015, for a maximum of 150 days; amended at 40 Ill. Reg. 1931, effective January 6, 2016; expedited correction at 40 Ill. Reg. 12470, effective January 6, 2016; amended at 42 Ill. Reg. 5875, effective March 15, 2018; amended at 44 Ill. Reg. _____, effective _____.

Section 100.20 Definitions

"Basis of accounting" means either a cash basis or an accrual basis. For purposes of this Part, "cash basis" includes a modified cash basis, and "accrual basis" includes a modified accrual basis.

"Capital asset" means any parcel of land, building, improvement to land other than buildings, instrument, machine, apparatus, or set of articles that:

under normal conditions of use, including reasonable care and maintenance, can be expected to serve its principal purpose for longer than 12 months;

does not lose its identity through fabrication or incorporation into a different or more complex unit or substance;

is nonexpendable; that is, if it is damaged or some of its parts are worn out, it is more feasible to repair than replace;

retains its appearance and character through use; and

has a cost equal to or in excess of the capitalization threshold adopted by the school board.

"Capitalization threshold" means a dollar figure above which the cost of an item will be depreciated.

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"CFDA" means the Catalog of Federal Domestic Assistance available on the U.S. General Services Administration's website at <https://www.cfda.gov/>.

"Class I county school unit" means a county with fewer than 2,000,000 inhabitants.

"Class I school district" means any school district located within a Class I county school unit.

"Class II county school unit" means a county with 2,000,000 or more inhabitants.

"Class IIA school district" means any school district that is located within a Class II county school unit but is not subject to the jurisdiction of the trustees of schools of any township in which the district is located.

"Class IIB school district" means any school district that is located within a Class II county school unit and is subject to the jurisdiction of the trustees of schools of any township in which the district is located.

["Code" means the School Code \[105 ILCS 5\].](#)

"Construction in progress" means construction work undertaken but not yet completed.

"Depreciable land" means land that is owned by a school board and used for school bus storage or maintenance and on which depreciation is claimed in accordance with the provisions of 23 Ill. Adm. Code 120 (Pupil Transportation Reimbursement).

"Depreciation allowance" means an estimate of the annual cost of using an item that is based on its acquisition cost divided by its assumed or estimated useful life.

"Dimension" means a classification that is used to describe various characteristics of accounts (e.g., expenditures, revenues, and sources and uses of funds).

"Equipment (3-year schedule)" means repairs or modifications to a pupil transportation vehicle, pupil monitoring equipment installed on school buses,

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including video cameras, and computer equipment used exclusively in the food service program.

"Equipment (5-year schedule)" means vehicles used to transport students, driver education cars, vehicles or transportation equipment used exclusively in the food service program, and equipment necessary for the operation of a special educational facility.

"Equipment (10-year schedule)" means any capitalized equipment not included on the 3-year or 5-year schedule, including, but not limited to, other equipment used in the food service program, other equipment used in the driver education program, two-way transportation vehicle communication systems, pupil transportation equipment not installed in a vehicle, and service vehicles (such as tow trucks) used to service pupil transportation vehicles.

"ESEA" means the federal Elementary and Secondary Education Act, as amended by the Every Student Succeeds Act (ESSA (P.L. 114-328)) (23 USC 6301 et seq.).

"Expenditures" means transactions involving the disbursement of cash or the establishment of an obligation without creating an asset or canceling a liability.

"Fiduciary funds" means funds received from an independent, outside source in which the school board is acting in an administrative capacity. The school board, superintendent, or any district employee shall not have any right of approval for how the funds are spent or raised, nor shall they have direct financial involvement in the funds, as determined under Governmental Accounting Standards Board Statement No. 84 (GASB 84). The district shall have fiduciary responsibility for these funds, but does not have any control over the funds. "Fiduciary funds" includes an outside, independent scholarship fund in which the district has no authority to decide how the funds are attained or awarded.

"GASB 84" means the Governmental Accounting Standards Board Statement No. 84.

"Generally accepted governmental auditing standards" means the "Standards for Audit of Government Organizations, Programs, Activities and Functions" (2011) published by the Comptroller General of the United States and accessible at

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<http://www.gao.gov/yellowbook>. No later amendments to or editions of these standards are incorporated by this Section.

"Local Governmental and Governmental Employees Tort Immunity Act" means 745 ILCS 10.

"Non-capitalized equipment" means any item that would be a capital asset except for the fact that its cost is less than the capitalization threshold adopted by the school board.

"Non-depreciable land" means any land owned by a school board that does not qualify as depreciable under this Section.

"Operating Funds" means the Educational, Operations and Maintenance, Transportation, and Working Cash funds.

"Permanent buildings and building improvements" means buildings and additions, either existing or to be constructed, that are properly classified as real estate. Included are expenditures for installment or lease payments (exclusive of interest) under capitalized leases.

"Petty cash fund" means a fund in which a sum of cash is set aside for the purpose of making change or making immediate payments when the amounts involved are so small that processing through the school board's regular procedure would be uneconomical.

"Revenues" means transactions involving the receipt of cash without creating a liability or canceling an asset.

"Revolving fund" means a fund out of which disbursements can be made quickly, to address emergencies and other timing issues that prevent a district from following its regular procedures for disbursement.

"School board" or "board" means the board of education or board of directors of a school district or the governing board or board of control of a cooperative or joint agreement.

"Student activity funds" means funds owned, operated, and managed by an organization~~organizations~~, club~~clubs~~, or association~~associations~~ within the student

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body under the guidance and direction of one or more staff members for educational, recreational, or cultural purposes. ~~(Examples: including, but not limited to, homeroom, yearbook, class year, choral or band group, class projects, student clubs, student council, or student-sponsored bookstoresbookstore).~~ The school board, superintendent, or district employees have direct involvement with the decisions of how the funds are spent or attained.

"Supplies" means items of a consumable nature not classified as capital assets or non-capitalized equipment.

"Temporary buildings and building improvements" means buildings and additions, either existing or to be constructed, that are properly classified as personal property and are primarily characterized by the absence of a permanent foundation. Included are expenditures for installment or lease payments (exclusive of interest) under capitalized leases.

"Unbalanced budget" means a budget in which the direct revenues of the operating funds are less than the direct expenditures from those funds by an amount that is greater than one-third of the funds' ending fund balances.

(Source: Amended at 44 Ill. Reg. _____, effective _____)

Section 100.30 General Requirements

- a) Each school board shall use an appropriate set of journals and ledgers for the recording, summarization, and control of transactions and shall use the double-entry bookkeeping method and a fund accounting system.
- b) Each school board shall establish and maintain the number and types of funds necessitated by the nature and scope of its operations.
- c) Each chart of accounts shall incorporate at least the following dimensions:
 - 1) fund or fund group (see Table A ~~of this Part~~);
 - 2) balance sheet accounts (see Table B ~~of this Part~~);
 - 3) revenue sources (see Table C ~~of this Part~~);

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- 4) expenditure purposes or functions (see Table D ~~of this Part~~); and
 - 5) expenditure objects (see Table F ~~of this Part~~).
- d) Each school board shall use the account codes assigned by the State Superintendent of Education. However, any number not listed in the tables of this Part may be used if the description falls within the relevant classification. Prefixes and suffixes may also be used, provided that the basic code assigned by the State Superintendent remains discernible for purposes of aggregating and reporting information.
- e) Beginning on July 1, 2020, the Tort Immunity and Judgement Fund (Tort Fund) is open to all expenditure accounts under this Part and their applicable object numbers. Expenditures charged to the Tort Fund must be in accordance with the Local Governmental and Governmental Employees Tort Immunity Act [745 ILCS 10]. Entities covered under this Section that extend taxes for tort levy purposes may, in consultation with the district's local legal counsel and independent auditor, develop a Risk Management Plan that stipulates the risk management measures utilized by the district and types of expenditures to be obligated against the tort levy. To comply with the Local Governmental and Governmental Employees Tort Immunity Act, all districts incurring expenditures against the tort levy must complete the Schedule of Tort Immunity Expenditures contained within the Annual Financial Report (see Section 100). The total expenditures on this Schedule must reconcile with the total expenditures reported for the Tort Fund, which is reflected in the expenditure section of the Annual Financial Report (see Section 100.100).

(Source: Amended at 44 Ill. Reg. _____, effective _____)

Section 100.80 Student Activity Funds

The requirements of this Section shall apply to student activity funds established by a school board pursuant to Section 10-20.19(3) of the ~~School Code [105 ILCS 5/10-20.19(3)]~~.

- a) The board shall take the following actions with respect to each fund:
 - 1) approve the fund's establishment and purpose;
 - 2) set policies for students' participation and for supervision by adults;

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- 3) approve the collection of all monies;
 - 4) cause records to be kept that will verify the amounts received and disbursed and the assets on hand;
 - 5) appoint a treasurer, bonded in accordance with Section 8-2 of the ~~School Code [105 ILCS 5/8-2]~~, who will be the custodian of the fund's assets and perform the duties listed in subsection (c) of this Section;
 - 6) determine whether the treasurer will be authorized to invest any of the fund's assets;
 - 7) designate depositories for cash and any investments;
 - 8) determine the method of distribution of earnings from investments, if any;
 - 9) determine whether, and under what circumstances, loans may be transacted between funds;
 - 10) if the relevant activity has been discontinued, or if there has been no activity for one year, transfer money to another activity fund, to the district's funds, or to members of the activity group on a pro rata basis; and
 - 11) designate the individuals who will have authority to approve written purchase orders or other authorizations that will be required in order to spend funds in instances in which the provisions of Section 10-20.21 of the ~~School Code~~ do not apply and those who will have authority to conduct procurement activities when those provisions do apply.
- b) Each activity group shall deposit any funds received from any source with the activity fund's treasurer and obtain a signed receipt identifying the activity fund and the amount.
- c) The treasurer of each activity fund shall:
- 1) be the fund's sole custodian;

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- 2) keep all monies in a depository designated in accordance with Section 8-7 of the School Code ~~[105 ILCS 5/8-7]~~ or invest them in conformance with the Public Funds Investment Act [30 ILCS 235] and maintain liability accounts to show the ownership of all assets;
 - 3) make all disbursements from the fund by a treasurer's check drawn upon the fund;
 - 4) write checks only when sufficient funds are on hand to cover them;
 - 5) reconcile the bank and investment balances with the fund's liabilities monthly;
 - 6) provide to group members and the school board a monthly report that includes a statement of receipts, disbursements, and current balances;
 - 7) carry the fund's balance over to the next fiscal year unless otherwise instructed by the school board; and
 - 8) make loans between activity funds, if and as authorized by the school board's policy.
- d) If the school board subsidizes a portion of an activity fund, that portion shall be reported as an expenditure or disbursement against the board's regular budget and as a revenue or cash receipt by the activity fund.
- e) Due to the school board's administrative involvement with the student activity funds, for financial statement reporting purposes and in accordance with GASB 84, the board must report the student activity funds as a part of the Educational Fund (see Table A) and must report a budgeted line item for these revenues and expenditures as part of its annual financial reporting and budget. In addition to beginning and ending student activity fund balances, the board must also report a separate line item for student activity fund cash and related investments.
- 1) The revenue and expenditures to be reported under this subsection (e) must be for all student activity funds combined. A detailed budget for each individual activity account is not required for budgeting and annual financial reporting.

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- 2) The revenue line item would be account number 1799 (Student Activity Revenues).
- 3) The expenditure line item would be account number 1999 (Student Activity Expenditures), object account number 600 (Other Objects).

(Source: Amended at 44 Ill. Reg. _____, effective _____)

Section 100.85 Fiduciary Funds

The requirements of this Section apply to fiduciary funds established by GASB 84.

- a) Activities for fiduciary funds are defined under GASB 84 as follows:
 - 1) The assets associated with the activity are controlled by the district.
 - 2) The assets associated with the activity are not derived:
 - A) solely from the district's own-source revenues; or
 - B) from government-mandated, non-exchange transactions or voluntary non-exchange transactions, with the exception of pass-through grants for which government does not have administrative involvement or direct financial involvement.
 - 3) The assets associated with the activity have one or more of the following characteristics:
 - A) The assets are either:
 - i) administered through a trust in which the district itself is not a beneficiary; or
 - ii) dedicated to providing benefits to recipients in accordance with the benefit terms and is legally protected from the creditors of the district.

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- B) The assets are for the benefit of individuals and the district does not have administrative involvement with the assets. Also, the assets are not derived from the district's provision of goods or services to those individuals.
- C) The assets are:
- i) for the benefit of organizations or other governmental entities that are not part of the district; and
 - ii) not derived from the district provision of goods or services to those organizations.
- b) The district has fiduciary responsibility for the funds under subsection (a), but does not have any control over the funds, including how the funds are spent. The school board must take the following actions with respect to each fiduciary fund:
- 1) support the fund's establishment and purpose;
 - 2) support the collection of all monies;
 - 3) keep records that verify the amounts received and disbursed and the assets on hand;
 - 4) appoint a treasurer, bonded in accordance with Section 8-2 of the Code, who must be the custodian of the fund's assets and perform the duties listed in subsection (g);
 - 5) designate depositories for cash and any investments; and
 - 6) obtain from the outside entity the names and contact information for those persons who will have authority to approve written purchase orders or other authorizations that will be required to spend or invest funds.
- c) Each fiduciary fund must deposit any funds received from any source with the fund's treasurer and obtain a signed receipt identifying the activity fund and the amount.
- d) The treasurer of each fiduciary fund must:

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- 1) be the fund's sole custodian;
- 2) keep all monies in a depository designated in accordance with Section 8-7 of the Code or invest them in conformance with the Public Funds Investment Act [30 ILCS 235] and maintain liability accounts to show the ownership of all assets;
- 3) make all disbursements from the fund by a treasurer's check drawn upon the fund;
- 4) write checks only when sufficient funds are available on hand to cover them;
- 5) reconcile monthly the bank and investment balances with the fund's liabilities;
- 6) provide to group members and the school board a monthly report that includes a statement of receipts, disbursements, and current balances; and
- 7) carry the fund's balance over to the next fiscal year.

(Source: Added at 44 Ill. Reg. _____, effective _____)

Section 100.100 Annual Financial Reports

- a) Each annual financial report shall be prepared on forms specified by the State Superintendent of Education and, in order to capture all financial information required to be reported pursuant to Sections 2-3.11, 2-3.27, 3-15.1, 10-17, 10-20.21, 17-1, and 18-3 of the ~~School Code [105 ILCS 5/2-3.11, 2-3.27, 3-15.1, 10-17, 10-20.21, 17-1, and 18-3]~~, as well as information required for federal reports pursuant to 34 CFR 75.560, 75.561, and 80.22 and by Circular 87 issued by the Office of Management and Budget, shall include:
 - 1) a balance sheet;
 - 2) a basic financial statement;
 - 3) a statement of revenues and other financing sources and uses;

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- 4) a statement of expenditures and other disbursements;
 - 5) a schedule of the taxes levied, received, and receivable, as well as tax rates;
 - 6) a schedule of capital assets and depreciation;
 - 7) a schedule of long-term debt;
 - 8) a schedule of short-term debt; and
 - 9) a schedule of expenditures related to the determination of the indirect cost rate.
- b) The annual financial report of each district not organized under Article 34 of the ~~School~~ Code shall also include:
- 1) a schedule of vendor contracts;
 - 2) a "budget-to-actual" comparison schedule;
 - 3) a schedule of statistics for the statement of affairs;
 - 4) a schedule of employees by salary category; and
 - 5) a schedule of other payments.
- c) The annual financial report of each joint agreement and each school district shall include the aggregate total opening and closing balances and annual activity for all student activity accounts.
- d) The annual financial report of each joint agreement and school district will include the aggregate total closing balances for all fiduciary funds.
- e)e) The annual financial report of each joint agreement and each Class I or Class IIA school district shall include a schedule of student activity funds, displaying the opening and closing balances and annual activity for each fund.

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- ~~f)~~e) A schedule of student activity funds in a Class IIB school district shall be included:
- 1) in the district's annual financial report, if the funds are included within the scope of the district's annual audit; or
 - 2) with the separate audit report covering all student activity funds, if the funds are not included within the scope of the district's annual audit.
- ~~g)~~e) The annual financial report of a school district subject to Article 34 of the ~~School Code~~ shall provide the level of detail called for in Section 34-43.1(E) of the ~~School Code~~ ~~[105 ILCS 5/34-43.1(E)]~~.
- ~~h)~~e) An annual financial report shall be signed by:
- 1) the chief administrator, if for a joint agreement;
 - 2) the district superintendent, if for a Class I or Class IIA school district; or
 - 3) the township treasurer, if for a Class IIB school district.

(Source: Amended at 44 Ill. Reg. _____, effective _____)

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Section 100.TABLE A Classification of Funds

Label	Account Number	Notes; Source
Educational Fund	10	This is effectively the district's general fund. Each transaction not accommodated by another specific fund shall be processed through this fund. [105 ILCS 5/17-2]
<u>Restricted Student Activity Fund (Sub-Education Fund)</u>	<u>11</u>	<u>This is a sub-fund within the Education Fund to account for Student Activity Funds in accordance with GASB 84.</u>
Operations & Maintenance Fund	20	This fund is required if a tax is levied for purposes of operations and maintenance. [105 ILCS 5/17-2 and 17-7]
Debt Service Fund or Fund Group	30	This fund or fund group is required if taxes are levied to retire bond principal or to pay bond interest, or if other revenue, including revenue from School Facilities Occupation Tax proceeds, is pledged to pay principal, interest, or service charges on other long-term debt instruments. A separate fund shall be established for each issue, but the funds shall be aggregated for reporting purposes. [105 ILCS 5/Art. 19]
Transportation Fund	40	This fund is required if a district pays for transporting pupils for any purpose. All costs of transportation, other than those authorized by statute to be paid from another fund, shall be paid from this fund. Any funds received for transportation purposes must be deposited into this fund, with amounts due other funds appropriately transferred thereafter.
Municipal Retirement and Social Security Fund	50	This fund is required if a tax is levied to pay for contributions to municipal retirement systems, Social Security, or

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		Medicare. [105 ILCS 5/17-1, 21-110, and 21-110.1]
Capital Projects Fund or Fund Group	60	This fund or fund group is required to account for proceeds resulting from each bond issue, receipts from other long term financing agreements (including impact fee agreements), receipts from School Facilities Occupation Tax proceeds, or construction or maintenance grants used to finance a capital project, capital lease, lease purchase agreement, or if a tax is levied in accordance with Section 17-2.3 of the School Code. A separate fund shall be established for each project or financing source, but aggregated for reporting purposes.
Working Cash Fund	70	This fund is required if a tax is levied or bonds are issued for working cash purposes. [105 ILCS 5/Art. 20]
Tort Immunity and Judgment Fund	80	This fund is required if taxes are levied or bonds are sold for tort immunity or tort judgment purposes.
Fire Prevention and Safety Fund or Fund Group	90	This fund or fund group is required if a tax is levied or bonds are issued for purposes of fire prevention, safety, energy conservation, or school security. A separate fund must be created for each project or bond issue. [105 ILCS 5/2-3.12 and 17-2.11]
Capital Asset Accounts or Fund Groups	95	This group of accounts records all the district's tangible fixed assets, including land, buildings, machinery, equipment, furniture, and fixtures, regardless of which fund provided the cash at the time of purchase.
Long-Term Debt Accounts or Fund Groups	97	This group of accounts records all the district's outstanding bonds and other long-term debt.

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<u>Fiduciary</u> Agency Fund or Fund Group	99	These funds may include <u>all Fiduciary Funds, as determined by Section 100.90 and defined in Section 100.20 of this Part and Section 10-20.19 of the School Code. [105 ILCS 5/10-20.19]</u> revolving funds, petty cash funds, and student activity funds, as needed. [105 ILCS 5/10-20.19; see also Sections 100.70 and 100.80 of this Part]
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(Source: Amended at 44 Ill. Reg. _____, effective _____)

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Section 100.TABLE B Balance Sheet Accounts

Label	Account Number	Notes
ASSETS		
CURRENT ASSETS	100	
CASH	110	
Cash in Bank (Imprest Fund)	111	A fund maintained in a bank to provide for emergency disbursements when issues of timing preclude following the regular disbursement procedure.
Cash on Hand	112	Currency, coin, checks, money orders, and bankers' drafts on hand or on deposit with an official or agent designated as the custodian of cash and bank deposits.
Petty Cash	113	Money set aside to make change or immediate payments of small amounts, such as freight bills.
Change Cash	114	Money set aside for the purpose of providing change for cash registers.
Cash with Fiscal Agents	115	Funds on deposit with fiscal agents, such as commercial banks, for the payment of matured bonds and interest.
INVESTMENTS	120	
Investments	121	Securities and real estate held for the production of income in the form of interest, dividends, rentals, or lease payments.
Unamortized Premiums on Investments	122	The excess of the amount paid for securities over the face value that has not yet been amortized.
Unamortized Discounts on Investments (Credit)	123	The excess of the face value of securities over the amount paid for them that has not yet been written off.
Interest Receivable on Investments	124	Amounts of interest receivable on investments.
Accrued Interest on Investments Purchased	125	Interest accrued on investments between the last interest payment date and date of purchase.

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<u>Student Activity Cash and Investments</u>	<u>126</u>	<u>Cash and investments owned, operated, and managed by organizations, clubs, or associations within the student body under the guidance and direction of one or more staff members for educational, recreational, or cultural purposes, including, but not limited to, homeroom, yearbook, class year, choral or band group, class projects, student clubs, student council, or student-sponsored bookstore.</u>
TAXES RECEIVABLE	130	
Taxes Receivable	131	The uncollected portion of taxes levied, including any interest or penalties that may be accrued. Separate accounts may be maintained on the basis of tax roll year or for current and delinquent taxes.
Allowance for Uncollected Taxes (Credit)	132	A provision for that portion of taxes receivable that is considered unlikely to be collected.
Tax Liens Receivable	133	Legal claims against property that have been exercised because of nonpayment of delinquent taxes, interest, and penalties.
Estimated Uncollectible Tax Liens	134	A provision for that portion of tax liens receivable that is considered unlikely to be collected.
INTERFUND RECEIVABLES	140	
Interfund Loans Receivable	141	An asset account used to record a loan by one fund to another fund.
INTERGOVERNMENTAL ACCOUNTS RECEIVABLE	150	
Intergovernmental Accounts Receivable	151	Amounts due to the reporting governmental unit from other governmental units. These amounts represent grants-in-aid, shared taxes, taxes collected for the reporting unit by another unit, loans, and charges for service.
Estimated Uncollectible Claim from Other Governmental Units	152	A provision for that portion of money due from other governmental units that is considered unlikely to be collected.
Due from ISBE	153	Amounts due to be transmitted by the State Board of Education through the regional office of education for grants and contracts.

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OTHER RECEIVABLES	160	
Loans Receivable	161	Amounts that have been loaned to persons or organizations, as permitted by statute.
Allowance for Uncollectible Loans (Credit)	162	The portion of loans receivable that is considered unlikely to be collected. The account is shown on the balance sheet as a deduction from Account 161 (Loans Receivable).
Other Accounts Receivable	163	Amounts owing on an open account from private persons, firms, or corporations for goods and services furnished by a district (but not including amounts due from other funds or from other governmental units).
Allowance for Uncollectible Accounts Receivable (Credit)	164	A provision for that portion of accounts receivable that is considered unlikely to be collected. The account is shown on the balance sheet as a deduction from the Other Accounts Receivable.
INVENTORIES	170	
Inventories for Consumption	171	The cost of supplies and equipment on hand and not yet distributed to requisitioning units.
Inventories for Resale	172	The value of goods held by a district for resale rather than for use in its own operations (for example, the cost of all materials and other expense incurred in the building of vocational projects for sale).
PREPAID ITEMS	180	
Prepaid Items	181	Expenses entered in the accounts for benefits not yet received. Prepaid expenses differ from deferred charges in that they are spread over a shorter period of time than deferred charges and are regularly recurring costs of operations.
OTHER CURRENT ASSETS	190	
Deposits	191	Funds deposited by the district as a prerequisite to receiving services or goods.
Deferred Expenditures	192	Certain disbursements that are made in one period but are more accurately reflected as expenditures in the next fiscal period.

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Capitalized Bond and Other Debt Issuance Costs	193	Certain bond and other debt issuance costs, including lease-purchase debt issuance costs that are capitalized for the purpose of accounting for the cost/valuation basis of capital assets.
Premium/Discount on Issuance of Bonds	194	The portion of the excess of the face value of bonds over the amount received from their sale that remains to be written off over the life of the bonds.
Other Accrued Revenue	195	Accrued revenue that is not provided for elsewhere.
Other Current Assets	199	Current assets not provided for elsewhere.

CAPITAL ASSETS	200	
WORKS OF ART AND HISTORICAL TREASURES	210	Individual items or collections of items that are of artistic or cultural importance. These are non-depreciable assets.
LAND	220	This account reflects the acquisition value of land owned by a district. If land is purchased, this account shall include the purchase price and costs such as legal fees, filling and excavation costs, and other associated improvement costs.
Non-Depreciable Land	221	This account reflects the acquisition value of land owned by the district other than land acquired and or used for bus parking or maintenance and claimable under the Pupil Transportation Reimbursement program. See 23 Ill. Adm. Code 120.
Depreciable Land	222	This account reflects the acquisition value of land owned by the district and acquired or used for bus parking or maintenance and claimable under the Pupil Transportation Reimbursement program.
Accumulated Depreciation on Land	223	Accumulated amounts for the depreciation of land claimed under the Pupil Transportation Reimbursement program.

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BUILDINGS AND BUILDING IMPROVEMENTS	230	Expenditures for acquiring buildings and additions, either existing or to be constructed. Included are expenditures for installment or lease payments (except interest) that have a terminal date and result in the acquisition of buildings, except payments to public building commissions or similar agencies. Expenditures for major permanent structural alterations and the initial or additional installation of heating and ventilating systems, electrical systems, plumbing systems, fire protection systems, and other service systems in existing buildings are also included.
Permanent Buildings and Building Improvements	231	Buildings and additions that are properly classified as real estate.
Temporary Buildings and Building Improvements	232	Buildings and additions that are properly classified as personal property and are primarily characterized by the absence of a permanent foundation.
Accumulated Depreciation on Permanent Buildings and Building Improvements	233	Accumulated amounts for the depreciation of permanent buildings and building improvements.
Accumulated Depreciation on Temporary Buildings and Building Improvements	234	Accumulated amounts for the depreciation of temporary buildings and building improvements.

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SITE IMPROVEMENTS AND INFRASTRUCTURE	240	Expenditures for the initial and additional improvement of sites and adjacent ways after acquisition by the district, consisting of such work as grading, landscaping, seeding, and planting of shrubs and trees; constructing new sidewalks, roadways, retaining walls, sewers and storm drains; installing hydrants; initial surfacing and soil treatment of athletic fields and tennis courts; furnishing and installing for the first time fixed playground apparatus, flagpoles, gateways, fences, and underground storage tanks that are not parts of building service systems; and demolition work. Special assessments against the district for capital improvements such as streets, curbs, and drains are also recorded here.
Accumulated Depreciation on Site Improvements and Infrastructure	241	Accumulated amounts for the depreciation of site improvements and infrastructure.
CAPITALIZED EQUIPMENT	250	Any instrument, machine, apparatus, or set of articles whose cost equals or exceeds the capitalization threshold of the district.
Capitalized Equipment – 3-Year Schedule	251	Repairs or modifications to a pupil transportation vehicle, pupil monitoring equipment installed on school buses, including video cameras, and computer equipment used exclusively in the food service program.
Capitalized Equipment – 5-Year Schedule	252	Pupil transportation vehicles used to transport students, driver education cars, vehicles and transportation equipment used exclusively in the food service program, and equipment necessary for the operation of a special educational facility.

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Capitalized Equipment – 10-Year Schedule	253	All other capitalized equipment not included in the 3-year or 5-year schedules, including, but not limited to, other equipment used in the food service program, other equipment used in the driver education program, two-way transportation vehicle communication systems, pupil transportation equipment not installed in a vehicle, service vehicles (such as a tow truck) used to service pupil transportation vehicles, and other capitalized equipment.
Accumulated Depreciation on Capitalized Equipment – 3-Year Schedule	254	Accumulated amounts for the depreciation of capitalized equipment with a 3-year schedule.
Accumulated Depreciation on Capitalized Equipment – 5-Year Schedule	255	Accumulated amounts for the depreciation of capitalized equipment with a 5-year schedule.
Accumulated Depreciation on Capitalized Equipment – 10-Year Schedule	256	Accumulated amounts for the depreciation of capitalized equipment with a 10-year schedule.
CONSTRUCTION IN PROGRESS	260	The cost of construction work undertaken but not yet completed.
BUDGETING ACCOUNTS AND OTHER DEBITS	300	
ESTIMATED REVENUES	310	The amount of revenues estimated to be received or to become receivable during the fiscal period. At the end of the fiscal period, this account shall be closed out and shall not appear in a balance sheet prepared at the close of the fiscal year.
REVENUE (CREDIT)	320	The increase in ownership equity during a designated period of time. This account appears only in a balance sheet prepared during the fiscal period. At the end of the fiscal period, this account shall be closed out and shall not appear in a balance sheet prepared at the close of the fiscal year.

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BONDS AUTHORIZED – UNISSUED	330	Bonds which the district can issue without further proceedings other than to direct their sale.
AMOUNT AVAILABLE IN DEBT SERVICE FUNDS	340	This account designates the amount of assets available in a debt service fund for the retirement of general long-term debt.
AMOUNT TO BE PROVIDED FOR PAYMENT OF BONDS	350	This account represents the amount to be provided from taxes or other general revenue to retire outstanding general long-term debt.

LIABILITIES		
CURRENT LIABILITIES	400	
INTERFUND PAYABLES	410	
Interfund Loans Payable	411	An account used to record a debt owed by one fund to another fund of the same district.
Interfund Accounts Payable	412	Amounts owed to a fund by another fund for goods sold or services rendered.
INTERGOVERNMENTAL ACCOUNTS PAYABLE	420	
Intergovernmental Accounts Payable	421	Amounts owed by the reporting district to the named governmental unit.
Intergovernmental Accounts Payable – Unresolved	422	Amounts set up as liabilities due to the uncertainty of ownership of the amounts.
OTHER PAYABLES	430	
Accounts Payable	431	Liabilities owing to private persons, firms, or corporations for goods and services received by a district (not including amounts due to other funds or to other governmental units).
Judgments Payable	432	Amounts due to be paid as the result of court decisions, including condemnation awards for private property taken for public use.
Notes & Warrants Payable	433	Amounts due for tax anticipation warrants, corporate personal property tax anticipation notes, or other notes payable.
Vouchers Payable	434	Liabilities for goods and services received, as evidenced by vouchers that have been pre-audited and approved for payment but have not been paid.
CONTRACTS PAYABLE	440	

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Contracts Payable	441	Amounts due on contracts for assets, goods, and services other than construction.
Construction Contracts Payable – Retainage	442	Amounts due for the "retainage" portion of contracts for construction of building structures and other improvements.
Construction Contracts Payable	443	Amounts due on contracts for construction of building structures and other improvements.
BONDS PAYABLE	450	
Mature Bonds Payable	451	Bonds that have reached or passed their maturity date but remain unpaid.
Mature Bonds Payable – Interest	452	Interest on bonds that have reached the maturity date but remain unpaid.
Bonds Payable – Current	453	Bonds that have not reached or passed their maturity date but are due within one year.
Unamortized Premiums on Issuance of Bonds	454	That portion of the excess of bond proceeds over par value that remains to be amortized over the remaining life of the bonds.
LOANS PAYABLE	460	
Loans Payable	461	Short-term obligations representing amounts borrowed for short periods of time, usually evidenced by notes payable or warrants payable.
Lease Obligations – Current	462	Capital lease obligations that are due within one year.
Interest Payable	463	Interest due within one year.
SALARIES AND BENEFITS PAYABLE	470	
Accrued Salaries and Benefits	471	Expenses incurred during the current accounting period but not payable until a subsequent accounting period.
PAYROLL DEDUCTIONS AND WITHHOLDINGS	480	
Payroll Deductions and Withholdings	481	Amounts deducted from employees' salaries for withholding taxes and other purposes, including amounts payable for district-paid benefits. A separate liability account may be used for each type of benefit.

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Compensated Absences – Current	482	Compensated absences (e.g., vacation, sick leave, or sabbatical leave) that will be paid within one year.
Accrued Annual Retirement Contribution Liability	483	A liability arising from payments not made to pension funds. This amount represents any difference between the actuarially determined required annual contribution and actual payments made to the pension fund.
DEFERRED REVENUES AND OTHER CURRENT LIABILITIES	490	
Deferred Revenues	491	Liability accounts that represent assets receivable or collected before they are recognized as revenue.
Deposits Payable	492	Liability for deposits received as a prerequisite to providing or receiving services or goods.
Due to Fiduciary Funds Activity Fund Organizations	493	Assets held by a district as the agent for activity fund organizations.
Due to Fiscal Agent	494	Amounts due to fiscal agents, such as commercial banks, for servicing a district's maturing indebtedness.
ROE Distributives Payable	495	Amounts received but not yet disbursed to districts and other entities from the regional office's distributive fund.
ROE Distributive Interest Payable	496	Amounts received and recorded for interest on a bank account that has more than one source of funds deposited in it. (This account is used only if interest is recorded before it is allocated to all sources of funds in the account.)
ROE Distributive Interest Payable (Unresolved)	497	Amounts received for interest on account for other governmental units whose disposition is pending.

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Accrued Expenses	498	Expenses incurred during the current accounting period but not payable until a subsequent accounting period. Examples include accrued salaries, tuition expense, interest, and rent.
Other current liabilities	499	Other current liabilities not provided for elsewhere.

LONG-TERM LIABILITIES	500	
Bonds Payable	511	The face value of bonds issued and outstanding.
Accreted Interest	512	Interest that is accrued on deep-discount bonds, such as capital appreciation bonds. With such bonds, usually no interest payment is made until maturity.
Unamortized Gains/Losses on Debt Refundings	513	An account that represents the difference between the reacquisition price and the net carrying amount of old debt when a current or advance refunding of debt occurs.
Loans Payable	521	An unconditional written promise to pay a certain sum of money one year or more after the issuance date.
Capital Lease Obligations	531	Amounts remaining to be paid on capital lease agreements.
Compensated Absences	551	Amounts to be paid in the following fiscal year for compensated absences occurring in the current fiscal year.
Arbitrage Rebate Liability	561	Liabilities arising from arbitrage rebates to the IRS from bond financing.
Other Long-Term Liabilities	590	Other long-term liabilities not provided for elsewhere.

BUDGETING ACCOUNTS AND OTHER CREDITS	600	
Appropriations	601	Authorizations granted by the governing body to make expenditures and to incur obligations for specific purposes.

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Expenditures (Debits)	602	An account that appears in balance sheets prepared during the fiscal period and designates the total expenditures charged against appropriations during that period.
Encumbrances (Debits)	603	Obligations in the form of purchase orders, contracts, or salary commitments that are chargeable to an appropriation and for which a part of the appropriation is reserved.

FUND BALANCES AND FUND NET ASSETS	700	
Reserve for Inventories	711	A reserve representing the segregation of a portion of a fund balance to indicate that equivalent assets are tied up in inventories of supplies on hand and not yet issued to requesting units.
Reserve for Prepaid Items	712	A reserve representing that portion of a fund balance segregated to indicate that equivalent assets are tied up and are, therefore, not available for appropriation.
Reserve for Encumbrances	713	A reserve representing the segregation of a portion of a fund balance to provide for unliquidated encumbrances. Separate accounts may be maintained for current and prior-year encumbrances.
Other Reserved Fund Balance	714	A reserve representing that portion of a fund balance segregated to indicate that equivalent assets are tied up and are, therefore, not available for appropriation.
<u>Reserved Fund Balance for Student Activity Funds</u>	<u>715</u>	<u>Fund Balances owned, operated, and managed by organizations, clubs, or associations within the student body under the guidance and direction of one or more staff members for educational, recreational, or cultural purposes. (Examples: homeroom, yearbook, class year, choral or band group, class projects, student clubs, student council, student-sponsored bookstore)</u>

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Designated Fund Balance	720	A reserve representing the segregation of a portion of a fund balance to indicate that equivalent assets are tied up for the named special purpose.
Unreserved Fund Balance	730	The excess of the assets of a fund over its liabilities and reserves, except in the case of funds subject to budgetary accounting where, prior to the end of a fiscal period, it represents the excess of the fund's assets and estimated revenue.
Invested in Capital Assets Net of Related Debt	740	This account represents the district's equity in general fixed assets.
Residual Equity Transfers	750	Permanent non-routine or non-recurring transfers of amounts from one fund to another. (Separate accounts should be used for transfers in and out, with the reason for each transfer well documented.)
Prior Period Adjustments	760	An account reflecting an adjustment during the current period from a prior period.
Restricted Net Assets	770	Net assets restricted by sources internal or external to the district.
Unrestricted Net Assets	780	Net unrestricted assets not classified in Account 740 or 750.

(Source: Amended at 44 Ill. Reg. _____, effective _____)

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Section 100.TABLE C Revenue Accounts

Label	Account Number	Source; Notes
RECEIPTS/REVENUE FROM LOCAL SOURCES	1000	
AD VALOREM TAXES	1100	
Educational Purposes Levy	1110	105 ILCS 5/17-2 and 17-3.
Operations and Maintenance Purposes Levy	1111	105 ILCS 5/17-5.
Bond and Interest Purposes Levy	1112	105 ILCS 5/17-9.
Transportation Purposes Levy	1113	105 ILCS 5/17-4.
Municipal Retirement Purposes Levy	1114	40 ILCS 5/7-171.
Working Cash Purposes Levy	1115	105 ILCS 5/20-3.
Public Building Commission Rent Levy	1116	50 ILCS 20/18.
Capital Improvement Purposes Levy	1117	105 ILCS 5/17-2 and 17-2.3.
Fire Prevention & Safety Purposes Levy	1118	105 ILCS 5/17-2.11.
Emergency Financial Assistance Levy	1119	105 ILCS 5/1B-8 and 1F-62.
Tort Immunity/Judgment Purposes Levy	1120	745 ILCS 10/9-109.
Leasing Purposes Levy	1130	105 ILCS 5/17-2.2c.
Special Education Purposes levy	1140	105 ILCS 5/ 17-2.2a.
FICA and Medicare Only Levies	1150	Social Security taxes and the employer's share of Medicare Only payments; 40 ILCS 5/21-110, 110.1.
Area Vocational Construction Purposes Levy	1160	105 ILCS 5/17-2.4.
Summer School Purposes Levy	1170	105 ILCS 5/17-2 and 17-2.1.
Other Tax Levies	1190	Taxes received from other tax levies not specifically identified (describe and itemize).
PAYMENTS IN LIEU OF TAXES	1200	
Mobile Home Privilege Tax	1210	
Payments from Local Housing Authorities	1220	
Corporate Personal Property Replacement Taxes	1230	Amounts received to replace personal property tax revenues lost.
Other Payments in Lieu of Taxes	1290	

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TUITION	1300	
Total Regular Tuition	1310	Amounts received for pupils attending the district's regular schools; 105 ILCS 5/10-20.12a.
Regular Tuition from Pupils or Parents (In-State)	1311	
Regular Tuition from Other Districts (In-State)	1312	
Regular Tuition from Other Sources (In-State)	1313	
Regular Tuition from Other Sources (Out-of-State)	1314	
Total Summer School Tuition	1320	Amounts received for pupils attending summer school.
Summer School Tuition from Pupils or Parents (In-State)	1321	
Summer School Tuition from Other Districts (In-State)	1322	
Summer School Tuition from Other Sources (In-State)	1323	
Summer School Tuition from Other Sources (Out-of-State)	1324	
Total CTE Tuition	1330	Amounts received for pupils attending career and technical education programs.
CTE Tuition from Pupils or Parents (In-State)	1331	
CTE Tuition from Other Districts (In-State)	1332	
CTE Tuition from Other Sources (In-State)	1333	
CTE Tuition from Other Sources (Out-of-State)	1334	
Total Special Education Tuition	1340	Amounts received for pupils attending special education programs.
Special Education Tuition from Pupils or Parents (In-State)	1341	
Special Education Tuition from Other Districts (In-State)	1342	
Special Education Tuition from Other Sources (In-State)	1343	
Special Education Tuition from Other Sources (Out-of-State)	1344	
Total Adult Tuition	1350	Amounts received for pupils attending adult/continuing education programs.

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Adult Tuition from Pupils or Parents (In-State)	1351	
Adult Tuition from Other Districts (In-State)	1352	
Adult Tuition from Other Sources (In-State)	1353	
Adult Tuition from Other Sources (In-State)	1354	
TRANSPORTATION FEES	1400	
Total Regular Transportation Fees	1410	Amounts received for transporting pupils to and from school and school activities (regular school day).
Regular Transportation Fees from Pupils or Parents (In-State)	1411	
Regular Transportation Fees from Other Districts (In-State)	1412	
Regular Transportation Fees from Other Sources (In-State)	1413	
Regular Transportation Fees from Co-curricular Activities (In-State)	1415	
Regular Transportation Fees from Other Sources (Out-of-State)	1416	
Total Summer School Transportation Fees	1420	Amounts received for transporting pupils to and from summer school.
Summer School Transportation Fees from Pupils or Parents (In-State)	1421	
Summer School Transportation Fees from Other LEAs (In-State)	1422	
Summer School Transportation Fees from Other Sources (In-State)	1423	
Summer School Transportation Fees from Other Sources (Out-of-State)	1424	
Total CTE Transportation Fees	1430	Amounts received for transporting pupils to and from career and technical education classes.
CTE Transportation Fees from Pupils or Parents (In-State)	1431	
CTE Transportation Fees from Other Districts (In-State)	1432	
CTE Transportation Fees from Other Sources (In-State)	1433	
CTE Transportation Fees from Other Sources (Out-of-State)	1434	

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Total Special Education Transportation Fees	1440	Amounts received for transporting pupils to and from special education programs.
Special Education Transportation Fees from Pupils or Parents (In-State)	1441	
Special Education Transportation Fees from Other Districts (In-State)	1442	
Special Education Transportation Fees from Other Sources (In-State)	1443	
Special Education Transportation Fees from Other Sources (Out-of-State)	1444	
Total Adult Transportation Fees	1450	Amounts received for transporting pupils to and from adult/continuing education programs.
Adult Transportation Fees from Pupils or Parents (In-State)	1451	
Adult Transportation Fees from Other Districts (In-State)	1452	
Adult Transportation Fees from Other Sources (In-State)	1453	
Adult Transportation Fees from Other Sources (Out-of-State)	1454	
EARNINGS ON INVESTMENTS	1500	
Interest on Investments	1510	
Gain or Loss on Sale of Investments	1520	Gains or losses realized from the sale of bonds.
FOOD SERVICE	1600	
Sales to Pupils – Lunch	1611	
Sales to Pupils – Breakfast	1612	
Sales to Pupils – A la Carte	1613	
Sales to Pupils – Other	1614	
Sales to Adults	1620	Amounts received from adults for sale of food products and services.
Other Food Service	1690	Amounts received from local sources for other food service activities.
DISTRICT/SCHOOL ACTIVITY INCOME	1700	
Admissions – Athletic	1711	Amounts received from school-sponsored athletic events.
Admissions – Other	1719	Amounts received from admissions to all other school-sponsored events except athletics (describe and itemize).

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Fees	1720	Amounts received from pupils for fees such as towel fees, locker fees, and equipment fees (excludes transportation).
Book Store Sales	1730	
Other District/School Activity Revenue	1790	All other revenue from district or school activities not otherwise specified.
<u>Student Activity Fund Revenue</u>	<u>1799</u>	<u>All revenue from student activity fund activities.</u>
TEXTBOOK INCOME	1800	
Rentals – Regular Textbooks	1811	
Rentals – Summer School Textbooks	1812	
Rentals – Adult/Continuing Education Textbooks	1813	
Rentals – Other	1819	Describe and itemize.
Total Textbook Rentals	1820	105 ILCS 5/10-22.25, <u>105 ILCS 5/28-8.</u>
Sales – Regular Textbooks	1821	
Sales – Summer School Textbooks	1822	
Sales – Adult/Continuing Education Textbooks	1823	
Sales – Other	1829	
<u>Total Textbook Sales</u>	<u>1820</u>	<u>105 ILCS 5/28-8.</u>
Textbooks Other	1890	Textbook revenues not provided for elsewhere in the 1800 series of accounts.
OTHER LOCAL REVENUES	1900	
Rentals	1910	Amounts received for rental of school property, real or personal.
Contributions and Donations from Private Sources	1920	Amounts received from a philanthropic foundation, private individual, or private organization for which no repayment or special service to the contributor is expected.
Impact Fees from Municipal or County Governments	1930	Amounts received from a city, town, village, or county government from impact fees assessed in accordance with local ordinances.
Services Provided to Other Districts	1940	Amounts received for services other than tuition and transportation services (e.g., data processing, purchasing, maintenance, accounting, cleaning, consulting, guidance).
Refund of Prior Years' Expenditures	1950	A refund of an expenditure charged to a prior fiscal year's budget.
Payments of Surplus Moneys from TIF Districts	1960	Amounts received from distributions from Tax Increment Financing districts.
Drivers' Education Fees	1970	105 ILCS 5/27-24.2.

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Proceeds from Vendors' Contracts	1980	Proceeds received pursuant to contracts between the district and various vendors.
School Facility Occupation Tax Proceeds	1983	Amounts received from distributions of School Facility Occupation Tax proceeds.
Payment from Other Districts	1991	Amounts representing a district's share of special education or career and technical education building costs.
Sale of Vocational Projects	1992	Amounts representing gain from the sale of vocational projects.
Other Local Fees	1993	Amounts assessed or received from local sources for district programs not classified elsewhere (describe and itemize).
Other Local Revenues	1999	Amounts received from local sources not provided for elsewhere in the 1000 series of accounts.
FLOW-THROUGH RECEIPTS/REVENUE FROM ONE DISTRICT TO ANOTHER DISTRICT	2000	
FLOW-THROUGH REVENUE FROM STATE SOURCES	2100	State revenues that can be further subdivided to account for individual grants.
FLOW-THROUGH REVENUE FROM FEDERAL SOURCES	2200	Federal revenues that can be further subdivided to account for individual grants.
OTHER FLOW-THROUGH REVENUE	2300	Other revenues that can be further subdivided to account for individual grants (describe and itemize).
RECEIPTS/REVENUE FROM STATE SOURCES	3000	
Evidence Based Funding Formula	3001	105 ILCS 5/18-8.15.
Reorganization Incentives – Deficit Fund Balance	3005	105 ILCS 5/11E-135(c).
Reorganization Incentives – Attendance	3010	105 ILCS 5/11E-135(a).
Reorganization Incentives – Salary Difference	3015	105 ILCS 5/11E-135(b).
Reorganization Incentives – Certified Salary	3020	105 ILCS 5/11E-135(d).
Reorganization Incentives – Feasibility Studies	3021	Amounts received pursuant to appropriations for this purpose.
Fast Growth District Grants	3030	105 ILCS 5/18-8.10. 105 ILCS 5/18-18.15
Emergency Financial Assistance Grants	3050	105 ILCS 5/1B-8 and 1F-62.
Tax Equivalent Grants	3055	105 ILCS 5/18-4.4.

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Other Unrestricted Grants-In-Aid from State Sources	3099	Amounts received pursuant to other appropriations (describe and itemize).
Special Education – Private Facility Tuition	3100	105 ILCS 5/14-7.02.
Special Education – Extraordinary	3105	105 ILCS 5/14-7.02a.
Special Education – Personnel	3110	105 ILCS 5/14-13.01.
Special Education – Orphanage – Individual	3120	105 ILCS 5/14-7.03.
Special Education – Orphanage – Summer	3130	105 ILCS 5/14-7.03.
Special Education – Summer School	3145	105 ILCS 5/18-4.3.
Philip J. Rock Center and School	3155	105 ILCS 5/14-11.02.
Educational Materials Center	3156	105 ILCS 5/14-11.01.
Special Education – Other	3199	Amounts received pursuant to other appropriations (describe and itemize).
CTE Improvement (CTEI)	3220	105 ILCS 435.
CTE – WECEP	3225	105 ILCS 5/2-3.66a.
Agriculture Education	3235	105 ILCS 5/2-3.80.
CTE – Student Organizations	3270	105 ILCS 435.
CTE – Other	3299	Amounts received pursuant to other appropriations (describe and itemize).
Bilingual Education – Downstate – TPI and TBE	3305	105 ILCS 5/14C-12.
Bilingual Education – Downstate – Transitional Bilingual Education	3310	105 ILCS 5/14C-12.
Gifted Education	3350	105 ILCS 5/Art. 14A.
State Free Lunch and Breakfast	3360	105 ILCS 125/2.
School Breakfast Initiative	3365	105 ILCS 125/2.5.
Driver Education	3370	105 ILCS 5/27-24.2.
Adult Education (from ICCB)	3410	Amounts received from the Community College Board; 105 ILCS 405.
Adult Education – Other	3499	Amounts received pursuant to other appropriations (describe and itemize).
Transportation – Regular/Vocational	3500	105 ILCS 5/29-5.
Transportation – Special Education	3510	105 ILCS 5/14-13.01(b).
Transportation – ROE Bus Driver Training	3520	105 ILCS 5/3-14.23.
Transportation – Other	3599	Amounts received pursuant to other appropriations (describe and itemize).
Learning Improvement – Change Grants	3610	105 ILCS 5/2-3.25, 2-3.63, and 2-3.64a-5.

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National Board Certification	3651	105 ILCS 5/21B-65.
Administrators Academy	3655	105 ILCS 5/2-3.53.
Truants' Alternative and Optional Education	3695	105 ILCS 5/2-3.66.
Regional Safe Schools	3696	105 ILCS 5/13A-8.
Early Childhood – Block Grant	3705	105 ILCS 5/1C-2 and 2-3.71.
ROE/ISC Operations	3730	Amounts received pursuant to 105 ILCS 5/2-3.62, 3-14.23, and 18-6.
ROE Supervisory Expense	3745	Amounts received pursuant to 105 ILCS 5/18-6.
Chicago Teachers Academy for Math & Science (TAMS)	3765	Amounts received pursuant to an appropriation for TAMS.
Chicago General Education Block Grant	3766	105 ILCS 5/1D-1.
Chicago Educational Services Block Grant	3767	105 ILCS 5/1D-1.
School Safety and Educational Improvement Block Grant	3775	105 ILCS 5/2-3.51.5.
Technology – Learning Technology Centers	3780	105 ILCS 5/2-3.117.
Illinois Government Intern Program	3804	Funds distributed as a grant to Springfield School District 186 to support administration of this program.
State Charter Schools	3815	105 ILCS 5/Art. 27A.
Extended Learning Opportunities (Summer Bridges)	3825	105 ILCS 5/10-20.9a.
Infrastructure Improvements – Planning/Construction	3920	105 ILCS 230/5-35.
School Infrastructure – Maintenance Projects	3925	105 ILCS 230/5-100.
Regular Orphanage Tuition (18-3)	3950	105 ILCS 5/18-3.
Tax Equivalent Grants	3955	105 ILCS 5/18-4.4.
After-School Programs – Mentoring & Student Support	3960	Amounts received pursuant to appropriation.
Advanced Placement Classes	3961	105 ILCS 302.
Arts Education	3962	105 ILCS 5/2-3.65a.
Grants to Local Governments, Community Organizations, Not-for-Profit Organizations, and Educational Facilities	3963	Amounts received pursuant to appropriations.
ISBE Special Purpose Trust Fund	3970	105 ILCS 5/2-3.127a.
Class Size Reduction Pilot Project	3981	105 ILCS 5/2-3.136.
Teacher Mentoring Pilot Project	3982	105 ILCS 5/21A-25.

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The "Grow Your Own" Teacher Education Initiative	3983	110 ILCS 48.
Education of Homeless Children and Youth State Grant Program	3984	105 ILCS 45.
Children's Mental Health Partnership	3990	405 ILCS 49/15.
State "On-behalf" Payments	3998	Reserved for on-behalf payments by the State.
Emergency Financial Assistance Grant	3999	105 ILCS 5/1B-8.
Temporary Relocation Expense Grant	3999	105 ILCS 5/2-3.77.
Other Restricted Revenue from State Sources	3999	Amounts received pursuant to other appropriations (describe and itemize).
RECEIPTS/REVENUE FROM FEDERAL SOURCES	4000	
Federal Impact Aid	4001	ESEA Title VIII - Impact Aid (CFDA 84.041).
Other Unrestricted Grants-In-Aid Received Directly from the Federal Government	4009	Amounts received pursuant to other unrestricted appropriations; describe and itemize.
Total Unrestricted Grants Received Directly from the Federal Government	4010	
Head Start	4045	Community Opportunities, Accountability, Training, and Educational Services Act of 1998, Title I (CFDA 93.600).
Construction (Impact Aid)	4050	ESEA, Title VIII (Impact Aid – Facilities Maintenance) (CFDA 84.040).
Magnet	4060	ESEA, Title V, Part C (Magnet Schools Assistance) (CFDA 84.165).
Other Restricted Grants-In-Aid Received Directly from the Federal Government	4090	Amounts received pursuant to other restricted appropriations; describe and itemize.
Total Restricted Grants Received Directly from the Federal Government	4095	
TOTAL GRANTS RECEIVED DIRECTLY FROM THE FEDERAL GOVERNMENT	4099	Amounts received pursuant to other appropriations.
Title V – Flexibility and Accountability	4100	ESEA, Title V, Part A – Funding Transferability for State and Local Education Agencies.
Title V – SEA Projects	4105	ESEA, Title V, Part A – Funding Transferability for State and Local Education Agencies.

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Title V – Rural and Low-Income Schools (REI)	4107	ESEA, Title V, Part B – Rural Education (CFDA 84.358).
Title V – Other	4199	Amounts received pursuant to other appropriations (describe and itemize).
Breakfast Start-up	4200	Child Nutrition Act – School Breakfast Program for Start-Up (CFDA 10.553).
National School Lunch Program	4210	Child Nutrition Act – National School Lunch Program (CFDA 10.555).
Special Milk Program	4215	Child Nutrition Act – Special Milk Program for Children (CFDA 10.556).
School Breakfast Program	4220	Child Nutrition Act – School Breakfast Program (CFDA 10.553).
Summer Food Service Admin/Program	4225	Child Nutrition Act – Summer Food Service Program for Children (CFDA 10.559).
Child Care Commodity/SFS 13-Adult Day Care	4226	Child Nutrition Act – Child Care and Adult Food Service Program (CFDA 10.558).
SAE Nutrition Ed. Loan/TNT	4227	Child Nutrition Act of 1966 (42 USC 1771 et seq.) – (CFDA 10.574).
Fresh Fruit and Vegetables	4240	Child Nutrition – Cash Payments.
Child Nutrition Commodity/Salvage	4250	Child Nutrition Act of 1966 (CFDA 10.550).
Cash in Lieu of Commodities	4255	Amounts received in lieu of commodities in the food service program.
Food Service – Other	4299	Amounts received pursuant to other appropriations from the U.S. Department of Agriculture for nutrition programs (describe and itemize).
Title I – Low Income	4300	ESEA, Title I, Part A – Improving Academic Achievement of the Disadvantaged (CFDA 84.010).
Title I – Low Income – Neglected	4305	ESEA, Title I, Part D – Prevention and Intervention Programs for Children and Youth who are Neglected, Delinquent or At-Risk – State program (CFDA 84.013).
Title I – Low Income – Delinquent, LEA	4306	ESEA, Title I, Part D – Prevention and Intervention Programs for Children and Youth who are Neglected, Delinquent or At-Risk (CFDA 84.013).
Title I – Neglected and Delinquent Juvenile and Adult Corrections	4315	ESEA, Title I, Part D – Prevention and Intervention Programs for Children and Youth who are Neglected, Delinquent or At-Risk (CFDA 84.013).
Title I – Improving the Academic Achievement of the Disadvantaged	4331	ESEA, Title I, Part A (CFDA 84.010).
Title I – School Improvement	4339	ESEA, Title I, Part A, section 1003.
Title I – Migrant Education	4340	ESEA, Title I, Part C – Education of Migrant Children (CFDA 84.011).

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Title I – Other	4399	Amounts received pursuant to other appropriations under Title I of ESEA (describe and itemize).
Title IV – Student Support and Academic Enrichment Grants	4400	ESEA, Title IV, Part A – Student Support and Academic Enrichment Grants.
Title IV – Student Support and Academic Enrichment Grants – State-Level Program	4415	ESEA, Title IV, Part A – Student Support and Academic Enrichment Grants Safe and Drug Free Schools .
Title IV – 21 st Century	4421	ESEA, Title IV, Part B – 21 st Century Community Learning Centers (CFDA 84.287).
Title IV – Other (Describe & Itemize)	4499	Amounts received pursuant to other appropriations under Title IV of ESEA (describe and itemize).
Federal Special Education Preschool Flow-Through	4600	IDEA, Part B – Preschool (CFDA 84.173).
Federal Special Education Preschool Discretionary	4605	IDEA, Part B – Preschool (CFDA 84.173).
Federal Special Education – IDEA Flow-Through/Low Incident	4620	IDEA, Part B (CFDA 84.027).
Federal Special Education – IDEA Room and Board	4625	IDEA, Part B (CFDA 84.027).
Federal Special Education – IDEA Discretionary	4630	IDEA, Part B (CFDA 84.027).
Federal Special Education – IDEA – Part D – Improvement	4631	IDEA, Part D – State Program Improvement Grants for Children with Disabilities (CFDA 84.323).
Federal Special Education – IDEA Title VI C – Deaf/Blind	4635	IDEA, Part D – Technical Assistance and Dissemination to Improve Services and Results for Children with Disabilities (CFDA 84.326).
Federal Special Education – IDEA – Other	4699	Amounts received pursuant to other appropriations under IDEA (describe and itemize).
CTE – Perkins – State Leadership	4720	Carl D. Perkins Career and Technical Education Act of 2006 – State Leadership (CFDA 84.048A).
CTE – Perkins – DHS Ed	4740	Carl D. Perkins Career and Technical Education Act of 2006 – Corrections or Institutions (CFDA 84.048A).
CTE – Perkins – Secondary	4745	Carl D. Perkins Career and Technical Education Act of 2006 – Secondary (CFDA 84.048A).
CTE – Perkins Title II – Tech Prep	4770	Carl D. Perkins Career and Technical Education Act of 2006 – Title II - Tech Prep (CFDA 84.243A).
CTE – Other	4799	Amounts received pursuant to other appropriations from federal sources (describe and itemize).
Federal – Adult Education	4810	Adult Education State Grant Program (CFDA 84.002).

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ARRA General State Aid – Education Stabilization	4850	Amounts received pursuant to the American Recovery and Reinvestment Act of 2009 (ARRA); see Section 100.130 of this Part.
ARRA Title I – Low Income	4851	Amounts received pursuant to the ARRA; see Section 100.130 of this Part.
ARRA Title I – Neglected, Private	4852	Amounts received pursuant to the ARRA; see Section 100.130 of this Part.
ARRA Title I – Delinquent, Private	4853	Amounts received pursuant to the ARRA; see Section 100.130 of this Part.
ARRA Title I – School Improvement (Part A)	4854	Amounts received pursuant to the ARRA; see Section 100.130 of this Part.
ARRA Title I – School Improvement (section 1003g)	4855	Amounts received pursuant to the ARRA; see Section 100.130 of this Part.
ARRA IDEA – Part B – Preschool	4856	Amounts received pursuant to the ARRA; see Section 100.130 of this Part.
ARRA IDEA – Part B – Flow-Through	4857	Amounts received pursuant to the ARRA; see Section 100.130 of this Part.
Other ARRA Fund - XII	4860	Available for recording sources of federal funds received pursuant to the ARRA from a source other than those to be recorded with account numbers 4850 through 4857, 4861 through 4872, and 4875 through 4876; describe and itemize; see Section 100.130 of this Part.
ARRA Title IID – Technology – Competitive	4861	Amounts received pursuant to the ARRA; see Section 100.130 of this Part.
ARRA McKinney-Vento Homeless Education	4862	Amounts received pursuant to the ARRA; see Section 100.130 of this Part.
ARRA Child Nutrition Equipment Assistance	4863	Amounts received pursuant to the ARRA; see Section 100.130 of this Part.
Impact Aid Formula Grants	4864	Amounts received pursuant to the ARRA; see Section 100.130 of this Part.
Impact Aid Competitive Grants	4865	Amounts received pursuant to the ARRA; see Section 100.130 of this Part.
Qualified Zone Academy Bond Tax Credits	4866	Amounts received pursuant to the ARRA; see Section 100.130 of this Part.
Qualified School Construction Bond Credits	4867	Amounts received pursuant to the ARRA; see Section 100.130 of this Part.
Build America Bond Tax Credits	4868	Amounts received pursuant to the ARRA; see Section 100.130 of this Part.
Build America Bond Interest Reimbursement	4869	Amounts received pursuant to the ARRA; see Section 100.130 of this Part.

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ARRA General State Aid – Other Government Services Stabilization	4870	Amounts received pursuant to the ARRA; see Section 100.130 of this Part.
Other ARRA Funds – II	4871	Available for recording sources of federal funds received pursuant to the ARRA directly from a federal agency or from a State agency other than ISBE; describe and itemize; see Section 100.130 of this Part.
Other ARRA Funds – III	4872	Available for recording sources of federal funds received pursuant to the ARRA directly from a federal agency or from a State agency other than ISBE; describe and itemize; see Section 100.130 of this Part.
Other ARRA Funds – IV	4873	Available for recording sources of federal funds received pursuant to the ARRA from a source other than those to be recorded with account numbers 4850 through 4857, 4861 through 4872, and 4875 through 4876; describe and itemize; see Section 100.130 of this Part.
Other ARRA Funds – V	4874	Available for recording sources of federal funds received pursuant to the ARRA from a source other than those to be recorded with account numbers 4850 through 4857, 4861 through 4872, and 4875 through 4876; describe and itemize; see Section 100.130 of this Part.
ARRA Early Childhood	4875	Paid with Government Services State Fiscal Stabilization Fund ARRA funds; see Section 100.130 of this Part.
Other ARRA Funds – VII	4876	Available for recording sources of federal funds received pursuant to the ARRA directly from a federal agency or from a State agency other than ISBE; describe and itemize; see Section 100.130 of this Part.
Other ARRA Funds – VIII	4877	Available for recording sources of federal funds received pursuant to the ARRA from a source other than those to be recorded with account numbers 4850 through 4857, 4861 through 4872, and 4875 through 4876; describe and itemize; see Section 100.130 of this Part.
Other ARRA Funds – IX	4878	Available for recording sources of federal funds received pursuant to the ARRA from a source other than those to be recorded with account numbers 4850 through 4857, 4861 through 4872, and 4875 through 4876; describe and itemize; see Section 100.130 of this Part.

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Other ARRA Funds – X	4879	Available for recording sources of federal funds received pursuant to the ARRA from a source other than those to be recorded with account numbers 4850 through 4857, 4861 through 4872, and 4875 through 4876; describe and itemize; see Section 100.130 of this Part.
Education Jobs Fund Program	4880	Available for recording sources of federal funds received pursuant to the Education Jobs Fund Program; see Section 100.130 of this Part.
Race to the Top Program	4901	Available for recording sources of federal funds received pursuant to the Race to the Top Program; see Section 100.130 of this Part.
Race to the Top – Preschool Expansion Grant	4902	Available for recording sources of federal funds received pursuant to the Race to the Top Preschool Expansion Grant Program; see Section 100.130 of this Part.
English Language Instruction for English Learners and Immigrant Students	4905	ESEA, Title III – English Language Instruction for English Learners and Immigrant Students (CFDA 84.365).
Title III – English Language Acquisition	4909	ESEA, Title III, Part A – English Language Acquisition Grants (CFDA 84.365).
Refugee Children School Impact Grants	4915	Refugee Education Assistance Act of 1980, Refugee and Entrant Assistance Discretionary Grants (CFDA 93.576).
McKinney Education for Homeless Children	4920	ESEA, Title VII, Subpart B of the McKinney-Vento Homeless Assistance Act: Education for Homeless Children and Youths Program (CFDA 84.196).
Title II – Teacher Quality	4932	ESEA, Title II, Part A, Supporting Effective Instruction.
Title II – Teacher Quality	4935	ESEA, Title II, Part A – Supporting Effective Instruction – State Grants.
Federal Charter Schools	4960	ESEA, Title IV, Part C – Expanding Opportunity Through Quality Charter Schools.
Safe Routes to School	4980	Section 1404 of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users Act (P.L. 109-59).
State Assessment Grants	4981	ESEA State Assessment Grants Title I, Part B (CFDA 84.368).
Grant for State Assessments and Related Activities	4982	ESSA Grants for State Assessments and Related Activities, Title VI, Part A, Subpart I (CFDA 84.369).

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Medicaid Matching Funds – Administrative Outreach	4991	Social Security Act, Title XIX – Medicaid Matching – Administrative Outreach (CFDA 93.778).
Medicaid Matching Funds – Fee-for-Service Program	4992	Social Security Act, Title XIX – Medicaid Matching – Fee for Service Programs (CFDA 93.778).
Hurricane Emergency Relief	4995	Hurricane Emergency Relief Act.
Other Restricted Grants Received from Federal Government through State	4998	Amounts received pursuant to other federal appropriations (describe and itemize).

(Source: Amended at 44 Ill. Reg. _____, effective _____)

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Section 100.TABLE D Expenditure Accounts

Label	Account Number	Source; Notes
INSTRUCTION	1000	
Regular K-12 Programs	1100	Instructional activities designed primarily for K-12 pupils who do not require special programs such as gifted, vocational, bilingual, or special education.
Charter Schools – Tuition	1115	Payments to Charter Schools for tuition.
Pre-K Programs	1125	Instructional activities designed primarily for pupils in pre-kindergarten programs who do not require special programs such as gifted, vocational, bilingual, or special education.
Special Education Programs K-12	1200	Instruction and resource programs required by a student due to his or her disability; includes special services, special materials, and special equipment required by K-12 students as authorized in Article 14 of the School Code [105 ILCS 5/Art. 14].
Special Education Programs Pre-K	1225	Instruction and resource programs required by a student due to his or her disability; includes special services, special materials, and special equipment required by pre-kindergarten students as authorized in Article 14 of the School Code.
Remedial and Supplemental Programs K-12	1250	Supplemental programs to increase the educational opportunities of eligible children in kindergarten and Grades 1-12.
Remedial and Supplemental Programs Pre-K	1275	Supplemental programs to increase the educational opportunities of eligible children in pre-kindergarten.

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Adult/Continuing Education Programs	1300	Learning experiences designed to develop knowledge and skills to meet immediate and long-range educational objectives for adults who have not completed or have interrupted their formal schooling. Programs include activities to foster the development of fundamental tools of learning, to prepare for a postsecondary career, to prepare for postsecondary education programs, to upgrade occupational competencies, to prepare for a new or different career, to develop skills and appreciation for special interests, or to enrich the aesthetic qualities of a student's life.
Career and Technical Education (CTE) Programs	1400	Instruction provided to develop the knowledge, skills, and attitudes needed for employment in an occupational area, including all programs approved in the district's plan for career and technical education; see the Vocational Education Act [105 ILCS 435] and 23 Ill. Adm. Code 254 (Vocational Education).
Interscholastic Programs	1500	Cocurricular activities that supplement the regular instructional program, such as athletics, band, chorus, and speech.
Summer School Programs	1600	Instructional activities that are not embraced within the regular school term.
Gifted Programs	1650	Special learning experiences for pupils identified as gifted or talented; see Article 14A of the School Code [105 ILCS 5/Art. 14A] and 23 Ill. Adm. Code 227 (Gifted Education).
Driver's Education Programs	1700	Driver's education instruction provided pursuant to the Driver Education Act [105 ILCS 5/27-24 through 27-24.8] and 23 Ill. Adm. Code 252 (Driver Education).
Bilingual Programs	1800	Special learning experiences for pupils receiving services pursuant to Article 14C of the School Code [105 ILCS 5/Art. 14C] and 23 Ill. Adm. Code 228 (Transitional Bilingual Education).
Truant Alternative & Optional Programs	1900	Instructional programs provided to students pursuant to Section 2-3.66 of the School Code and 23 Ill. Adm. Code 205 (Truants' Alternative and Optional Education Programs).

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Pre-K Programs – Private Tuition	1910	Payments to private educational facilities.
Regular K-12 Programs – Private Tuition	1911	Payments to private educational facilities.
Special Education Programs K-12 – Private Tuition	1912	Payments to private educational facilities.
Special Education Programs Pre-K – Private Tuition	1913	Payments to private educational facilities.
Remedial and Supplemental Programs K-12 – Private Tuition	1914	Payments to private educational facilities.
Remedial and Supplemental Programs Pre-K – Private Tuition	1915	Payments to private educational facilities.
Adult/Continuing Education Programs – Private Tuition	1916	Payments to private educational facilities.
CTE Programs – Private Tuition	1917	Payments to private educational facilities.
Interscholastic Programs – Private Tuition	1918	Payments to private educational facilities.
Summer School Programs – Private Tuition	1919	Payments to private educational facilities.
Gifted Programs – Private Tuition	1920	Payments to private educational facilities.
Bilingual Programs – Private Tuition	1921	Payments to private educational facilities.
Truants' Alternative and Optional Education Programs	1922	Payments to private educational facilities.
Student Activity Fund Expenditures	1999	All expenditures associated with Student Activity Fund activities.
TOTAL INSTRUCTION	1000	The teaching of pupils or the interaction between teacher and pupils. Included are activities of aides or assistants who assist in the instructional process. Teaching may occur in classrooms or other learning situations such as those involving cocurricular activities, and may be conducted through a medium such as television, radio, telephone, or correspondence.

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SUPPORT SERVICES	2000	Services that provide administrative, technical (e.g., guidance and health), and logistical support to facilitate and enhance instruction. Support services are adjuncts to the fulfillment of the objectives of instruction.
Support Services – Pupils	2100	Activities that are designed to assess and improve the well-being of pupils and to supplement the teaching process.
Attendance and Social Work Services	2110	Activities for the improvement of pupils' attendance at school and the performance of school social work activities dealing with the problems of pupils that involve the home, school, and community.
Guidance Services	2120	Counseling with pupils or parents, consultation with staff members on learning problems, evaluating abilities of pupils, assisting pupils in making educational and career plans and choices, assisting pupils in personal and social development, providing referral assistance, and working with other staff members in planning and conducting guidance programs.
Health Services	2130	Physical and mental health services that do not constitute direct instruction. Included are activities that provide pupils with appropriate medical, dental, and nursing services.
Psychological Services	2140	Activities concerned with administering psychological tests and interpreting the results, gathering and interpreting information about pupils' behavior, working with other staff members in planning school programs to meet the special needs of pupils as indicated by psychological tests and behavioral evaluation, and planning and managing a program of psychological services, including psychological counseling for pupils, staff, and parents.
Speech Pathology and Audiology Services	2150	Activities involving the identification, assessment, and treatment of children with impairments in speech, hearing, and language.

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Other Support Services – Pupils	2190	Other support services for pupils not classified in Accounts 2100-2159. Expenditures that may be included are therapists, crossing guards, graduation, student assembly programs, monitors for playgrounds, study halls, etc. (Describe and itemize.)
Total Support Services – Pupils	2100	

Support Services – Instructional Staff	2200	Activities assisting the instructional staff with the content and process of providing learning experiences for pupils.
Improvement of Instruction Services	2210	Activities for assisting instructional staff in planning, developing, and evaluating the instructional process.
Educational Media Services	2220	Activities concerned with the use of all teaching and learning resources, including hardware and content materials.
Assessment and Testing	2230	Activities for the purpose of measuring individual students' achievement.
Total Support Services – Instructional Staff	2200	

Support Services – General Administration	2300	Activities concerned with establishing and administering policy in connection with operating the district.
Board of Education Services	2310	Activities of the elected or appointed body that is vested with responsibility for educational activities in a given district.
Executive Administration Services	2320	Activities associated with the overall management of the district.
Service Area Administrative Services	2330	Activities concerned with supervisory responsibilities for federal programs, special programs, and/or "Title" programs not included in Account 2310 or 2320. When the same individual directs both special programs and other service areas, the services of that individual should be prorated among the relevant areas.
ROE Services	2340	
ROE Services	2350	
Tort Immunity Functions	2360	

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Claims Paid from Self-Insurance Fund	2361	<u>Expenditures incurred in accordance with the Local Governmental and Governmental Employees Tort Immunity Act for claims paid from self-insurance and paid with funds from the tort levy purpose proceeds.</u>
Workers' Compensation or Workers' Occupational Disease Acts Payments	2362	
Unemployment Insurance Act Payments	2363	
Insurance Payments (regular or self insurance)	2364	
Risk Management and Claims Services Payments	2365	<u>Risk Management and Claims Service payments contracted to protect school board members against loss due to accident or neglect in accordance the Local Governmental and Governmental Employees Tort Immunity Act and paid with funds from the tort levy purpose proceeds. (Payments for employee risk management are charged to the appropriate function for which the salaries were incurred. If the expenditure is paid with tort revenue proceeds, the expenditure should be posted to the appropriate function within the Tort Fund.)</u>
Judgments or Settlements	2366	
Educational, Inspectional, Supervisory Services Related to Loss Prevention or Reduction	2367	
Reciprocal Insurance Payments	2368	215 ILCS 5/Art. IV.
Legal Services	2369	
Tort Immunity Functions	2370	
Property Insurance (Buildings and Grounds)	2371	
Vehicle Insurance (Transportation)	2372	
Total Support Services – General Administration	2300	

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Support Services – School Administration	2400	Activities concerned with overall administrative responsibility for a single school or a group of schools.
Office of the Principal Services	2410	Activities concerned with managing a particular school, including the activities of the principal, assistant principals, and other assistants in general supervision of all operations of the school, and including clerical staff for these activities.
Other Support Services – School Administration	2490	Activities performed by persons usually classified as department heads or deans within schools and other school administration services that cannot be recorded under Account 2410. (Describe and itemize.)
Total Support Services – School Administration	2400	

Support Services – Business	2500	Activities concerned with accounting, purchasing, paying, transporting, exchanging, and maintaining goods and services for the district, including internal business services for operating all schools.
Direction of Business Support Services	2510	Activities concerned with directing and managing the business services area, such as those usually performed by the office of the chief school business official or business manager.
Fiscal Services	2520	Activities concerned with the fiscal operations of the district. This function includes budgeting, receiving and disbursing, bookkeeping, financial accounting, payroll, inventory control, and internal auditing.
Facilities Acquisition and Construction Services	2530	Activities concerned with acquisition of land and buildings, remodeling buildings, construction of buildings and additions to buildings, initial installation or extension of service systems and other built-in equipment, and improvements to sites.
Operation and Maintenance of Plant Services	2540	Activities concerned with keeping the physical plant (i.e., grounds, buildings, and equipment) in an effective and safe working condition. This includes activities aimed at maintaining safety in buildings, on the grounds, and in the vicinity of schools.

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Pupil Transportation Services	2550	Activities concerned with conveying pupils to and from school as provided by Article 29 of the School Code [105 ILCS 5/Art. 29] and 23 Ill. Adm. Code 120 (Pupil Transportation Reimbursement). Includes trips between home and school and trips to school activities.
Food Services	2560	Activities concerned with providing food to pupils and staff in a school or district. This service area includes the preparation and serving of regular and incidental meals, lunches, or snacks in connection with school activities and the delivery of food.
Internal Services	2570	Activities concerned with buying, storing, and distributing supplies, furniture, and equipment; those activities concerned with internal duplicating and printing for the school system; and the pickup and transporting of cash from school facilities to the central administrative office or bank for control or deposit.
Total Support Services – Business	2500	

Support Services – Central	2600	Activities, other than general administration, that support each of the other instructional and supporting services programs. These activities include planning, research, development, evaluation, information, staff, statistical, and data processing services.
Direction of Central Support Services	2610	Activities concerned with directing and managing the central support services as a group.
Planning, Research, Development, and Evaluation Services	2620	Activities associated with conducting and managing programs of planning, research, development, and evaluation for a school system on a system-wide basis.
Information Services	2630	Activities concerned with writing, editing, and other preparation necessary to disseminate educational and administrative information to pupils, staff, managers, or the general public through direct mailing, the various news media, or personal contact.

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Staff Services	2640	Activities generally performed by the district's personnel office, such as recruiting and placement, staff transfers, in-service training, health services, and staff accounting.
Data Processing Services	2660	Activities concerned with preparing data for storage, sorting data, and retrieving them for reproduction as information for management and reporting.
Total Support Services – Central	2600	

Other Support Services	2900	Activities of any support service or classification of services, general in nature, that cannot be classified elsewhere in the 2000 series of accounts. (Describe and itemize.)
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TOTAL SUPPORT SERVICES	2000	
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COMMUNITY SERVICES	3000	Services provided by the district for the community as a whole or some segment of the community, such as community recreation programs, civic organization activities, public libraries, programs of custody and child care, welfare services, services to nonpublic schools, and home/school services.
Direction of Community Services	3100	Activities concerned with directing and managing community services activities.
Community Recreation Services	3200	Activities include organizing and supervising playgrounds, swimming pools, and other recreational programs for the community.
Civic Services	3300	Services provided in support of civic affairs or organizations, including services for parent-teacher association meetings, public forums and lectures, and for civil defense planning.
Public Library Services	3400	Activities related to the operation of public libraries by a district, or the provision of library services to the general public through the school's library.

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Custody and Child Care Services	3500	Programs for the custodial care of children in residential day schools or child care centers that are not part of, or directly related to, the instructional program and where the attendance of the children is not included in the district's attendance figures.
Welfare Activities Services	3600	Services for individuals who have been designated as needy by an appropriate governmental entity, including stipends for school attendance; salaries paid to pupils for work performed, whether for the district or for an outside concern; and clothing, food, or other personal needs.
Nonpublic School Pupils' Services	3700	Services to pupils attending a school established by an agency other than the State, a subdivision of the State, or the federal government, which usually is supported primarily by nonpublic funds. The services include providing instructional services, attendance and social work services, health services, and transportation services for nonpublic school pupils.
Home/School Services	3800	Services, usually provided in the home, that are designed to provide school readiness training to preschool children and their parents or to help parents provide educational support to their children of school age.
Other Community Services	3900	Services provided to the community that cannot be classified elsewhere in the 3000 series of accounts.
TOTAL COMMUNITY SERVICES	3000	
PAYMENTS TO OTHER DISTRICTS AND GOVERNMENTAL UNITS	4000	All payments to other districts (formerly "Non-programmed Charges").
Payments to Other Governmental Units (In-State)	4100	Payments to in-state districts, generally for tuition, transportation, and all other services rendered to pupils residing in the paying district. When a nonoperating district pays an operating district for the education of pupils, the nonoperating district records the payments here.

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Payments for Regular Programs	4110	Payments made to districts for services (exclusive of tuition and transfers).
Payments for Special Education Programs	4120	Payments for special education services other than tuition and transfers.
Payments for Adult/Continuing Education Programs	4130	Payments for services related to adult/continuing education programs other than tuition and transfers.
Payments for CTE Programs	4140	Payments for services related to career and technical education programs other than tuition and transfers.
Payments for Other Programs	4160	Payments for other programs (describe and itemize).
Payments for Community College Programs	4170	Payments made to community colleges for services other than tuition and transfers.
Reserved for "On-Behalf" Payments by the State	4180	Reserved for "on-behalf" payments by the State.
Other Payments to In-State Governmental Units	4190	Other payments made to in-state governmental units not classified elsewhere in the 4100 series of accounts (e.g., payments to intermediate service centers, regional offices of education, and the State Board of Education). (Describe and itemize.)
Subtotal Payments to Other Governmental Units (In-State)	4100	Payments to in-state districts for all services rendered to pupils residing in the paying district, other than tuition and transfers. (Expenditures in this function are not counted in state expenditure totals.)

Payments to Other Governmental Units (In-State) – Tuition	4200	Payments for tuition.
Payments for Regular Programs – Tuition	4210	Payments for tuition related to regular education programs.
Payments for Special Education Programs – Tuition	4220	Payments for tuition related to special education programs.
Payments for Adult/Continuing Education Programs – Tuition	4230	Payments for tuition related to adult/continuing education programs.
Payments for CTE Programs – Tuition	4240	Payments for tuition related to career and technical education programs.

STATE BOARD OF EDUCATION

NOTICE OF PROPOSED AMENDMENTS

Payments for Community College Programs – Tuition	4270	Payments to community colleges for the cost of tuition.
Payments for Other Programs – Tuition	4280	Payments for tuition for other programs (describe and itemize).
Other Payments to In-State Governmental Units – Tuition	4290	Other tuition payments made to in-state governmental units not classified elsewhere in the 4200 series of accounts (e.g., payments to intermediate service centers, regional offices of education, and the State Board of Education). (Describe and itemize.)
Subtotal Payments to Other Governmental Units (In-State) – Tuition	4200	

Payments to Other Governmental Units (In-State) – Transfers	4300	Payments to in-state districts, generally for tuition, transportation, and all other services rendered to pupils residing in the paying district. When a nonoperating district pays an operating district for the education of pupils, the nonoperating district records the payments here.
Payments for Regular Programs – Transfers	4310	Payments made to districts, generally for tuition, services, and transportation related to regular education programs.
Payments for Special Education Programs – Transfers	4320	Payments made to districts, generally for tuition, services, and transportation related to special education programs.
Payments for Adult/Continuing Education Programs – Transfers	4330	Payments made to districts, generally for tuition, services, and transportation related to adult/continuing education programs.
Payments for CTE Programs – Transfers	4340	Payments made to districts, generally for tuition, services, and transportation related to career and technical education programs.
Payments for Community College Programs – Transfers	4370	Payments made to community colleges for the cost of tuition or services provided.
Payments for Other Programs – Transfers	4380	Payments made to districts for other programs.

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Other Payments to In-State Governmental Units – Transfers	4390	Other payments made to in-state governmental units not classified elsewhere in the 4300 series of accounts (e.g., payments to intermediate service centers, regional offices of education, and the State Board of Education). (Describe and itemize.)
Subtotal Payments to Other Governmental Units (In-State) – Transfers	4300	
Payments to Other Governmental Units – Out of State	4400	Payments to out-of-state districts for services rendered to pupils residing in the paying district, generally for tuition and transportation. When a governmental unit in one state collects money from a nonoperating district for the education of pupils from the nonoperating district and pays it to an operating district in another state, the nonoperating district records the payments here. (These are not counted in national totals of expenditures.)
Payments to Other Governmental Units (Out-of-State)	4410	Payments to out-of-state districts for services rendered to pupils residing in the paying district, generally for tuition and transportation. When a governmental unit in one state collects money from a nonoperating district for the education of pupils from the nonoperating district and pays it to an operating district in another state, the nonoperating district records the payments here. (These are not counted in national totals of expenditures.) (Describe and itemize.)
Payments to Other Governmental Units (Out-of-State) – Tuition	4420	Payments to out-of-state districts for services rendered to pupils residing in the paying district, generally for tuition and transportation. When a governmental unit in one state collects money from a nonoperating district for the education of pupils from the nonoperating district and pays it to an operating district in another state, the nonoperating district records the payments here. (These are not counted in national totals of expenditures.) (Describe and itemize.)

STATE BOARD OF EDUCATION

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Payments to Other Governmental Units (Out-of-State) – Transfers	4430	Payments to out-of-state districts for services rendered to pupils residing in the paying district, generally for tuition and transportation. When a governmental unit in one state collects money from a nonoperating district for the education of pupils from the nonoperating district and pays it to an operating district in another state, the nonoperating district records the payments here. (These are not counted in national totals of expenditures.) (Describe and itemize.)
Subtotal Payments to Other Governmental Units (Out-of-State)	4400	

TOTAL PAYMENTS TO OTHER DISTRICTS AND GOVERNMENTAL UNITS	4000	
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DEBT SERVICE	5000	Servicing of the district's debts.
Debt Service – Interest on Short-Term Debt	5100	
Tax Anticipation Warrants	5110	
Tax Anticipation Notes	5120	
Corporate Personal Property Replacement Tax Anticipation Notes	5130	
State Aid Anticipation Certificates	5140	
Other Interest on Short-Term Debt	5150	
Total Debt Service Interest – Short-Term Debt	5100	

Debt Service – Interest on Long-Term Debt	5200	
Teachers'/Employees' Orders	5210	
General Obligation Bonds	5220	
Tort Bonds	5230	

STATE BOARD OF EDUCATION

NOTICE OF PROPOSED AMENDMENTS

Capital Appreciation Bonds	5240	
Revenue Bonds	5250	
Other Bonds	5260	
Capital Leases, Installment Purchase Agreements	5270	
ISBE Loans	5280	
Other Interest on Long-Term Debt	5290	Describe and itemize.
Total Debt Service – Interest on Long-Term Debt	5200	

Debt Service – Payment of Principal on Long-Term Debt	5300	
Teachers'/Employees' Orders	5310	
General Obligation Bonds	5320	
Tort Bonds	5330	
Capital Appreciation Bonds	5340	
Revenue Bonds	5350	
Other Bonds	5360	
Capital Leases, Installment Purchase Agreements	5370	
ISBE Loans	5380	
Other Principal on Long-Term Debt	5390	Describe and itemize.
Total Debt Service – Payment of Principal on Long-Term Debt	5300	

Debt Service Other – Short-Term Debt Principal	5400	Describe and itemize.
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(Source: Amended at 44 Ill. Reg. _____, effective _____)

ILLINOIS STATE BOARD OF INVESTMENT

NOTICE OF PROPOSED AMENDMENT

- 1) Heading of the Part: Rules and Regulations of the Board
- 2) Code Citation: 74 Ill. Adm. Code 800
- 3) Section Number: 800.140 Proposed Action: Amendment
- 4) Statutory Authority: The Illinois Pension Code [40 ILCS 5/1 et seq.; 40 ILCS 5/22A et seq; 40 ILCS 5/24 et seq.]
- 5) A Complete Description of the Subjects and Issues Involved: Proposed amendments involve updating the Rules and Regulations governing the operations of the Board of Trustees (the "Board") of the Illinois State Board of Investment, a public pension fund administered pursuant to the Illinois Pension Code. The proposed amendment involves revisions to reflect the addition of the Defined Contribution Committee to ISBI's Board Committees.
- 6) Published studies or reports, and sources of underlying data, used to compose this rulemaking: None
- 7) Will this rulemaking replace an emergency rule 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 rulemakings pending on this Part? No
- 11) Statement of Statewide Policy Objective: This proposed rulemaking does not involve Statewide policy objectives nor will it require the State government or a local government to establish, expand or modify its activities in such a way as to necessitate additional expenditures.
- 12) Time, Place, and Manner in which interested persons may comment on this proposed rulemaking: Interested persons who wish to submit comments on this proposed rulemaking may submit written comments no later than 45 days after the publication of this Notice to the General Counsel of the Illinois State Board of Investment, at the address provided below:

ILLINOIS STATE BOARD OF INVESTMENT

NOTICE OF PROPOSED AMENDMENT

Dipesh Mehta
General Counsel/Chief Compliance Officer
Illinois State Board of Investment
180 N. LaSalle Street, Suite 2015
Chicago IL 60610

312/793-1486
dmehta@isbinvestment.com

- 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) Small Business Impact Analysis: None
- 15) Regulatory Agenda on which this rulemaking was summarized: This proposed rulemaking was not included in the most recent regulatory agenda because its need was not anticipated at that time.

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

ILLINOIS STATE BOARD OF INVESTMENT

NOTICE OF PROPOSED AMENDMENT

TITLE 74: PUBLIC FINANCE
CHAPTER VII: ILLINOIS STATE BOARD OF INVESTMENT

PART 800
RULES AND REGULATIONS OF THE BOARD

SUBPART A: AUTHORITY

Section
800.5 Authority

SUBPART B: BY-LAWS

Section
800.110 Offices of the Board
800.120 Meetings
800.130 Officers and Their Duties
800.140 Committees

SUBPART C: GENERAL POLICIES

Section
800.210 Functions
800.220 Fiduciary Aspects
800.230 Delegation of Authority
800.240 Budget (Repealed)

SUBPART D: ACCOUNTING

Section
800.310 Investment Account
800.320 Fund Credits
800.330 Fund Charges
800.340 Reserve Balances

SUBPART E: REPORTS

Section
800.410 Fiscal Reporting

ILLINOIS STATE BOARD OF INVESTMENT

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800.420 Audits

SUBPART F: AMENDMENTS

Section
800.510 Amendments

AUTHORITY: Implementing and authorized by Sections 22A-110 and 22A-111.1 of, and Article 24 of, the Illinois Pension Code [40 ILCS 5].

SOURCE: Rules and Regulations of the Board, effective March 25, 1971; amended January 8, 1972; amended October 6, 1972; amended February 14, 1975; amended February 9, 1976; amended February 9, 1977; codified at 5 Ill. Reg. 10701; amended at 31 Ill. Reg. 1986, effective January 9, 2007; amended at 32 Ill. Reg. 360, effective December 26, 2007; amended at 35 Ill. Reg. 13915, effective August 1, 2011; amended at 37 Ill. Reg. 2720, effective February 25, 2013; amended at 38 Ill. Reg. 4491, effective January 31, 2014; amended at 39 Ill. Reg. 4500, effective March 16, 2015; amended at 42 Ill. Reg. 19060, effective October 3, 2018; amended at 44 Ill. Reg. _____, effective _____.

SUBPART B: BY-LAWS

Section 800.140 Committees

- a) Investment Policy Committee
 - 1) There shall be an Investment Policy Committee of the Board, consisting of such members of the Board as the Chair of the Board shall appoint, ~~and~~ who shall serve a term to end at the time of the next annual meeting of the Board following the election of officers. The Board shall determine delegation of Committee responsibilities. (Examples of such delegation include interviewing investment management firms that are finalists in the Board's competitive bidding process and recommending policies pertaining to the Board's investments, such as the Board's asset allocation study.)
 - 2) It shall be the responsibility of the Committee:
 - A) to recommend investment policy to the Board, both at its regularly scheduled meetings and whenever recommendations appear, in the

ILLINOIS STATE BOARD OF INVESTMENT

NOTICE OF PROPOSED AMENDMENT

judgment of the Committee, to be necessary or desirable;

- B) for the ongoing and specific supervision of the internal investment process, including but not limited to advance approval of all long-term investment transactions not falling within certain delegatory guidelines established by Board action; and
- C) for ongoing liaison with external investment advisors, together with recommendations concerning the tenure, compensation, fund direction, and retention of the advisors.

3) The Committee shall elect a Chair by vote of a majority of its members.

b) Emerging Manager Committee

- 1) There shall be an Emerging Manager Committee of the Board, consisting of such members of the Board as the Chair of the Board shall appoint, ~~and~~ who shall serve a term to end at the next annual meeting of the Board following the election of officers. The Board shall determine the Committee's responsibilities. (Examples of such delegation include interviewing emerging managers and recommending policies pertaining to the Board's investments, such as the Board's Emerging and Minority Investment Manager and Minority and Illinois Brokerage Policy.)
- 2) It shall be the policy of the Committee:
 - A) to increase access to and business with emerging managers;
 - B) to maximize utilization of minority-owned broker/dealers by the Board's investment managers; and
 - C) to monitor the utilization of emerging managers, minority-owned, women-owned and person with a disability owned business enterprises and broker dealers and report that utilization to the Board.
- 3) The committee shall elect a Chair by vote of a majority of its members.

c) Defined Contribution Committee

ILLINOIS STATE BOARD OF INVESTMENT

NOTICE OF PROPOSED AMENDMENT

- 1) There shall be a Defined Contribution Committee of the Board, consisting of such members of the Board as the Chair of the Board shall appoint, who shall serve a term to end at the time of the next annual meeting of the Board following the election of officers. The Board shall determine delegation of Committee responsibilities. (Examples of such delegation include monitoring and evaluating investment performance and determining benchmarks used in the evaluation of investment options.)
- 2) It shall be the responsibility of the Committee to:
 - A) oversee the administration of the Deferred Compensation Plan, evaluate the adequacy of the Plan's investment options, and attempt to ensure that the Plan offers participants information and tools necessary in selecting their investments;
 - B) monitor and evaluate the performance of the Plan's investment managers and all Plan fees;
 - C) review and respond to recommendations from ISBI staff and the consultant regarding investment options, fees, Plan design, participant communications, and other matters; and
 - D) determine, through periodic review, whether an action of participant re-enrollment supports the goal of improving participant outcomes.
- 3) The Committee shall elect a Chair by vote of a majority of its members.

(Source: Amended at 44 Ill. Reg. _____, effective _____)

STATE EMPLOYEES' RETIREMENT SYSTEM OF ILLINOIS

NOTICE OF PROPOSED AMENDMENTS

- 1) Heading of the Part: The Administration and Operation of the State Employees' Retirement System of Illinois
- 2) Code Citation: 80 Ill. Adm. Code 1540
- 3)

<u>Section Numbers:</u>	<u>Proposed Actions:</u>
1540.80	Amendment
1540.125	New Section
1540.395	Amendment
- 4) Statutory Authority: 40 ILCS 5/14-123; 40 ILCS 5/14-123.1; 40 ILCS 5/14-124; 40 ILCS 5/14-135.03; 40 ILCS 5/14-147.5; 40 ILCS 5/14-147.6
- 5) A Complete Description of the Subjects and Issues Involved: The proposed rules clarify the situation in which a member elects to retire with reciprocity, is deferred with SERS, and elects to receive a reversionary annuity. Said different, a member is eligible to begin receiving his retirement annuity payments from the other reciprocal system before he or she can begin receiving such benefits from SERS, then elects a reversionary annuity payment option from SERS. The proposed rule clarifies the situation in which a member who begins receiving a pension from another reciprocal system and the retirement date is deferred with SERS and dies prior to the SERS benefit start date. Staff offers a proposed rule to clarify that a reversionary annuity in this situation shall be payable at the time of the member's death.

In addition, the proposed rules increase the quarterly external earnings threshold from \$2,490 to \$3,660. The current limitation was implemented back in 2005. The proposed amount of \$3,660 reflects the current limitation for the Social Security Disability Income program.

The proposed rules provide that earnings derived from income producing activities created by the member prior to the onset of the disability shall be excluded for purposes of determining gainful employment. In addition, the proposed rules clarify that income produced from passive investment activities shall be excluded for purposes of determining gainful employment.

These rules contain provisions to address potential fraud issues associated with the disability benefits program. The proposed rules provide that if a member falsifies or omits pertinent information as it relates to qualifying for or maintaining eligibility for disability benefits, then the benefit shall be suspended until the correct information has

STATE EMPLOYEES' RETIREMENT SYSTEM OF ILLINOIS

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been provided. If the correct information does not substantiate the disability payment, then such benefit shall be terminated. If it is determined that the person omitted pertinent information and the correct information that is provided supports that the individual is gainfully employed, then the system shall follow the rules related to gainful employment. Furthermore, if it is determined that the person knowingly made a false statement, falsified or permitted to be falsified any record of this system in an attempt to defraud the system and the correct information that is provided supports that the individual is gainfully employed, then such benefit shall be terminated.

Additionally, such changes codify the current policy and procedure regarding the processing of a disability benefit claim.

Finally, the proposed rules clarify that a member who receives an accelerated pension benefit payment is prohibited from establishing service credit for employment that occurred prior to the acceptance of such payment.

- 6) Published studies and reports, and sources of underlying data used to compose this rulemaking: None
- 7) Will this rulemaking replace any emergency rule 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 rulemakings pending on this Part? Yes

<u>Section Numbers:</u>	<u>Proposed Actions:</u>	<u>Illinois Register Citations:</u>
1540.80	Amendment	43 Ill. Reg. 10771; October 4, 2019
1540.90	Amendment	43 Ill. Reg. 10771; October 4, 2019
1540.400	New Section	43 Ill. Reg. 10771; October 4, 2019

- 11) Statement of Statewide Policy Objective: This rulemaking does not create or expand the State mandate as defined in Section 3(b) of the State Mandates Act [30 ILCS 805/3(b)].
- 12) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: Comments on this proposed rulemaking may be submitted in writing for a period of 45 days following publication of this Notice. Comments should be submitted to:

STATE EMPLOYEES' RETIREMENT SYSTEM OF ILLINOIS

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Jeff Houch
State Retirement Systems
2101 South Veterans Parkway
PO Box 19255
Springfield IL 62794-9255

217/524-8105
fax: 217/557-3943
jeff.houch@srs.illinois.gov

- 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) Small Business Impact Analysis: There is no impact on small businesses.
- 15) Regulatory Agenda on which this rulemaking was summarized: This rulemaking was not anticipated by the System when the most recent regulatory agendas were published.

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

STATE EMPLOYEES' RETIREMENT SYSTEM OF ILLINOIS

NOTICE OF PROPOSED AMENDMENTS

TITLE 80: PUBLIC OFFICIALS AND EMPLOYEES

SUBTITLE D: RETIREMENT SYSTEMS

CHAPTER I: STATE EMPLOYEES' RETIREMENT SYSTEM OF ILLINOIS

PART 1540

THE ADMINISTRATION AND OPERATION OF THE
STATE EMPLOYEES' RETIREMENT SYSTEM OF ILLINOIS

Section

1540.5	Introduction (Repealed)
1540.10	Appointment of Retirement System Coordinator
1540.20	Member's Contribution and Service Credit
1540.30	Determination of Rate of Compensation
1540.40	Prior Service Credit
1540.50	Credit for Service for Which Contributions are Permitted
1540.60	Severance of Employment – A Condition to the Payment of a Refund or Retirement Annuity
1540.70	Death Benefits
1540.80	Disability Claims
1540.90	Benefit Offset
1540.100	Birth Date Verification
1540.110	Marriage Verification
1540.120	Level Income Option
1540.125	Reversionary Annuity
1540.130	Pension Credit for Unused Sick Leave
1540.140	Removal of Children from Care of Surviving Spouse
1540.150	Proof of Dependency
1540.160	Investigations of Benefit Recipients
1540.170	Interest on Member Contributions
1540.180	Date of Application – Retirement Annuity, Occupational and Nonoccupational and Temporary Disability Benefits, and Resignation Refund Payments
1540.190	Lump Sum Salary Payments
1540.195	Mandatory Distributions Pursuant to Section 401(a)(9) of the Internal Revenue Code
1540.200	Removal from the Payroll
1540.210	Latest Date of Membership
1540.220	Period for Payment and Amount of Payment of Contributions
1540.230	Contributions by the State (Repealed)
1540.240	Actuarially Funded Basis (Repealed)

STATE EMPLOYEES' RETIREMENT SYSTEM OF ILLINOIS

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- 1540.250 Payments to Establish Credit for Service for Which Contributions are Permitted
 - 1540.255 Pick-up Option for Optional Service Contributions
 - 1540.260 Contributions and Service Credit During Nonwork Periods
 - 1540.270 Written Appeals and Hearings
 - 1540.280 Availability for Public Inspection (Recodified)
 - 1540.290 Procedure for Submission, Consideration and Disposition of Petitions Seeking the Promulgation, Amendment or Repeal of these Rules and Regulations (Recodified)
 - 1540.300 Organization of the State Employees' Retirement System (Recodified)
 - 1540.310 Amendments
 - 1540.320 Optional Forms of Benefits – Basis of Computation
 - 1540.330 Board Elections
 - 1540.340 Excess Benefit Arrangement
 - 1540.350 Qualified Illinois Domestic Relations Orders (QILDRO)
 - 1540.360 Election to be an Employee under Section 14-103.05(b)(3) of the Illinois Pension Code
 - 1540.370 Americans With Disabilities Act
 - 1540.380 Correction of Mistakes in Benefit Payments
 - 1540.385 Suspension of Benefits from Uncashed Warrants
 - 1540.390 Freedom of Information Act
 - 1540.395 Accelerated Pension Benefit Payment Program
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- 1540.APPENDIX A Grievance Form
 - 1540.TABLE A Optional Forms of Benefits – Basis of Computation

AUTHORITY: Implementing and authorized by Article 14 of the Illinois Pension Code [40 ILCS 5].

SOURCE: Filed December 20, 1977, effective December 31, 1977; filed and effective February 28, 1978; emergency rule at 4 Ill. Reg. 2, page 246, effective January 1, 1980; amended at 4 Ill. Reg. 12, pages 530, 532, 534, effective March 11, 1980; emergency rule at 4 Ill. Reg. 46, page 1300, effective November 1, 1980; amended at 5 Ill. Reg. 3454, effective March 19, 1981; amended at 5 Ill. Reg. 7225, effective July 1, 1981; amended at 5 Ill. Reg. 12846, effective October 30, 1981; amended at 6 Ill. Reg. 2114, effective January 29, 1982; amended at 6 Ill. Reg. 5505, effective April 16, 1982; codified at 6 Ill. Reg. 10935; emergency amendment at 6 Ill. Reg. 11084, effective August 31, 1982, for a maximum of 150 days; amended at 7 Ill. Reg. 677, effective December 30, 1982; amended at 7 Ill. Reg. 8831, effective July 15, 1983; emergency amendment at 8 Ill. Reg. 359, effective January 1, 1984, for a maximum of 150 days; amended at 8 Ill. Reg. 4144, effective March 26, 1984; Sections 1540.280, 1540.290 and 1540.300 recodified to 2 Ill. Adm. Code 2375 at 8 Ill. Reg. 15902; amended at 9 Ill. Reg. 12375, effective

STATE EMPLOYEES' RETIREMENT SYSTEM OF ILLINOIS

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July 30, 1985; emergency amendment at 9 Ill. Reg. 19752, effective December 5, 1985, for a maximum of 150 days; amended at 10 Ill. Reg. 8889, effective May 14, 1986; amended at 11 Ill. Reg. 11155, effective June 15, 1987; amended at 14 Ill. Reg. 10498, effective June 19, 1990; amended at 15 Ill. Reg. 7379, effective April 26, 1991; amended at 16 Ill. Reg. 14407, effective September 4, 1992; amended at 20 Ill. Reg. 8033, effective June 15, 1996; emergency amendment at 21 Ill. Reg. 476, effective January 1, 1997, for a maximum of 150 days; amended at 21 Ill. Reg. 4992, effective April 1, 1997; emergency amendment at 21 Ill. Reg. 13187, effective September 15, 1997, for a maximum of 150 days; amended at 22 Ill. Reg. 967, effective December 22, 1997; amended at 22 Ill. Reg. 15363, effective August 10, 1998; amended at 23 Ill. Reg. 3824, effective March 9, 1999; amended at 23 Ill. Reg. 11313, effective September 1, 1999; amended at 24 Ill. Reg. 6975, effective April 20, 2000; amended at 24 Ill. Reg. 18090, effective December 1, 2000; amended at 25 Ill. Reg. 5632, effective April 4, 2001; emergency amendment at 26 Ill. Reg. 11133, effective June 28, 2002, for a maximum of 150 days; amended at 26 Ill. Reg. 16575, effective October 22, 2002; emergency amendment at 28 Ill. Reg. 8775, effective July 1, 2004, for a maximum of 150 days; amended at 28 Ill. Reg. 15628, effective November 18, 2004; amended at 29 Ill. Reg. 15554, effective October 1, 2005; amended at 30 Ill. Reg. 12303, effective July 1, 2006; amended at 31 Ill. Reg. 211, effective December 21, 2006; amended at 32 Ill. Reg. 17779, effective October 29, 2008; emergency amendment at 33 Ill. Reg. 9449, effective June 19, 2009, for a maximum of 150 days; emergency expired November 15, 2009; amended at 34 Ill. Reg. 285, effective December 15, 2009; amended at 34 Ill. Reg. 8313, effective June 10, 2010; amended at 38 Ill. Reg. 4023, effective January 24, 2014; emergency amendment at 39 Ill. Reg. 2792, effective February 6, 2015, for a maximum of 150 days; emergency amendment modified in response to Joint Committee on Administrative Rules Objection at 39 Ill. Adm. Code 5626, effective April 7, 2015, for the remainder of the 150 days; amended at 39 Ill. Reg. 9582, effective June 26, 2015; amended at 41 Ill. Reg. 4217, effective March 22, 2017; amended at 42 Ill. Reg. 9568, effective May 29, 2018; emergency amendment at 42 Ill. Reg. 21436, effective November 13, 2018, for a maximum of 150 days; amended at 43 Ill. Reg. 768, effective December 19, 2018; amended at 43 Ill. Reg. 3965, effective March 18, 2019; amended at 43 Ill. Reg. 9252, effective August 16, 2019; amended at 44 Ill. Reg. _____, effective _____.

Section 1540.80 Disability Claims

- a) Nonoccupational Disability and Temporary Disability
 - 1) Any member of the [State Employees' Retirement System \(SERS\)](#) claiming benefits for nonoccupational disability or temporary disability shall file at the Springfield Office of [SERS](#) the System a written application on forms prescribed by the Board.

STATE EMPLOYEES' RETIREMENT SYSTEM OF ILLINOIS

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- 2) If a member makes a payment of contributions to ~~SERS~~the System in order to establish sufficient credit to qualify for a nonoccupational disability benefit, payment of the benefit shall accrue as of the latter of the 31st day of absence from work (including any periods of ~~the such~~ absence for which sick pay was received), the day after the member is last entitled to receive compensation (including any sick pay), or the date of payment to ~~SERS~~the System. The date of payment of the required contributions shall be determined in accordance with the provisions of Section 1540.220(a) (Period for Payment). If a member is receiving a nonoccupational disability benefit, and incurs a concurrent sickness or condition that is severe enough to disable the member past the period in which the member is disabled from the original sickness or condition, the nonoccupational benefit would continue uninterrupted and the member would not be required to obtain a new leave of absence or incur a new 30 day waiting period. A benefit will continue uninterrupted in the manner described only if the member is otherwise eligible for the benefit and a physician's report is provided and supports the disabling sickness or condition.
 - 3) If a member makes a payment of contributions to ~~SERS~~the System in order to establish sufficient credit to qualify for a temporary disability benefit, payment of the benefit shall accrue as of the latter of the 31st day after the member is last entitled to receive compensation or the date of payment to ~~SERS~~the System. The date of payment of the required contributions shall be determined in accordance with the provisions of Section 1540.220(a) (Period for Payment).
 - 4) If a member who is receiving a nonoccupational or temporary disability benefit wishes to make a payment of contributions to extend the period of eligibility for receipt of the benefit, the request to make the payment must be received at the Springfield Office of ~~SERS~~the System before the period of eligibility terminates and the date of payment of the required contributions shall be determined in accordance with the provisions of Section 1540.220(a) (Period for Payment).
- b) Occupational Disability
Any member of ~~SERS~~the Retirement System claiming benefits for occupational disability shall file at the Springfield Office of ~~SERS~~the System a written

STATE EMPLOYEES' RETIREMENT SYSTEM OF ILLINOIS

NOTICE OF PROPOSED AMENDMENTS

application on forms prescribed by the Board.

c) Licensed Physicians

- 1) Before an occupational, nonoccupational or temporary disability benefit can be approved, one statement must be received from a licensed physician attesting to the disability. An additional statement from a second licensed physician may be required by the disability examiner assigned to the case, depending on the nature of the disabling condition.
- 2) The term "licensed physician" shall mean any individual who has obtained a license through the Department of Financial and Professional Regulation as described in Section 11(A) of the Medical Practice Act of 1987 [225 ILCS 60/~~11(A)~~]. All licensed physicians must submit their registration number on all reports submitted to [SERS](#)~~the Retirement System~~.

d) Report of Physicians

- 1) All physician's reports shall contain, among other things, the date and place of the first examination, the cause and nature of the disability, information regarding surgical work or laboratory tests, the date of last examination, prognosis regarding the member's disability, and an estimate of the probable length of disability.
- 2) All physician's reports shall be signed by a licensed practicing physician or by medical records personnel of a licensed clinic.

e) Gainful Employment

In the case of occupational, nonoccupational or temporary disability, an individual who is found to be gainfully employed shall have the benefit terminated. The term "gainfully employed" shall be construed to mean either of the following:

- 1) Any employment by or for the State of Illinois.
- 2) Effective October 1, 2005, any individual who exceeds \$2490 in remuneration in any calendar quarter (the "calendar quarter limitation") will have his or her benefit suspended at the end of the quarter when the calendar quarter limitation was exceeded. The individual may appeal the suspension of benefits to the Executive Committee. If the Executive

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Committee determines that the individual exceeded the calendar quarter limitation, SERS will recover the dollar amount of the earnings that exceeded the calendar quarter limitation. The individual must sign an agreement not to exceed the calendar quarter limitation in the future and to acknowledge that termination of benefits shall occur if a second violation occurs. Any individual who exceeds the calendar quarter limitation a second time will have his or her benefit suspended at the end of the quarter when the calendar quarter limitation was exceeded. The individual may appeal this suspension of benefits to the Executive Committee. If the Executive Committee determines that the individual exceeded the calendar quarter limitation a second time, the individual will be considered gainfully employed and benefits will be terminated as of the date of suspension. Any overpayment of benefits due to the termination will be recovered in full.

- A) For purpose of this Section, "remuneration" shall be defined to mean:
- i) any compensation for personal services including fees, wages, salary, commissions, and similar items;
 - ii) any income derived from the participation in a business activity through the performance of physical and/or mental activities generally performed for the production of income.
- B) For purposes of this Section, remuneration shall be computed on a gross rather than net basis (i.e., no deductions of any kind, including but not limited to deductions for losses, expenses, taxes or withholding, will be considered in ~~the such~~ computation). Remuneration shall also include the fair market value of goods or services received, which if received in money would otherwise constitute remuneration. Remuneration representing gain from the sale, exchange or other disposition of goods or other property shall be equal to ~~;~~ the sum of the amount of money and the fair market value of any property received on ~~the such~~ sale, exchange, or disposition, less the amount representing the cost to the seller in acquiring the goods or other property ~~that which~~ is sold, exchanged, or disposed of. In applying this Section, ~~SERS the System~~ shall consider the date on which the remuneration was earned rather

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than when it was received. For purposes of this Section, remuneration may be earned through either self-employment or employment by others.

f) Investigation of Claims

- 1) The SERS Board of Trustees ~~of the State Employees' Retirement System (SERS)~~ recognizes its obligation to provide a systematic program for the continued investigation, control and supervision of disability claims.
- 2) Each disability benefit recipient is required to provide a current medical examination report each 6 months to substantiate continued disability. In order to substantiate the member's continued eligibility for disability benefits, the Disability Claims Examiner may require that the member submit to independent medical examinations and may request additional medical statements; hospital records; activity inspection reports; Department of Employment Security Earning Statements; Social Security benefit payment information; income tax records; or other pertinent information, all as deemed reasonable and necessary by the Examiner. SERS ~~The System~~ will pay for independent medical examinations, hospital records, and activity inspection reports that it requires. SERS ~~The System~~ may waive the medical examination report requirement for cases in which the evidence supports that a member is permanently disabled and that the member will never be able to return to his or her former position.
- 3) Failure of a disability benefit recipient to submit to an independent medical examination, to cooperate with an activity inspection, or to provide the information required shall result in suspension of benefit payments.
- 4) Any benefit suspended as a result of a medical examination will be suspended on the last day of the month in which the claim is reviewed by the Executive Committee.
- 5) Any person who applies for or who is receiving disability benefits and knowingly makes to SERS any false statement, falsifies or permits to be falsified any record submitted to SERS, or omits pertinent information in an attempt to defraud SERS, shall have the benefit suspended until the correct information has been provided to SERS.

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- A) If the correct information that is provided does not substantiate eligibility for the disability benefit payments, then the benefit shall be terminated.
- B) If it is determined that the person omitted pertinent information and the correct information that is provided supports that the individual is gainfully employed, then the process prescribed in subsection (e) shall determine if the benefit payments shall resume.
- C) If it is determined that the person knowingly made to SERS a false statement, or falsified or permitted to be falsified any record submitted to SERS, in an attempt to defraud SERS and the correct information that is provided supports that the individual is gainfully employed, then the benefit shall be terminated.
- g) A disability benefit claim will be processed after the date that the final payroll payment received by the member has been posted to SERS' accounting database.
- h) When calculating the final average compensation of a disability benefit claim, the calculation shall include the actual compensation received during the month in which the member left the regular payroll.
- ig) Definitions~~Definition of Phrase "The Duties of the Member's Position"~~
The phrase,
- "The duties of the member's position" ~~means~~shall mean the duties of the member's position as of the date the member's name is removed from the payroll without regard to subsequent changes in the duties of the position, availability of the position, or the member's right to return to the position.
- h) Member Definition
"Member", for purposes of Sections 14-123, 14-123.1, and 14-124 of the Illinois Pension Code [40 ILCS 5] (Code), means an employee in active service at the time of incurring a disabling condition.

(Source: Amended at 44 Ill. Reg. _____, effective _____)

Section 1540.125 Reversionary Annuity

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a) The reversionary annuity of a member who elects a reversionary annuity, who accepts the provisions of Article 20 of the Code, and who cashes or deposits the payment of a proportional annuity from another participating system prior to the date in which he or she is eligible to begin receiving retirement annuity payments from Article 14 of the Code, shall begin on the first day of the month following the member's death.

b) Definitions

"Participating System" means a retirement system defined as a "participating system" by Section 20-108 of the Code.

"Proportional Annuity" means a retirement annuity paid in accordance with Section 20-121 of the Code.

(Source: Added at 44 Ill. Reg. _____, effective _____)

Section 1540.395 Accelerated Pension Benefit Payment Program

a) Purpose. This Section establishes policies specific to SERS concerning the Accelerated Pension Benefit Payment Options authorized by Sections 14-147.5 and 14-147.6 of the ~~Illinois Pension~~ Code.

b) Payment Option Limitations

1) A member needs to be an eligible person on or before June 1, 2024 in order to elect an accelerated pension benefit payment.

2) A member who elects the Level Income Option is ineligible to elect an accelerated pension benefit payment.

3) A member who elects the Social Security Offset Removal is ineligible to elect an accelerated pension benefit payment.

4) A member who elects a reversionary annuity is ineligible to elect an accelerated pension benefit payment.

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- 5) A member subject to a mandatory distribution pursuant to section 401(a)(9) of the Internal Revenue Code is ineligible to elect an accelerated pension benefit payment at least 30 days prior to the date the mandatory distribution must be paid. The election form of such a member must be received by ~~SERS~~~~the System~~ at least 30 days prior to the date the mandatory distribution must be paid.
 - 6) A member who is indebted to ~~SERS~~~~the System~~ because of an overpayment is ineligible to elect the accelerated pension benefit payment under ~~Section~~~~section~~ 14-147.5 of the ~~Illinois Pension~~ Code. That member may qualify for an accelerated pension benefit payment upon repaying the debt in full.
 - 7) A member who cashed or deposited the payment of a proportional annuity from another participating system prior to December 1, 2018, when creditable service or earnings credit established under Article 14 of the ~~Illinois Pension~~ Code was used to calculate a proportional annuity or to qualify the member for a proportional annuity, is ineligible to elect an accelerated pension benefit payment.
 - 8) A member who cashed or deposited the payment of a proportional annuity from another participating system prior to December 1, 2018, when creditable service or earnings credit established under another participating system was used to calculate the proportional annuity payable by ~~SERS~~~~the System~~ established under Article 14 of the ~~Illinois Pension~~ Code or to qualify the member for the proportional annuity payable by ~~SERS~~~~the System~~ established under Article 14 of the ~~Illinois Pension~~ Code is ineligible to elect an accelerated pension benefit payment.
- c) For the purposes of Section 14-147.5(a)(2) of the ~~Illinois Pension~~ Code, "*accrued sufficient service credit to be eligible to receive a retirement annuity under this Article*" shall mean that a member must have established sufficient creditable service to qualify for a retirement annuity under Article 14 of the ~~Illinois Pension~~ Code. Service credit on file with another participating system at the time of the member's election for an accelerated pension benefit payment under Section 14-147.5 shall be excluded for those purposes.

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- d) The present value of pension benefits calculation, as determined by Section 14-147.5(b) of the ~~Illinois Pension~~ Code, shall not include any earnings credits under another participating system.
- e) For a member ~~who~~ that elects the accelerated pension benefit payment prescribed under Section 14-147.5 of the ~~Illinois Pension~~ Code, the effective date of that accelerated pension benefit payment shall not be before April 1, 2019. Furthermore, the effective date of the payment shall not be before the first of the month immediately following the date in which a valid application is received by ~~SERS~~ ~~the System~~.
- f) The effective date for accelerated pension benefit payment prescribed under Section 14-147.6 of the ~~Illinois Pension~~ Code:
- 1) shall not be before December 1, 2018; and
 - 2) shall not be before the effective date of the member's retirement annuity.
- g) The accelerated pension benefit payment shall not be transferred to the member's eligible account prior to the effective date of the member's retirement annuity.
- h) A valid application for an accelerated pension benefit must be received by ~~SERS~~ ~~the System~~ before June 1, 2024 in order to qualify a member for an accelerated pension benefit.
- i) The election to receive an accelerated pension benefit payment under Section 14-147.6 of the ~~Illinois Pension~~ Code becomes irrevocable on either the date the member cashes or deposits the first retirement annuity payment, or the date on which the accelerated pension benefit payment is vouchered, whichever occurs earlier.
- j) The election to receive an accelerated pension benefit payment under Section 14-147.5 of the ~~Illinois Pension~~ Code becomes irrevocable on the date the accelerated pension benefit payment is vouchered.
- k) Accelerated pension benefit payments shall be paid solely from the amounts transferred to ~~SERS~~ ~~the System~~ from the State Pension Obligation Acceleration Bond Fund. Under no circumstance will other ~~SERS~~ ~~assets of the System~~ be used to pay accelerated pension benefit payments. All elections for an accelerated

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pension benefit payment that will not be paid from amounts transferred to ~~SERS~~the System from the State Pension Obligation Acceleration Bond Fund shall be null and void.

- l) For cases in which a member is charged with a felony related to, ~~or~~ arising out of, or in connection with his or her service as an employee and elects an accelerated pension benefit payment, the adjudication process related to the charges must be completed before the accelerated pension benefit payment is vouchered. If the member is convicted and sentenced of a felony related to, arising out of, or in connection with, his or her service as an employee, the payment shall not be vouchered.
- m) A member ~~who~~that elects the accelerated pension benefit payment under Section 14-147.5 of the ~~Illinois Pension~~ Code is ineligible to receive a refund under Section 14-130(c) of the ~~Illinois Pension~~ Code.
- n) A member with post-tax contributions on file with ~~SERS, and~~the System who elects the accelerated pension benefit payment under Section 14-147.5 of the ~~Illinois Pension~~ Code, may not elect to transfer the payment into the pre-tax plan offered under the State Employees Deferred Compensation Plan.
- o) On or after the date that a member's accelerated pension benefit payment is vouchered, that member is ineligible to establish creditable service associated with employment before the date that the accelerated pension benefit payment is vouchered.
- p) Definitions

"Accelerated Pension Benefit Payment" means an accelerated pension benefit payment under Sections 14-147.5 and 14-147.6 of the ~~Illinois Pension~~ Code.

"Creditable Service" means service defined as "creditable service" under Section 14-103.15 of the ~~Illinois Pension~~ Code.

"Eligible Account" means a "tax qualified retirement plan or account" required by Sections 14-147.5(e) and 14-147.6(d) of the ~~Illinois Pension~~ Code.

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"Level Income Option" means a benefit payment option prescribed by Section 14-112 of the ~~Illinois Pension~~ Code.

"Participating System" means a retirement system defined as a "participating system" by Section 20-108 of the ~~Illinois Pension~~ Code.

"Proportional Annuity" means a retirement annuity paid in accordance with Section 20-121 of the ~~Illinois Pension~~ Code.

"Reversionary Annuity" means a reversionary annuity authorized by Section 14-113 of the ~~Illinois Pension~~ Code.

"Social Security Offset Removal" means the 3.825% reduction to a member's retirement annuity established by Sections 14-119(d) and 14-121(g) of the ~~Illinois Pension~~ Code.

"State Employees Deferred Compensation Plan" means the plan described ~~by~~ under Section 24-104 of the ~~Illinois Pension~~ Code.

"State Pension Obligation Acceleration Bond Fund" means the bond fund created by Section 7.7(d) of the General Obligation Bond Act.

"Vouchered" means that the voucher has been signed and dated, even though the warrant has not been issued by the Office of the State Comptroller.

(Source: Amended at 44 Ill. Reg. _____, effective _____)

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- 1) Heading of the Part: Video Gaming (General)
- 2) Code Citation: 11 Ill. Adm. Code 1800
- 3)

<u>Section Numbers:</u>	<u>Emergency Actions:</u>
1800.2110	New Section
1800.2120	New Section
1800.2130	New Section
1800.2140	New Section
1800.2150	New Section
1800.2160	New Section
1800.2170	New Section
1800.EXHIBIT A	New Section
1800.EXHIBIT B	New Section
- 4) Statutory Authority: Implementing and authorized by Sections 78 (b) and 79.5 of the Video Gaming Act [230 ILCS 40/78 (b) and 79.5] as amended by PA 101-318, effective August 9, 2019.
- 5) Effective Date of Rules: November 7, 2019
- 6) If this emergency rule is to expire before the end of the 150-day period, please specify the date on which it is to expire: The emergency amendments will expire at the end of the 150-day period or upon adoption of permanent rules, whichever comes first.
- 7) Date Filed with the Index Department: November 7, 2019
- 8) A copy of the emergency rules, including any material incorporated by reference, is on file in the Illinois Gaming Board's principal office and is available for public inspection.
- 9) Reason for Emergency: PA 101-318 added Section 79.5 to the Video Gaming Act (VGA) [230 ILCS 40/79.5]. This new Section requires the Illinois Gaming Board to adopt an emergency rulemaking within 90 days of its August 9, 2019 effective date that does the following:

[Establishes] a policy and standards for compliance operations to investigate whether a licensed establishment, licensed fraternal establishment, licensed veterans establishment, or a licensed truck stop establishment is: (1) permitting any person under the age of 21 to use or play a video gaming terminal in violation

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of this Act; or (2) furnishing alcoholic liquor to persons under 21 years of age in violation of the Liquor Control Act of 1934.

The present rule implements the above statutory requirement. As required by Section 79.5, the policy and standards established by this rulemaking are similar to the model policy and guidelines adopted by the Illinois Law Enforcement Training and Standards Board pursuant to subsection (c) of Section 6-16.1 of the Liquor Control Act of 1934 [235 ILCS 5/6-16.1 (c)]. The rule also tracks the provisions of the Illinois Gaming Board's existing "Operational Procedure Guidelines for Underage Gambling Compliance checks by Illinois Gaming Board Agents", which itself is based on the Illinois Law Enforcement Training and Standards Board's model policy and guidelines.

- 10) A Complete Description of the Subjects and Issues Involved: The rulemaking does the following:

Section 1800.2110 establishes the statutory basis for the emergency rulemaking.

Section 1800.2120 sets forth program considerations. It requires Illinois Gaming Board (Board) investigators to undertake underage video gaming compliance checks with the ultimate goal of visiting all licensed video gaming locations in the State according to an annualized schedule that ensures random visitations. Board investigators may also initiate unscheduled operations based on a review of citizen reports or police complaints. Board investigators shall use operational plans and checklists. They are directed to seek legal advice, as appropriate, from the Board's general counsel.

Section 1800.2130 deals with utilization of the confidential sources in underage compliance checks. These confidential sources shall be of good character, have no criminal history and an acceptable driving record. The confidential sources shall be either 18 or 19 years old. They shall be required to sign and understand Youth Participation and Underage Gambling Participant Acknowledgment forms as these are set forth in the exhibits contained in Sections 1800.EXHIBIT A and 1800.EXHIBIT B. Each confidential source shall be photographed to establish physical appearance. Confidential sources shall be searched and allowed to carry only a State ID issued by the Secretary of State or no identification. They shall agree to make all reasonable efforts to be available for hearings or court proceedings. Confidential sources shall receive orientations on utilization of video gaming terminals and on entrapment issues. All service as a confidential source shall be strictly voluntary.

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Section 1800.2140 authorizes confidential sources to be provided with funds issued in compliance with Illinois State Police policy, as well as other funds made available to the Board by means of State appropriations, State or federal agency grants, or other funding sources. Funding sources may impose specific conditions for expenditure and accounting. To assure proper use of the funds, the rule requires the following: photocopying in advance; no expenditures for food; pre-approval of all covert alcohol purchases; pre-approval of all confidential source payment; pre-approval by a detail supervisor of expenditures by a confidential source; and pre-approval of funds for surveillance.

Section 1800.2150 establishes operational procedures for underage compliance checks. Operational plans shall be submitted prior to each detail and approved by the Board investigator serving as operations officer. A photograph shall be taken of the confidential source at the time of the compliance check operation showing his or her appearance and dress. This photograph shall be available for hearing, along with an investigator who took the photo or observed it being taken. Board investigators shall be assigned to each detail team, including a detail supervisor, covert investigator, handler of the confidential source, investigator assigned to identify and confront the employee responsible for monitoring the video gaming terminals, and additional investigators serving in a support capacity. The investigator/handler shall direct the confidential source to enter the licensed video gaming location alone after surveillance positions have been taken by the covert investigators. All attempts by the confidential source to gamble shall be monitored. The confidential source shall sit at a video gaming terminal (VGT) and play a minimum bet per hand for a pre-determined number of plays. After these plays have been completed, the confidential source shall obtain a voucher, exit the location, and give the voucher to investigators. Following the compliance check, reports shall be made by the investigators and confidential source. If a violation is found, an investigator shall identify himself or herself to the on-site manager, explain the nature of the violation, ascertain the identity of the employee monitoring the VGTs, and obtain licensee information, photographs, and all other necessary information. If no violation is found, the location shall be notified of this determination within 30 days.

Section 1800.2160 addresses reporting and evidence. A separate report shall be generated for each licensed video gaming location found in violation. The report shall set forth details of the compliance operation and indicate whether it was scheduled or unscheduled. Evidence generated during a compliance check that results in a finding of violation shall be marked, transported, copied and secured at headquarters by the designated investigator.

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Section 1800.2170 directs investigators engaging in underage compliance checks to comply with the directive in Section 79 of the VGA [230 ILCS 40/79] that they shall exercise their powers, to the fullest extent practicable, in cooperation with local law enforcement officials. Section 79 of the Video Gaming Act is directly relevant here because it is the local law enforcement officials, either city or county, who have primary responsibility to do underage alcohol checks, whereas Illinois Gaming Board investigators are entrusted with underage video gaming checks.

Section 1800.EXHIBIT A contains "Exhibit A", the Youth Participation Consent form.

Section 1800.EXHIBIT B contains "Exhibit B", the Underage Gambling Participant Acknowledgement Form.

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

<u>Section Numbers:</u>	<u>Proposed Actions:</u>	<u>Illinois Register Citations:</u>
1800.110	Amendment	43 Ill. Reg. 9209, August 30, 2019
1800.250	Amendment	43 Ill. Reg. 9209, August 30, 2019
1800.260	Amendment	43 Ill. Reg. 9209, August 30, 2019
1800.420	Amendment	43 Ill. Reg. 9209, August 30, 2019
1800.430	Amendment	43 Ill. Reg. 9209, August 30, 2019
1800.540	Amendment	43 Ill. Reg. 9209, August 30, 2019
1800.580	Amendment	43 Ill. Reg. 9209, August 30, 2019
1800.1810	New Section	43 Ill. Reg. 9209, August 30, 2019
1800.1910	New Section	43 Ill. Reg. 9312, September 6, 2019
1800.1920	New Section	43 Ill. Reg. 9312, September 6, 2019
1800.1930	New Section	43 Ill. Reg. 9312, September 6, 2019
1800.1940	New Section	43 Ill. Reg. 9312, September 6, 2019
1800.2010	New Section	43 Ill. Reg. 12767, November 1, 2019
1800.2020	New Section	43 Ill. Reg. 12767, November 1, 2019
1800.2030	New Section	43 Ill. Reg. 12767, November 1, 2019
1800.2040	New Section	43 Ill. Reg. 12767, November 1, 2019
1800.2050	New Section	43 Ill. Reg. 12767, November 1, 2019
1800.2060	New Section	43 Ill. Reg. 12767, November 1, 2019

12) Statement of Statewide Policy Objective: This rulemaking does not create or expand a State mandate under 30 ILCS 805.

13) Information and questions regarding these emergency rules shall be directed to:

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Illinois Gaming Board
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The full text of the Emergency Amendments begins on the next page:

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TITLE 11: ALCOHOL, HORSE RACING, LOTTERY, AND VIDEO GAMING
SUBTITLE D: VIDEO GAMING
CHAPTER I: ILLINOIS GAMING BOARD

PART 1800
VIDEO GAMING (GENERAL)

SUBPART A: GENERAL PROVISIONS

Section	
1800.110	Definitions
1800.115	Gender
1800.120	Inspection
1800.130	Board Meetings

SUBPART B: DUTIES OF LICENSEES

Section	
1800.210	General Duties of All Video Gaming Licensees
1800.220	Continuing Duty to Report Information
1800.230	Duties of Licensed Manufacturers
1800.240	Duties of Licensed Distributors
1800.250	Duties of Licensed Video Terminal Operators
1800.260	Duties of Licensed Technicians and Licensed Terminal Handlers
1800.270	Duties of Licensed Video Gaming Locations

SUBPART C: STANDARDS OF CONDUCT FOR LICENSEES

Section	
1800.310	Grounds for Disciplinary Actions
1800.320	Minimum Standards for Use Agreements
1800.330	Economic Disassociation

SUBPART D: LICENSING QUALIFICATIONS

Section	
1800.410	Coverage of Subpart
1800.420	Qualifications for Licensure
1800.430	Persons with Significant Influence or Control

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1800.440 Undue Economic Concentration

SUBPART E: LICENSING PROCEDURES

Section

1800.510 Coverage of Subpart
1800.520 Applications
1800.530 Submission of Application
1800.540 Application Fees
1800.550 Consideration of Applications by the Board
1800.555 Withdrawal of Applications and Surrender of Licenses
1800.560 Issuance of License
1800.570 Renewal of License
1800.580 Renewal Fees and Dates
1800.590 Death and Change of Ownership of Video Gaming Licensee

SUBPART F: DENIALS OF APPLICATIONS FOR LICENSURE

Section

1800.610 Coverage of Subpart
1800.615 Requests for Hearing
1800.620 Appearances
1800.625 Appointment of Administrative Law Judge
1800.630 Discovery
1800.635 Subpoenas
1800.640 Motions for Summary Judgment
1800.650 Proceedings
1800.660 Evidence
1800.670 Prohibition on Ex Parte Communication
1800.680 Sanctions and Penalties
1800.690 Transmittal of Record and Recommendation to the Board
1800.695 Status of Applicant for Licensure Upon Filing Request for Hearing

SUBPART G: DISCIPLINARY ACTIONS AGAINST LICENSEES

Section

1800.710 Coverage of Subpart
1800.715 Notice of Proposed Disciplinary Action Against Licensees
1800.720 Hearings in Disciplinary Actions

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1800.725	Appearances
1800.730	Appointment of Administrative Law Judge
1800.735	Discovery
1800.740	Subpoenas
1800.745	Motions for Summary Judgment
1800.750	Proceedings
1800.760	Evidence
1800.770	Prohibition on Ex Parte Communication
1800.780	Sanctions and Penalties
1800.790	Transmittal of Record and Recommendation to the Board
1800.795	Persons Subject to Proposed Orders of Economic Disassociation

SUBPART H: LOCATION OF VIDEO GAMING TERMINALS IN
LICENSED VIDEO GAMING LOCATIONS

Section

1800.810	Location and Placement of Video Gaming Terminals
1800.815	Licensed Video Gaming Locations Within Malls
1800.820	Measurement of Distances from Locations
1800.830	Waivers of Location Restrictions

SUBPART I: SECURITY INTERESTS

Section

1800.910	Approvals Required, Applicability, Scope of Approval
1800.920	Notice of Enforcement of a Security Interest
1800.930	Prior Registration

SUBPART J: TRANSPORTATION, REGISTRATION,
AND DISTRIBUTION OF VIDEO GAMING TERMINALS

Section

1800.1010	Restriction on Sale, Distribution, Transfer, Supply and Operation of Video Gaming Terminals
1800.1020	Transportation of Video Gaming Terminals into the State
1800.1030	Receipt of Video Gaming Terminals in the State
1800.1040	Transportation of Video Gaming Terminals Between Locations in the State
1800.1050	Approval to Transport Video Gaming Terminals Outside of the State
1800.1060	Placement of Video Gaming Terminals

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- 1800.1065 Registration of Video Gaming Terminals
- 1800.1070 Disposal of Video Gaming Terminals

SUBPART K: STATE-LOCAL RELATIONS

- Section
- 1800.1110 State-Local Relations

SUBPART L: FINGERPRINTING OF APPLICANTS

- Section
- 1800.1210 Definitions
- 1800.1220 Entities Authorized to Perform Fingerprinting
- 1800.1230 Qualification as a Livescan Vendor
- 1800.1240 Fingerprinting Requirements
- 1800.1250 Fees for Fingerprinting
- 1800.1260 Grounds for Revocation, Suspension and Denial of Contract

SUBPART M: PUBLIC ACCESS TO INFORMATION

- Section
- 1800.1310 Public Requests for Information

SUBPART N: PAYOUT DEVICES AND REQUIREMENTS

- Section
- 1800.1410 Ticket Payout Devices
- 1800.1420 Redemption of Tickets Following Removal or Unavailability of Ticket Payout Devices

SUBPART O: NON-PAYMENT OF TAXES

- Section
- 1800.1510 Non-Payment of Taxes

SUBPART P: CENTRAL COMMUNICATIONS SYSTEM

- Section
- 1800.1610 Use of Gaming Device or Individual Game Performance Data

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SUBPART Q: RESPONSIBLE GAMING

Section

1800.1710	Conversations About Responsible Gaming
1800.1720	Responsible Gaming Education Programs
1800.1730	Problem Gambling Registry
1800.1740	Utilization of Technology to Prevent Problem Gambling

SUBPART U: UNDERAGE GAMBLING COMPLIANCE

1800.2110 Statement of Purpose

EMERGENCY

1800.2120 Program Considerations

EMERGENCY

1800.2130 Utilization of Confidential Sources

EMERGENCY

1800.2140 Provision of Funds

EMERGENCY

1800.2150 Operational Procedures

EMERGENCY

1800.2160 Reporting and Evidence

EMERGENCY

1800.2170 Cooperation with Local Law Enforcement Agencies

EMERGENCY

1800.EXHIBIT A Youth Participant Consent Form

EMERGENCY

1800.EXHIBIT B Underage Gambling Participant Acknowledgment

EMERGENCY

AUTHORITY: Implementing and authorized by the Video Gaming Act [230 ILCS 40].

SOURCE: Adopted by emergency rulemaking at 33 Ill. Reg. 14793, effective October 19, 2009, for a maximum of 150 days; adopted at 34 Ill. Reg. 2893, effective February 22, 2010; emergency amendment at 34 Ill. Reg. 8589, effective June 15, 2010, for a maximum of 150 days; emergency expired November 11, 2010; amended at 35 Ill. Reg. 1369, effective January 5, 2011; emergency amendment at 35 Ill. Reg. 13949, effective July 29, 2011, for a maximum of 150 days; emergency expired December 25, 2011; amended at 36 Ill. Reg. 840, effective January 6,

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2012; amended by emergency rulemaking at 36 Ill. Reg. 4150, effective February 29, 2012, for a maximum of 150 days; amended at 36 Ill. Reg. 5455, effective March 21, 2012; amended at 36 Ill. Reg. 10029, effective June 28, 2012; emergency amendment at 36 Ill. Reg. 11492, effective July 6, 2012, for a maximum of 150 days; emergency expired December 2, 2012; emergency amendment at 36 Ill. Reg. 12895, effective July 24, 2012, for a maximum of 150 days; amended at 36 Ill. Reg. 13178, effective July 30, 2012; amended at 36 Ill. Reg. 15112, effective October 1, 2012; amended at 36 Ill. Reg. 17033, effective November 21, 2012; expedited correction at 39 Ill. Reg. 8183, effective November 21, 2012; amended at 36 Ill. Reg. 18550, effective December 14, 2012; amended at 37 Ill. Reg. 810, effective January 11, 2013; amended at 37 Ill. Reg. 4892, effective April 1, 2013; amended at 37 Ill. Reg. 7750, effective May 23, 2013; amended at 37 Ill. Reg. 18843, effective November 8, 2013; emergency amendment at 37 Ill. Reg. 19882, effective November 26, 2013, for a maximum of 150 days; emergency amendment suspended by the Joint Committee on Administrative Rules at 38 Ill. Reg. 3384, effective January 14, 2014; suspension withdrawn at 38 Ill. Reg. 5897; emergency repeal of emergency amendment at 38 Ill. Reg. 7337, effective March 12, 2014, for the remainder of the 150 days; amended at 38 Ill. Reg. 849, effective December 27, 2013; amended at 38 Ill. Reg. 14275, effective June 30, 2014; amended at 38 Ill. Reg. 19919, effective October 2, 2014; amended at 39 Ill. Reg. 5401, effective March 27, 2015; amended at 39 Ill. Reg. 5593, effective April 1, 2015; amended at 40 Ill. Reg. 2952, effective January 27, 2016; amended at 40 Ill. Reg. 8760, effective June 14, 2016; amended at 40 Ill. Reg. 12762, effective August 19, 2016; amended at 40 Ill. Reg. 15131, effective October 18, 2016; emergency amendment at 41 Ill. Reg. 2696, effective February 7, 2017, for a maximum of 150 days; amended at 41 Ill. Reg. 2939, effective February 24, 2017; amended at 41 Ill. Reg. 4499, effective April 14, 2017; amended at 41 Ill. Reg. 10300, effective July 13, 2017; amended at 42 Ill. Reg. 3126, effective February 2, 2018; amended at 42 Ill. Reg. 3735, effective February 6, 2018; emergency amendment at 43 Ill. Reg. 9261, effective August 13, 2019, for a maximum of 150 days; emergency amendment at 43 Ill. Reg. 9788, effective August 19, 2019, for a maximum of 150 days; emergency amendment at 43 Ill. Reg. 11688, effective September 26, 2019, for a maximum of 150 days; emergency amendment at 44 Ill. Reg. 13785, effective November 7, 2019, for a maximum of 150 days; emergency amendment at 43 Ill. Reg. 13464, effective November 8, 2019, for a maximum of 150 days; emergency amendment suspended by the Joint Committee on Administrative Rules at 43 Ill. Reg. 13479, effective November 12, 2019.

SUBPART U: UNDERAGE GAMBLING COMPLIANCESection 1800.2110 Statement of Purpose
EMERGENCY

ILLINOIS GAMING BOARD

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The purpose of this Subpart is to implement the underage gambling provisions of Section 79.5 of the Video Gaming Act [230 ILCS 40/79.5], which directs the Board to establish a policy and standards for compliance operations to investigate whether a licensed establishment, licensed fraternal establishment, licensed veterans establishment, or a licensed truck stop establishment is:

- a) permitting any person under the age of 21 years to use or play a video gaming terminal in violation of this Act; or
- b) furnishing alcoholic liquor to persons under 21 years of age in violation of the Liquor Control Act of 1934.

(Source: Added by emergency rulemaking at 43 Ill. Reg. 13785, effective November 7, 2019, for a maximum of 150 days)

Section 1800.2120 Program Considerations**EMERGENCY**

In implementing the provisions of this Subpart, Board investigators shall do the following:

- a) Undertake underage video gaming compliance checks with the ultimate goal of visiting all licensed video gaming locations in the State according to an annualized schedule that ensures random visitations.
- b) Initiate unscheduled operations based upon a review of citizen reports or police complaints. Summary reports shall articulate the basis of unscheduled operations.
- c) Use operational plans and operational checklists.
- d) Seek legal advice as appropriate from the Board's general counsel regarding the conduct and pattern of compliance checks, evidence handling, arrests, confidential source criteria and reporting.

(Source: Added by emergency rulemaking at 43 Ill. Reg. 13785, effective November 7, 2019, for a maximum of 150 days)

Section 1800.2130 Utilization of Confidential Sources**EMERGENCY**

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Confidential sources may be used to enforce the provisions of this Subpart. The use of confidential sources shall comply with the following:

- a) Confidential sources shall be of good character. An independent background check on each confidential source shall verify his or her official birth record, lack of criminal history and acceptable driving record.
- b) Confidential sources shall be either 18 or 19 years of age. They shall not alter their appearance, shall not have beards or moustaches or use any form of disguises, and shall dress in a manner appropriate to their age group.
- c) A background check shall be conducted on each confidential source.
- d) Each confidential source shall sign a Youth Participation Consent and Underage Gambling Participant Acknowledgment form as specified in Exhibits A and B. A Board investigator shall ascertain that these forms are understood by the confidential source.
- e) A photograph shall be taken of each confidential source to establish physical appearance independent of witness testimony. These photographs shall be processed and secured for evidence.
- f) A confidential source shall be searched and allowed to carry only a valid State identification issued by the Office of the Secretary of State or no identification. Under no circumstances shall fraudulent or fictitious identification cards be used by a confidential source.
- g) A confidential source shall agree to make all reasonable efforts to be available for hearings or court proceedings and, if possible, to wear the same clothing at these hearings or court proceedings as on the date of the compliance check operation in which he or she participated.
- h) A confidential source shall receive an orientation on utilization of a video gaming terminal.
- i) A confidential source shall receive orientation training on entrapment issues. He or she shall be admonished to act as follows while engaged in a compliance check operation:

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- A) Carry only a valid State identification issued by the Secretary of State or no identification.
 - B) Carry no fraudulent or fictitious identification cards.
 - C) If asked for identification, present it to the requesting employee, manager or owner of the licensed video gaming location.
 - D) If asked for age after presentation of identification, state that his or her age is that listed on the identification.
 - E) If asked for age without being asked to present identification, respond truthfully.
 - F) Limit conversation so as not to persuade or pressure the licensed video gaming location.
- j) All service as a confidential source under this Subpart shall be strictly voluntary and without any coercion.

(Source: Added by emergency rulemaking at 43 Ill. Reg. 13785, effective November 7, 2019, for a maximum of 150 days)

Section 1800.2140 Provision of Funds**EMERGENCY**

Confidential sources shall be provided with Official Advanced Funds issued in compliance with the Illinois State Police policy for Official Advanced Funds (OPS-44) or other funds made available to the Board from State appropriations, State or federal agency grants, or other funding sources. Funding sources may set specific conditions for the expenditure and accounting of funds received by the Board under this Section. The Board shall ensure that all conditions of accounting and restrictions on expenditures established by a funding source are met before authorizing any expenditure or disbursement of the funds. All funds designated to be expended for an underage compliance check detail shall adhere to the following requirements:

- a) The funds shall be photocopied in advance and kept with the case file.
- b) The funds shall not be expended for food of any type.

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- c) Purchases of alcohol, for covert use, shall be pre-approved by the detail supervisor.
- d) Confidential source payment shall be pre-approved by the detail supervisor.
- e) Expenditure of funds by a confidential source shall be pre-approved by the detail supervisor.
- f) Funds expended for surveillance shall be pre-approved by the detail supervisor.

(Source: Added by emergency rulemaking at 43 Ill. Reg. 13785, effective November 7, 2019, for a maximum of 150 days)

Section 1800.2150 Operational Procedures
EMERGENCY

- a) A compliance check operation plan under this Subpart shall be submitted prior to each detail and shall be approved by the Board investigator serving as operations officer prior to implementation.
- b) Where practicable, operation compliance checks shall be conducted outside of the peak hours of business of a licensed video gaming location.
- c) A photograph shall be taken of the confidential source on each day or night of the compliance check operation showing his or her appearance and dress. This photograph shall be available for any type of hearing relating to the operation, along with an investigator who either took the photograph or observed the photograph being taken.
- d) A Youth Participant Consent Form and Underage Gambling Participant Acknowledgment Form in substantially the form set forth in Exhibits A and B shall be signed by the confidential source and kept on file by the Board before the confidential source begins participation in any compliance check operation. An investigator shall ensure that the confidential source understands the instructions and parameters of both forms.
- e) Before a compliance check operation begins, an investigator shall check the confidential source to ensure that he or she possesses only valid identification. A

ILLINOIS GAMING BOARD

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photocopy of the valid identification shall be made for later possible presentation at a hearing.

- f) Illinois Gaming Board investigators shall be assigned to each detail team. The roles of the investigators shall be as follows:
- 1) Detail supervisor.
 - 2) Covert investigator.
 - 3) Investigator/handler who accompanies the confidential source.
 - 4) Contact investigator whose assignments shall be to identify and confront the employee of the licensed video gaming establishment responsible for monitoring the video gaming terminals.
 - 5) Additional investigators to serve in a support capacity at the discretion of the operations officer.
- g) The investigator/handler shall direct the confidential source to enter the licensed video gaming location after surveillance positions have been taken up by covert investigators.
- h) A confidential source shall enter a licensed video gaming location alone and proceed directly to the video gaming terminals.
- i) The covert investigators shall always conduct observation inside the licensed video gaming location when the confidential source is attempting to gamble. They shall enter the licensed video gaming location alone and shall not be in close proximity to the confidential source
- j) The confidential source shall sit at a video gaming terminal and insert a pre-determined dollar amount of funds into the terminal. The confidential source shall play the minimum bet per hand for a pre-determined number of plays. After these plays have been completed, the confidential source shall cease play and obtain a voucher from the video gaming terminal. The confidential source shall then exit the licensed video gaming location, make contact with the Board investigators, and give the voucher to the investigators.

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- k) The investigators and confidential source shall immediately record details of the underage compliance check on an Underage Gambling Field Notes form that shall be retained by the Board and uploaded to a report.
- l) If a violation is found as a result of an underage compliance check operation, an investigator shall identify himself or herself to the on-site manager of the licensed video gaming location, explain to him or her the nature of the violation, ascertain the identity of the employee responsible for monitoring the video gaming terminals, and obtain licensee information, photographs, and all other necessary information.
- m) If no violation is observed, the licensed video gaming location shall be notified within 30 days of the compliance operation that no violation has been found.

(Source: Added by emergency rulemaking at 43 Ill. Reg. 13785, effective November 7, 2019, for a maximum of 150 days)

Section 1800.2160 Reporting and Evidence
EMERGENCY

- a) A separate report shall be generated for each licensed video gaming location found to be in violation under this Subpart. This report shall set forth details of the compliance operation and specify whether the compliance operation was scheduled or based on a citizen report or police complaint. It shall include, at a minimum, information recorded from the confidential source, investigator/handler and detail supervisor. In addition, all necessary paperwork will be completed and included documenting transfer, receipt and expenditure of funds provided under this Section.
- b) Evidence generated by a compliance check operation that results in a finding of violation shall be marked, transported, copied and secured at headquarters by the designated investigator.

(Source: Added by emergency rulemaking at 43 Ill. Reg. 13785, effective November 7, 2019, for a maximum of 150 days)

Section 1800.2170 Cooperation with Local Law Enforcement Agencies
EMERGENCY

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All Board investigators engaging in underage compliance check operations under this Subpart shall comply with the directive in Section 79 of the Video Gaming Act [230 ILCS 40/79] to exercise their powers, to the fullest extent practicable, in cooperation with the local police department of the applicable municipality or, if these powers are exercised outside the boundaries of an incorporated municipality or within a municipality that does not have its own police department, in cooperation with the police department whose jurisdiction encompasses the applicable municipality.

(Source: Added by emergency rulemaking at 43 Ill. Reg. 13785, effective November 7, 2019, for a maximum of 150 days)

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Section 1800.EXHIBIT A Youth Participant Consent Form
EMERGENCY

Name _____

Date of birth _____

Date of birth documentation: (require youth participant to produce and attach a copy of some legal proof of age)

Birth certificate _____ passport _____ driver's license _____

Instructions: Carefully read each line below and initial each line. Please ask questions about anything you do not completely understand. Your signature indicates that you understand and are willing to abide by all the terms of this agreement.

1. I understand that the purpose of the compliance check operation is to assess the compliance with gambling laws by attempting to gamble at licensed video gaming locations by playing video gaming terminals.
2. I understand and agree that I am not to pursue or participate in any operation relating to alleged gambling violations unless I am under the direct supervision of a law enforcement officer or licensing inspection official.
3. I understand that specific information about the unannounced compliance checks is confidential and agree that I will not discuss plans, dates, times, outcomes, or details of specific inspections, including but not limited to licensed video gaming locations, nor the identify or description of law enforcement personnel working in plain clothes, unless directed by officials of the Illinois Gaming Board or pursuant to legal proceedings.
4. I agree not to violate any laws or commit any crimes while participating in unannounced compliance checks.
5. I understand that if I violate any laws, except the one from which I am granted immunity, I may be responsible for those violations.

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- 6. I agree to relinquish all gambling vouchers generated as a result of these compliance checks and all unused money to the detail supervisor.
- 7. I understand that the objective of compliance checks is to test compliance. A successful compliance check is one where the licensed video gaming location refuses to allow me to participate in gambling, acting in compliance with the law. I must not pressure or coerce an employee, manager or owner of a licensed video gaming location into allowing me to gamble at the location.
- 8. I agree to be completely truthful when reporting what happened during each compliance check.
- 9. I have participated in orientation provided by the Illinois Gaming Board and I agree to adhere to the protocol explained in that orientation.

Youth's name (print) _____

Youth's signature _____

Date _____

Witness _____
(Illinois Gaming Board)

Date _____

(Source: Added by emergency rulemaking at 43 Ill. Reg. 13785, effective November 7, 2019, for a maximum of 150 days)

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NOTICE OF EMERGENCY AMENDMENTS

**Section 1800.EXHIBIT B Underage Gambling Participant Acknowledgement
EMERGENCY**

Name of participant _____

Date of birth _____

Drivers' license or Illinois Identification Card # _____

Address _____

Telephone number _____

INSTRUCTIONS

1. Do not consume any alcoholic liquor.
2. Possess only valid identification.
3. If you are asked for identification (ID), show it.
4. If an employee, manager or owner of the location asks your age after you have shown your ID, point to the ID and say, "it's right there" or state your actual age.
5. If an employee, manager or owner of the location does not ask for your ID but merely asks how old you are, either hand the clerk your ID and say, "it's right there" or state your actual age.
6. Do not argue or ask to gamble. Once you have been refused service, the transaction is complete.
7. After exiting an establishment with a voucher from a video gaming terminal, transfer the voucher to the designated officer, following procedures established to ensure both proper handling of evidence and confidentiality.
8. Immediately record all details of each transaction.

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- 9. In no way does your participation in this operation vest in you any authority to perform the duties of a police officer under the laws of the State of Illinois.
- 10. Your signature on this document verifies that you are participating in this operation of your own free will and you are not participating in this operation as a result of any threat made against you, or others.

I have read and understand the above instructions.

Signature of Participant _____

Date _____

(Source: Added by emergency rulemaking at 43 Ill. Reg. 13785, effective November 7, 2019, for a maximum of 150 days)

JOINT COMMITTEE ON ADMINISTRATIVE RULES

SECOND NOTICES RECEIVED

The following second notices were received during the period of November 13, 2019 through November 18, 2019. These rulemakings are scheduled for the December 17, 2019 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
12/27/19	<u>Purchased Care Review Board</u> , Illinois Purchased Care Review Board (89 Ill. Adm. Code 900)	8/16/19 43 Ill. Reg. 8670	12/17/19
12/27/19	<u>State Board of Education</u> , Public Schools Evaluation, Recognition and Supervision (23 Ill. Adm. Code 1)	7/5/19 43 Ill. Reg. 7389	12/17/19
12/28/19	<u>Public Health</u> , Long-Term Care Assistants and Aides Training Programs Code (77 Ill. Adm. Code 395)	9/20/19 43 Ill. Reg. 10275	12/17/19
12/28/19	<u>Elections</u> , Campaign Financing (26 Ill. Adm. Code 100)	9/20/19 43 Ill. Reg. 10434	12/17/19
1/1/20	<u>Secretary of State</u> , Departmental Duties (2 Ill. Adm. Code 552)	9/6/19 43 Ill. Reg. 9365	12/17/19
1/1/20	<u>Central Management Services</u> , Pay Plan (80 Ill. Adm. Code 310)	9/27/19 43 Ill. Reg. 10527	12/17/19

PROCLAMATIONS

2019-207**National Service Opening Day**

WHEREAS, more than 14,700 people of all ages and backgrounds serve in over 1,600 national and local nonprofits, schools, faith-based organizations, and other groups across Illinois through national service programs; and,

WHEREAS, National Service Members serve their communities by improving education, protecting public safety, promoting healthy living, ensuring economic opportunity, safeguarding the environment, providing disaster relief, and promoting civic engagement; and,

WHEREAS, more than 2,300 AmeriCorps – State and National, AmeriCorps – VISTA, and AmeriCorps -NCCC members serving in Illinois will take their pledge to carry this commitment to service throughout their lives; and,

WHEREAS, since 1994, over 43,000 Illinoisans have served over 61 million hours through AmeriCorps; and,

WHEREAS, the Serve Illinois Commission on Volunteerism and Community Service is charged with enhancing and supporting community volunteerism in all its forms and in the administration of the AmeriCorps – State program in Illinois;

THEREFORE, I, JB Pritzker, Governor of the State of Illinois, do hereby proclaim October 10, 2019, as National Service Opening Day in Illinois and congratulate Illinois' family of national service volunteers, both past and present, on their service to strengthening communities through volunteerism.

Issued by the Governor October 1, 2019

Filed by the Secretary of State November 13, 2019

2019-208**Adoption Awareness Month**

WHEREAS, thanks to thousands of adoptive parents across the state, 16,024 children have found permanent homes over the last decade, including 1,838 children in the last year alone; and,

WHEREAS, all children need and deserve the love, nurturing, and sense of security that can only come from being a part of a loving, permanent family; and,

PROCLAMATIONS

WHEREAS, adoption provides a unique joy and a special opportunity for individuals, whether or not they are already parents, married, in a civil union, single, or divorced, to open their hearts and their homes for the rest of their lives to children; and,

WHEREAS, the Illinois Department of Children and Family Services and its nonprofit partners strive to reunite children with their birth families, but when that simply is not possible, they are equally committed to ensuring every child has the safe, loving family they deserve and need to reach their fullest potential; and,

WHEREAS, Illinois has made great strides in recent years in strengthening and improving the child welfare system by reducing the number of children in temporary substitute care from 52,000 to 16,000, establishing a Bill of Rights for both birth parents and adoptive parents, and strengthening licensing requirements for adoption agencies to prevent the exploitation of birth parents, adoptive parents, and children; and,

WHEREAS, this administration is deeply committed to improving the child welfare system even further, especially by reducing the length of time children remain in temporary foster care; and,

THEREFORE, I, JB Pritzker, Governor of the state of Illinois, do hereby proclaim November 2019 as Adoption Awareness Month in Illinois, and encourage all Illinoisans to express their gratitude to the thousands of families across the state that have opened their homes and their hearts to children, and encourage others to consider joining them in making a life-changing difference for children.

Issued by the Governor October 1, 2019

Filed by the Secretary of State November 13, 2019

2019-209**Certified Veterinary Technicians Week**

WHEREAS, certified veterinary technicians are important members of the veterinary health care team throughout the nation, and are extremely important in the effort to provide quality animal health care to ensure the humane treatment of all animals; and,

WHEREAS, there are over 60 accredited programs throughout the United States which provide intensive study of the skills and knowledge to work competently as a certified veterinary technician, including anatomy, physiology, microbiology, clinical techniques, pharmacology, anesthesiology, surgical and medical nursing, radiology, and clinical pathology training; and,

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WHEREAS, it is extremely important that each certified veterinary technician maintain certification, registration, or licensure through the successful completion of a national and/or state examination, practice lifelong learning through continuing education, and uphold high ethical standards; and,

WHEREAS, the Executive Board of the National Association of Veterinary Technicians in America has declared the third week of October be designated as National Veterinary Technician Week;

THEREFORE, I, JB Pritzker, Governor of the State of Illinois, do hereby proclaim October 13-19, 2019, as Certified Veterinary Technicians Week in Illinois.

Issued by the Governor October 1, 2019

Filed by the Secretary of State November 13, 2019

2019-210
NICU Awareness Day

WHEREAS, half a million babies are admitted to the neonatal intensive care unit every year; and,

WHEREAS, families of NICU babies may struggle to find resources, support, and education; and,

WHEREAS, funding for research into the causes of a NICU stay, as well as the holistic care of NICU families, is vital; and,

WHEREAS, NICU Awareness Day provides an opportunity for families whose lives have been affected by NICU to share their stories, to honor dedicated health professionals, and to meet others who share their circumstances;

THEREFORE, I, JB Pritzker, Governor of the State of Illinois, do hereby proclaim September 30, 2019 as NICU Awareness Day in Illinois.

Issued by the Governor October 1, 2019

Filed by the Secretary of State November 13, 2019

2019-211
World Polio Day

PROCLAMATIONS

WHEREAS, Rotary is a global network of 1.2 million neighbors, friends, leaders, and problem-solvers who unite and take action to create lasting change in communities across the globe; and,

WHEREAS, the Rotary motto, Service Above Self, inspires members to provide humanitarian service, follow high ethical standards, and promote goodwill and peace in the world; and,

WHEREAS, in 1985 Rotary launched PolioPlus and in 1988 helped establish the Global Polio Eradication Initiative, which today includes the World Health Organization, U.S. Centers for Disease Control and Prevention, UNICEF, and the Bill & Melinda Gates Foundation, to immunize the children of the world against polio; and,

WHEREAS, polio cases have dropped by 99.9 percent since 1988, leaving the world on the cusp of eradicating the disease; and,

WHEREAS, to date, Rotary has contributed more than \$1.9 billion and countless volunteer hours to protect more than 2.5 billion children in 122 countries; and,

WHEREAS, these efforts are providing much-needed operational support, medical staff, laboratory equipment, and educational materials for health workers and parents; and,

WHEREAS, there are over 1.2 million Rotary members in more than 35,000 clubs throughout 200 countries and geographic areas that sponsor service projects to address critical issues such as poverty, disease, hunger, illiteracy, and the environment in their local communities and abroad;

THEREFORE, I, JB Pritzker, Governor of the State of Illinois, do hereby proclaim October 24, 2019 as World Polio Day in Illinois and encourage all citizens to join me and Rotary International in the fight for a polio-free world.

Issued by the Governor October 1, 2019

Filed by the Secretary of State November 13, 2019

2019-212**National Peroxisomal Disorder Awareness Day**

WHEREAS, National Peroxisomal Disorder Awareness Day will help foster an understanding of the impact of peroxisomal biogenesis disorder-Zellweger spectrum disorder and the related single enzyme deficiencies have on patients and their families; and,

WHEREAS, peroxisomal biogenesis disorder-Zellweger spectrum disorder and the related single enzyme deficiencies are progressive, genetic disorders impacting the peroxisomes, causing

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damage to the kidneys, liver, endocrine, hepatic, gastrointestinal, and neurological organ systems; and,

WHEREAS, peroxisomal biogenesis disorder-Zellweger spectrum disorder and the related single enzyme deficiencies have a devastating impact on the health and finances of people of all ages, and equally affects people of all races, genders, nationalities, geographic locations, and income levels; and,

WHEREAS, the people diagnosed with peroxisomal biogenesis disorder-Zellweger spectrum disorder and the related single enzyme deficiencies inherit the disease in an autosomal recessive inheritance pattern; and,

WHEREAS, there are very few treatments and still no cure for peroxisomal biogenesis disorder-Zellweger spectrum disorder and the related single enzyme deficiencies, which impacts an estimated one in 50,000 live births annually; and,

WHEREAS, all patients with peroxisomal biogenesis disorder-Zellweger spectrum disorder and the related single enzyme deficiencies suffer from a variety of health issues, causing a severe strain on resources and on the delivery of healthcare in the United States;

THEREFORE, I, JB Pritzker, Governor of the State of Illinois, declare October 5, 2019 as National Peroxisomal Disorder Awareness Day in Illinois.

Issued by the Governor October 1, 2019

Filed by the Secretary of State November 13, 2019

2019-213**The Davee Foundation Day**

WHEREAS, The Davee Foundation, founded in 1964 by Illinois market research entrepreneur Ken M. Davee and his first wife, Adeline Davee, has greatly benefitted the state of Illinois and improved the lives of many of its residents through an extraordinary philanthropic commitment to excellence in higher education, the arts, culture, health care, and society; and,

WHEREAS, The Davee Foundation, under the direction of the Executive Administrator, Craig C. Grannon, and The Davee Foundation Board of Directors, has demonstrated the highest level of generosity by distributing more than \$160 million in grants since 1996 to benefit Illinois nonprofit organizations, including large education and healthcare organizations such as the University of Illinois Foundation, Roosevelt University, Lurie Children's Hospital, and Northwestern Feinberg School of Medicine and mid-to-large size arts and culture organizations

PROCLAMATIONS

such as the Chicago Shakespeare Theater, The Field Museum of Natural History, Hubbard Street Dance Chicago, Lyric Opera of Chicago, Chicago Symphony Orchestra, and many more; and,

WHEREAS, through support for endowment funds the legacy of The Davee Foundation will continue to benefit Illinois residents for generations to come, particularly through the Foundation's remarkable support for student scholarship funds, including its multi-million-dollar commitment to create permanently endowed scholarship funds for high-achieving undergraduate students at the University of Illinois at Chicago College of Liberal Arts and Sciences who have the highest level of financial need to make it possible for these talented students to achieve a college degree; and,

WHEREAS, leaders of Illinois nonprofit organizations who have been recipients of The Davee Foundation's generous grants throughout its 55-year history will gather on the evening of October 7, 2019 to pay tribute to The Davee Foundation and celebrate its rich history and outstanding legacy in Illinois, before the Foundation ceases operation in December 2019;

THEREFORE, I, JB Pritzker, Governor of the State of Illinois, do hereby proclaim October 7, 2019 as The Davee Foundation Day in Illinois.

Issued by the Governor October 1, 2019

Filed by the Secretary of State November 13, 2019

2019-214**Domestic Violence Awareness Month**

WHEREAS, domestic violence is a prevalent social problem that not only harms the victim, but also negatively impacts a victim's family, friends, and community at large; and,

WHEREAS, domestic violence exists in all neighborhoods and cities, affects people of all ages, genders, racial, ethnic, economic, and religious backgrounds; and,

WHEREAS, the health related costs of rape, physical assault, stalking, trafficking and homicide by intimate partners exceeds \$8.3 billion every year; and,

WHEREAS, the annual cost of lost productivity in the workplace due to domestic violence is estimated at \$5.8 billion every year; and,

WHEREAS, through the month of October the Illinois Coalition Against Domestic Violence and its 50 plus member organizations will hold numerous events across the state in observance of

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Domestic Violence Awareness Month, including walks/runs, candlelight vigils, silent witness events and marches;

THEREFORE, I, JB Pritzker, Governor of the State of Illinois, declare the month of October 2019 Domestic Violence Awareness Month in Illinois.

Issued by the Governor October 1, 2019

Filed by the Secretary of State November 13, 2019

2019-215**College Changes Everything Month**

WHEREAS, all students should have the information and support they need to make well-informed choices about life after high school; and,

WHEREAS, educational attainment, particularly completion of credentials and degrees after high school, does not just benefit the individual student but also correlates with positive outcomes for entire communities; and,

WHEREAS, Illinois seeks to reduce achievement gaps and to increase the overall proportion of adults with a high-quality postsecondary credential to 60 percent by 2025; and,

WHEREAS, the Free Application for Federal Student Aid (FAFSA®) will be available on October 1, 2019, for students to apply for aid for the 2020-21 academic year; filing this single application allows a student to be considered for federal and state grants, work-study opportunities, federal student loans, and other resources available to support both traditional college degrees and career and vocational training programs; and,

WHEREAS, the Illinois Student Assistance Commission (ISAC) and the agency's Illinois Student Assistance Corps (ISACorps) of near-peer mentors support students statewide with planning and financial aid services, including financial aid presentations and FAFSA Completion Workshops, so they can make more informed choices about their postsecondary paths and better address the costs of further education or training; and,

WHEREAS, Illinois high schools, colleges and universities, and community-based organizations around the state join with ISAC each October to host free events to help students with both college applications and applications for financial aid;

THEREFORE I, JB Pritzker, Governor of the State of Illinois, proclaim October of 2019 to be COLLEGE CHANGES EVERYTHING MONTH in Illinois, encourage students and families to

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take advantage of the financial aid and post-secondary planning resources available in their communities, and commend participating organizations for their support of Illinois youth and their contributions to our state's robust future.

Issued by the Governor October 2, 2019

Filed by the Secretary of State November 13, 2019

2019-216**National Disability Employment Awareness Month**

WHEREAS, workplaces welcoming of the talents of all people, including people with disabilities, are a critical part of our efforts to build an inclusive community and strong economy; and,

WHEREAS, National Disability Employment Awareness Month aims to raise awareness about disability employment issues and celebrate the many and varied contributions of people with disabilities; and,

WHEREAS, this year's theme "America's Workforce: Empowering All" is accordant with the state of Illinois' dedication to improving the lives of all Illinoisans by empowering skilled individuals of all ability levels; and,

WHEREAS, activities during this month will reinforce the value and talent people with disabilities add to our workplaces and communities, and affirm our state's commitment to an inclusive community;

Therefore, I, JB Pritzker, Governor of the State of Illinois, do hereby proclaim October 2019 as National Disability Employment Awareness Month in Illinois, and encourage all employers, schools, and other community organizations in Illinois to observe this month with appropriate programs and activities, and to advance the important message that people with disabilities are equal to the task throughout the year.

Issued by the Governor October 2, 2019

Filed by the Secretary of State November 13, 2019

2019-217**Male Breast Cancer Awareness Week**

WHEREAS, an estimated 2,670 men in the United States are diagnosed with breast cancer each year, or approximately 1 percent of total breast cancer cases; and,

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WHEREAS, the misconception that breast cancer does not affect men can delay diagnosis and treatment; and,

WHEREAS, early detection of male breast cancer is critical, as men who are diagnosed when breast cancer is in its earliest stages have an increased chance of successful treatment and survival; and,

WHEREAS, in remembrance of those who have lost their lives to breast cancer, and in support of those who are currently fighting this disease, it is appropriate to recognize this cause during Breast Cancer Awareness Month;

THEREFORE, I, JB Pritzker, Governor of the State of Illinois, do hereby proclaim October 13-19, 2019, as Male Breast Cancer Awareness Week in order to foster public awareness and understanding of male breast cancer and encourage early detection and prompt treatment.

Issued by the Governor October 2, 2019

Filed by the Secretary of State November 13, 2019

2019-218
Fire Prevention Week

WHEREAS, fire is a serious public safety concern both locally and nationally, and residential homes are where people are at the greatest risk of fire; and,

WHEREAS, according to the National Fire Incident Reporting System (NFIRS), Illinois fire departments responded to 15,557 home fires in 2018; and,

WHEREAS, Illinois home fires resulted in 105 civilian deaths in 2018, representing the majority (89 percent) of all Illinois fire deaths; and,

WHEREAS, it can take just a matter of seconds for a fire to block an exit from a burning building or home; and,

WHEREAS, basic actions, such as practicing a home fire drill, making sure the number of your home is marked clearly, and closing doors as you evacuate, are important to teach all members of a household; and,

WHEREAS, having a preparation plan can protect members of a household; and,

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WHEREAS, being aware of multiple pathways to exits and knowledge of how to escape both during the day and at night can ensure safe escape in an emergency; and,

WHEREAS, planning two escape routes can provide an alternate exit in case a primary option is unsafe for escape; and,

WHEREAS, the 2019 Fire Prevention Week theme, "Not Every Hero Wears A Cape – Plan and Practice Your Escape," effectively serves to educate the public about the vital importance of escape plans in case of fire;

THEREFORE, I, JB Pritzker, Governor of the state of Illinois, do hereby proclaim October 6-12, 2019, as Fire Prevention Week in Illinois and urge citizens to plan ahead in case of a fire emergency and to participate in the many public safety activities and efforts offered by Illinois fire and emergency services during Fire Prevention Week 2019.

Issued by the Governor October 2, 2019

Filed by the Secretary of State November 13, 2019

2019-219**Phelan-McDermid Syndrome Awareness Day**

WHEREAS, it is important to accurately detect and test for Phelan-McDermid Syndrome, also known as 22q13 Deletion Syndrome, which is a rare genetic condition caused by a deletion or other structural change of the terminal end of chromosome 22 in the 22q13 region or a disease-causing mutation of the SHANK3 gene; and,

WHEREAS, individuals, parents and advocacy groups can increase awareness of Phelan-McDermid Syndrome and its symptoms through scientific education opportunities and informational exchange; and,

WHEREAS, although the range and severity of symptoms may vary, Phelan-McDermid Syndrome is generally thought to be characterized by intellectual disability of varying degrees, delayed or absent speech, symptoms of autism spectrum disorder, low muscle tone, motor delays, and epilepsy; and,

WHEREAS, it is important to raise awareness of Phelan-McDermid and promote education that will help inform citizens about this disease;

THEREFORE, I, JB Pritzker, Governor of the state of Illinois, do hereby declare October 22nd as Phelan-McDermid Syndrome Awareness Day.

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Issued by the Governor October 2, 2019

Filed by the Secretary of State November 13, 2019

2019-220**Filipino American History Month**

WHEREAS, the earliest documented Filipino presence in the continental United States was on October 18, 1587, when the Spanish galleon the Nuestra Senora de Buena Esperanza, under the command of Captain Perdo de Unamuno, dropped anchor in Moro Bay, California, and the landing party explored the coast; and,

WHEREAS, Filipino Americans are well known for serving in all the branches of the U.S. Armed Forces as early as the War of 1812 against the British, in the U.S. Civil War, in World War I and II, and in all the other subsequent U.S. wars up to the war in Iraq and Afghanistan; and,

WHEREAS, Filipino Americans comprise the second-largest Asian American population in the United States; and,

WHEREAS, the celebration of Filipino American History Month in October provides an opportunity to celebrate the heritage and culture of Filipino Americans and the many contributions they make to our country;

THEREFORE, I, JB Pritzker, Governor of the State of Illinois, proclaim the month of October as Filipino American History Month.

Issued by the Governor October 4, 2019

Filed by the Secretary of State November 13, 2019

2019-221**Sudden Unexpected Infant Death Month**

WHEREAS, Sudden Unexpected Infant Death (SUID) is the sudden and unexpected death of an infant, birth to age one year, in which the manner and cause of death are not immediately obvious prior to investigation; and,

WHEREAS, Illinois ranks 30th among the 50 states in infant mortality; and,

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WHEREAS, Sudden Infant Death Syndrome (SIDS) is a subset of SUID and remains the number one cause of infant death between the age of 28 days of life to one year; and,

WHEREAS, a recent study demonstrates that infants under three months of age who are sharing a sleep surface (bed-sharing) or other unsafe sleeping environment are more likely to die suddenly, and infants older than four months of age are more likely to die by rolling into a soft object in the infant sleeping area; and,

WHEREAS, the tragedy of SUID can happen to any family, regardless of race, ethnicity, or economic group; and,

WHEREAS, evidence-based research has proven that when babies are placed in a crib alone, in the parents' room, on their backs, on a firm crib mattress with a fitted crib sheet, using no crib bumper pads, pillows, blankets, quilts, or stuffed animals and toys, in a smoke-free environment, they will sleep safest and reduce the risk of SIDS and prevent many other infant deaths; and,

WHEREAS, Sudden Infant Death Services (SIDS) of Illinois, Inc. is a statewide not-for-profit organization with over 50 years of outstanding service, dedicated to providing infant safe sleep education, bereavement support services, and creating community awareness around preventing sleep-related infant deaths; and,

WHEREAS, during the month of October, Sudden Infant Death Services of Illinois, Inc. will hold special educational events in Illinois that include Community Baby Showers and distribution of Cribettes™ portable cribs and education to Illinois families in need, therefore providing the best opportunity for all babies in Illinois to survive and thrive;

THEREFORE, I, JB Pritzker, Governor of the State of Illinois, do hereby proclaim October 2019 as Sudden Unexpected Infant Death Month in Illinois, in order to reduce infant mortality Illinois so that no parent will have to endure the tragedy of infant death.

Issued by the Governor October 4, 2019

Filed by the Secretary of State November 13, 2019

2019-222**Canavan Disease Awareness Month**

WHEREAS, Canavan Research Illinois is an Illinois nonprofit corporation established in April 2000 to meet a critical need to support medical research to treat, cure, and improve the quality of lives of all children battling Canavan disease, a rare and fatal genetic neurological disorder; and,

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WHEREAS, the majority of those afflicted with Canavan disease do not reach their 25th birthday, facing the loss of all motor functions, blindness, paralysis, feeding tubes, and eventual disintegration of the brain, at which point they fall into a vegetative state from which they cannot recover; and,

WHEREAS, Canavan Research Illinois is a volunteer-based charity dedicated to raising funds to support cutting-edge research, increase public awareness, and provide a network for Canavan families; and,

WHEREAS, October 19, 2019, Canavan Research Illinois will hold the 21st Annual Canavan Charity Ball, in honor and celebration of Max Randell's 22nd birthday, a momentous milestone for this young man living with Canavan disease;

THEREFORE, I, JB Pritzker, Governor of the State of Illinois, do hereby proclaim October 2019 as Canavan Disease Awareness Month in Illinois, to raise awareness of Canavan disease and in support of Canavan Research Illinois' important efforts to improve the quality of life of those who are battling this disease.

Issued by the Governor October 4, 2019

Filed by the Secretary of State November 13, 2019

2019-223**Mastocytosis and Mast Cell Diseases Awareness Day**

WHEREAS, mastocytosis and mast cell diseases are rare ailments that affect both adults and children and create special challenges for patients and their families; and,

WHEREAS, patients of these diseases often face difficulty with obtaining a timely diagnosis, limited treatment options, expensive health care costs, and a sense of isolation and hopelessness; and,

WHEREAS, families of those diagnosed with mastocytosis and mast cell diseases remain committed to ensuring that their loved ones can live as normal lives as possible; and,

WHEREAS, advocates for mastocytosis and mast cell diseases work tirelessly to raise awareness among the medical community, educational facilities, and the general community in hopes of educating others about the realities of rare diseases and help all people achieve the care they need and deserve;

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THEREFORE, I, JB Pritzker, Governor of the State of Illinois, do hereby proclaim October 20, 2019 Mastocytosis and Mast Cell Diseases Awareness Day in Illinois.

Issued by the Governor October 4, 2019

Filed by the Secretary of State November 13, 2019

2019-224
Girls in Aviation Day

WHEREAS, the United States is recognized as the global leader in aerospace safety, efficiency, and innovation; and,

WHEREAS, the aerospace industry is dependent upon a skilled workforce to maintain this exemplary level of quality; and,

WHEREAS, local leaders in government and in the community recognize the importance of the aerospace industry to the economic prosperity, national security, and citizen safety of the United States; and,

WHEREAS, women have been involved in aviation since its earliest days, from E. Lillian Todd, who designed and built an aircraft in 1906, to Harriet Quimby who in 1911 became the first woman to earn a pilot certificate and cross the English Channel, to Helen Richey, who became the first woman pilot for a U.S. commercial airline in 1934, to Astronaut Dr. Sally Ride who, in 1983, was the first American woman in space, to Jeana Yeager who copiloted the first non-stop, non-refueled flight around the world in 1986, to Astronaut Eileen Collins, who became the first female Space Shuttle Pilot in 1997 and first female Space Shuttle Commander in 1999; and,

WHEREAS, during the last two decades, although the number of women involved in the aviation industry has steadily increased, only 16 percent of people working in the aircraft, spacecraft, and manufacturing industry are female; and,

WHEREAS, the path to increasing participation is through a collaborative effort by government, industry, and dedicated organizations and individuals designed to inspire girls to pursue aerospace based goals, prepare female students through quality aerospace STEM curriculum and expose girls to positive female role models;

THEREFORE, I, JB Pritzker, Governor of the state of Illinois, do hereby proclaim October 5, 2019, as Girls in Aviation Day and encourage all citizens, businesses, public, and private agencies, media, and educational institutions to support and participate in Girls in Aviation Day

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events being held nationwide by Women in Aviation International Chapters, promoting girls in aviation and aerospace.

Issued by the Governor October 9, 2019

Filed by the Secretary of State November 13, 2019

2019-225**Lights on Afterschool Day**

WHEREAS, Lights On Afterschool is the national celebration of afterschool programs held this year on October 24, 2019, and promotes the importance of quality afterschool programs in the lives of children, families, and communities; and,

WHEREAS, more than 28 million children in the United States have parents who work outside the home and 15.1 million children have no place to go after school; and,

WHEREAS, many afterschool programs across the country are facing funding shortfalls so severe they are being forced to close their doors and turn off their lights; and,

WHEREAS, the state of Illinois is committed to investing in the health and safety of all young people by providing expanded learning opportunities that will help close the achievement gap and prepare young people to compete in the global economy;

THEREFORE, I, JB Pritzker, Governor of the state of Illinois, do hereby proclaim October 24, 2019, as Lights On Afterschool Day.

Issued by the Governor October 9, 2019

Filed by the Secretary of State November 13, 2019

2019-226**Alpha-1 Awareness Month**

WHEREAS, Alpha-1 may result in serious lung disease in adults and/or liver disease at any age; and has been identified in nearly all populations and ethnic groups and is estimated that about one in every 2,500 Americans have Alpha-1. Up to six percent of white Americans in the United States carry a single deficient gene and may pass the gene on to their children; and,

WHEREAS, Alpha-1 is widely under-diagnosed and misdiagnosed and fewer than 10 percent of those predicted to have Alpha-1 have been diagnosed. It often takes an average of five doctors

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and seven years from the time symptoms appear before a proper diagnosis is made, which can be done using a simple blood test; and,

WHEREAS, it is important to increase awareness and detection of this serious hereditary and misdiagnosed disorder; and,

WHEREAS, during the month of November, a nationwide awareness campaign will take place throughout the country to educate the public, as well as the medical community, on Alpha-1 detection;

THEREFORE, I, JB Pritzker, Governor of the State of Illinois, do proclaim November 2019 as Alpha-1 Awareness Month in Illinois.

Issued by the Governor October 9, 2019

Filed by the Secretary of State November 13, 2019

2019-227
National PA Week

WHEREAS, quality, cost-effective, and accessible patient-centered healthcare provided by physician assistants (Pas) contributes to the well-being and quality of life for all patients; and,

WHEREAS, Pas are academically and clinically prepared medical professionals who diagnose illness, develop and manage treatment plans, and often serve as a patient's principal healthcare provider; and,

WHEREAS, Pas are often the first point of contact for many patients and play a vital role in helping them understand their medical needs and empower them to become effective advocates for their own health; and,

WHEREAS, a valuable asset to the medical team, Pas in Illinois enhance the delivery of high-quality healthcare for patients, often in medically underserved and rural areas across the state; and,

WHEREAS, there are more than 3,000 physician assistants in Illinois who have earned the respect of the general public for their dedication and contributions to people's lives, and for their commitment to team-based care and their delivery of effective and efficient healthcare services;

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THEREFORE, I, JB Pritzker, Governor of the State of Illinois, hereby proclaim October 6–12, 2019, as National PA Week throughout Illinois and encourage all of our residents to recognize Pas for the significant impact they have made, and continue to make, in healthcare.

Issued by the Governor October 17, 2019

Filed by the Secretary of State November 13, 2019

2019-228**National Runaway Prevention Month**

WHEREAS, National Runaway Prevention Month began in 2002 and is spearheaded each year by the National Runaway Safeline (NRS), the federally-designated national communication system for runaway and homeless youth; and,

WHEREAS, the prevalence of runaway and homelessness among youth is staggering, with studies suggesting that every year 4.2 million people ages 13 – 25 endure some form of homelessness; and,

WHEREAS, runaway youth are often expelled from their home, have experienced abuse and trauma, are involved in the foster care system, are too poor to secure their own basic needs, or may be ineligible or unable to access adequate medical and mental health resources; and,

WHEREAS, children and youth who run away are at an increased danger for falling into high-risk situations, including human trafficking; and,

WHEREAS, effective programs supporting runaway youth and assisting youth and their families in providing safe and stable homes succeed because of partnerships created among families, youth-based advocacy organizations, community-based human service agencies, law enforcement, schools, faith-based organizations, and businesses; and,

WHEREAS, the National Runaway Safeline is honoring November as National Runaway Prevention Month to raise awareness of the issues facing runaway and homeless youth by educating the public about solutions and the role they can play in ending youth homelessness;

THEREFORE, I, JB Pritzker, Governor of State of Illinois, do hereby proclaim the month of November National Runaway Prevention Month across Illinois.

Issued by the Governor October 17, 2019

Filed by the Secretary of State November 13, 2019

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2019-229**Recovery Support Specialist Celebration Day**

WHEREAS, Recovery Support Specialist Celebration Day occurs annually on the third Thursday in October where recovery support specialists (also known as peer providers) from across the globe reflect on and celebrate the important role they play in helping those with mental health, addiction, and/or traumatic challenges move along the continuum of recovery and inclusion into communities of their choosing; and,

WHEREAS, recovery support specialists are trained providers who use their lived experience to encourage, engage with, and support others with these challenges, using the recovery model and the principals and values of peer support to provide hope, support, and be a role model of recovery; and,

WHEREAS, the belief that recovery is possible for all who experience these challenges is fundamental to the practice of peer support. Recovery support specialists use the working definition of recovery, the guiding principles of recovery, and core values to empower and assist their peers to live a life of their choosing, improving the likelihood of long-term recovery; and,

WHEREAS, peer support is an emerging best-practice, has proven to be a cost-effective treatment for mental health, addiction, and traumatic challenges, reduces inpatient hospital days, recidivism rates, and increases a patient's ability to access community-based services; and,

WHEREAS, this year's Recovery Support Specialist Celebration Day goal is to increase public awareness of recovery support specialists, the services they provide, how they are impacting the lives of countless adults, children, adolescents, and families within the health and human services industry, and how they are providing a shining example of recovery in the places where these services are delivered;

THEREFORE, I, JB Pritzker, Governor of the State of Illinois, do hereby proclaim October 17, 2019 as Recovery Support Specialist Celebration Day in Illinois, celebrating recovery support specialists as they are increasingly integrated into the fabric of our workforce and the landscape of our lives.

Issued by the Governor October 17, 2019

Filed by the Secretary of State November 13, 2019

2019-230**Pancreatic Cancer Awareness Month**

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WHEREAS, it is estimated that in 2019, 56,770 people will be diagnosed with pancreatic cancer in the United States and 45,750 will die from the disease, making it is the third leading cause of cancer death in the United States; and,

WHEREAS, when symptoms of pancreatic cancer present themselves, it is usually too late for an optimistic prognosis and 71% of pancreatic cancer patients die within the first year of their diagnosis while 95% of pancreatic cancer patients die within the first five years; and,

WHEREAS, there is no cure and there have been no significant improvements in survival rates in the last 40 years; and,

WHEREAS, the Federal Government invests significantly less money in pancreatic cancer research than it does in any of the other leading cancer killers, and pancreatic cancer research constitutes only roughly 2% of the National Cancer Institute's research funding; and,

WHEREAS, the IAM149 Foundation, honoring the legacy of Caldwell, Idaho Police Officer James Chad Register, is committed to supporting those patients battling pancreatic cancer nationwide, as well as those who have lost their lives to this disease and are committed to nothing less than finding a cure; and,

WHEREAS, the good health and well-being of the residents of every state are enhanced by increased awareness and research into early detection, causes and effective treatment;

THEREFORE, I, JB Pritzker, Governor of the State of Illinois, do hereby proclaim November 2019 as Pancreatic Cancer Awareness Month and Thursday, November 21, 2019 as The James Chad Register Pancreatic Cancer Awareness Day in Illinois.

Issued by the Governor October 17, 2019

Filed by the Secretary of State November 13, 2019

2019-231**National Apprenticeship Week**

WHEREAS, Illinois recognizes that the 21st century economy demands a highly-skilled workforce that supports our state economy and supports employers to cultivate high-quality talent pools that grow their businesses and address their workforce needs; and,

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WHEREAS, the Office of the Governor is committed to preparing Illinois workers for high-demand careers by developing core academic, technical, and essential employability skills throughout their lifetimes, regardless of background, life circumstances, or education level; and,

WHEREAS, the importance of supporting and strengthening racial equity and diversity and expanding access to the apprenticeship system in Illinois is a core priority for this administration; and,

WHEREAS, apprenticeships are a strong career pathway that provide employees the opportunity to earn a salary while learning the skills necessary to succeed in high-demand careers and high-growth sectors and result in obtainment of an industry-recognized credential; and,

WHEREAS, today, over 16,800 registered apprentices are training in the state of Illinois in high skill careers that will provide lifetime experience and opportunity for achievement as well as contribute to the overall prosperity of our state and nation; and,

WHEREAS, National Apprenticeship Week is an opportunity to recognize the positive impact apprenticeships have on Illinois youth, adults, businesses, and the Illinois economy as a whole;

THEREFORE, I, JB Pritzker, Governor of the State of Illinois, do hereby proclaim November 11-15, 2019, as National Apprenticeship Week in Illinois in support of meaningful career pathways to promote jobs and economic prosperity.

Issued by the Governor October 21, 2019

Filed by the Secretary of State November 13, 2019

2019-232**Diabetes Awareness Month**

WHEREAS, diabetes affects 30.3 million people, 9.4 percent of the population in the United States, and is a serious disease for which there is no known cure; and,

WHEREAS, approximately one quarter of the Americans who have diabetes, 8.1 million people, do not know they have the disease; and,

WHEREAS, another 84.1 million people have prediabetes, a condition putting them at greater risk for developing type 2 diabetes; and,

WHEREAS, persons with prediabetes may experience serious complications, including: heart disease, stroke, blindness, kidney disease, nerve damage, and amputation; likewise, women who

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have had gestational diabetes (diabetes during pregnancy) are at increased risk for developing type 2 diabetes later in life; and,

WHEREAS, in Illinois, more than 1.3 million adults are afflicted by diabetes, with another 3.5 million adults in the prediabetes stage, costing the state more than \$12.2 billion in health care costs and lost productivity; and,

WHEREAS, people with diabetes require regular screening by healthcare professionals that includes physical exam, laboratory evaluation, medication management, and screening for psychosocial conditions such as depression, anxiety and cognitive function; and,

WHEREAS, in Illinois, individual counties, some cities and certain zip codes have been identified as having a high prevalence of type 2 diabetes and receive federal funding for diabetes prevention activities;

THEREFORE, I, JB Pritzker, Governor of the State of Illinois, do hereby proclaim November 2019 as Diabetes Awareness Month in Illinois and encourage all citizens to increase their awareness of the risk factors and complications of diabetes, as well to provide support to those living with diabetes.

Issued by the Governor October 21, 2019

Filed by the Secretary of State November 13, 2019

2019-233**Net Cancer Awareness Day**

WHEREAS, neuroendocrine tumors (NETs) often develop into cancer and, if left untreated, can result in serious illness and death; and,

WHEREAS, healthcare professionals sometimes underestimate the malignant and metastatic potential of neuroendocrine tumors; and,

WHEREAS, NET cancer patients are often misdiagnosed or receive a delayed diagnosis, which can have a negative impact on their chance of survival and quality of life; and,

WHEREAS, survival for NET cancer patients is further compromised by fragmented care and lack of access to treatment by networks of specialists; and,

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WHEREAS, although there have been advances in the detection and treatment of NET cancers, not all patients are benefiting quickly enough from scientific and medical progress in the field; and;

WHEREAS, with timely diagnosis and proper treatment, NET cancer patients can have significantly improved outcomes and quality of life;

THEREFORE, I, JB Pritzker, Governor of the State of Illinois, do hereby proclaim November 10th, 2019 as NET Cancer Awareness Day and encourage patients, caregivers, and healthcare professionals to raise awareness about NET cancers and the need for timely diagnosis and access to optimal treatment and care.

Issued by the Governor October 23, 2019

Filed by the Secretary of State November 13, 2019

2019-234
CRPS and RSD Awareness Day

WHEREAS, Complex Regional Pain Syndrome (CRPS), also known as Reflex Sympathetic Dystrophy (RSD) is a nerve disorder that causes chronic pain; and,

WHEREAS, the symptoms of CRPS/RSD are often described as burning that is out of proportion to the severity of the initial injury and can include swelling and extreme sensitivity to touch; and,

WHEREAS, while CRPS/RSD was first identified during the Civil War, it remains a poorly understood condition with no cure; and,

WHEREAS, the National Institute of Neurological Disorders and Stroke and other institutes of the National Institutes of Health support research relating to CRPS/RSD; and,

WHEREAS, members of the CRPS/RSD community will spread awareness in November, celebrating the 6th Annual World Orange Day to spread awareness of this poorly understood pain disorder on November 4th;

THEREFORE, I, JB Pritzker, Governor of the State of Illinois, do hereby proclaim November 4th, 2019 as CRPS and RSD Awareness Day in Illinois.

Issued by the Governor October 23, 2019

Filed by the Secretary of State November 13, 2019

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2019-235**Annual Day of Action**

WHEREAS, October 27, 2019, marks one year since the horrific events at the Tree of Life Synagogue in Pittsburgh, Pennsylvania that tragically took the life of eleven worshipers and injured seven more in the deadliest antisemitic attack in American history; and,

WHEREAS, only months later, we saw a second deadly attack on worshipers during the Jewish high holiday of Passover at the Chabad of Poway synagogue in California in which one person was killed and three were injured; and,

WHEREAS, the latest FBI reporting showed a 37 percent increase in antisemitic hate crimes in the United States; and,

WHEREAS, FBI statistics demonstrate that Jewish people, and Jewish institutions, both religious and communal, were the most frequently targeted religious group accounting for almost 60 percent of all religious-based hate crime incidents; and,

WHEREAS, antisemitic incidents, hate speech, and threats have increased in recent years, and,

WHEREAS, we are committed to eradicating hate and bias crimes and recognize that antisemitism represents a unique and millennias-old enduring hatred of the Jewish people;

THEREFORE, I, JB Pritzker, Governor of the State of Illinois, do hereby proclaim October 27, 2019, as an Annual Day of Action to combat antisemitism and as a day to reaffirm our commitment as Illinoisans to combating antisemitism and all forms of hatred, and to ensuring the safety and dignity of all the people and communities of Illinois.

Issued by the Governor October 26, 2019

Filed by the Secretary of State November 13, 2019

2019-236**Illinois Rural Health Day**

WHEREAS, the main emphasis of rural health care has always been providing affordable, holistic, primary care – a model for the rest of the country to follow as America transitions to a population, wellness/prevention-based system of health care; and,

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WHEREAS, rural hospitals and health systems are often the economic foundation and largest employers of their communities; and,

WHEREAS, the health care needs of rural citizens are as unique as the communities in which they live and cannot be addressed by utilizing a "one size fits all" approach; and,

WHEREAS, addressing transportation, workforce, infrastructure, broadband/telecommunication needs, and geographic barriers is necessary to ensure all rural safety net providers can adequately meet the basic health care needs of the residents they serve; and,

WHEREAS, the Illinois Department of Public Health, Center for Rural Health, the National Organization of State Offices of Rural Health, and other rural stakeholders provide services and resources and foster relationships that help rural communities address their unique health care needs;

THEREFORE, I, JB Pritzker, Governor of the State of Illinois, do hereby proclaim November 21, 2019 to be Illinois Rural Health Day and encourage all citizens of Illinois to recognize the unique contributions and selfless, "can do" attitudes of our rural communities.

Issued by the Governor October 28, 2019

Filed by the Secretary of State November 13, 2019

2019-237**Kids' Chance Awareness Week**

WHEREAS, the catastrophic injury or death of a parent or guardian can have a devastating emotional and financial impact on the family unit; and,

WHEREAS, when the injury or death resulted from a work-related accident, workers' compensation benefits are often insufficient to allow the worker's children to pursue their educational dreams; and,

WHEREAS, the state of Illinois is fortunate to have Kids' Chance Incorporated of Illinois, a 501(c)(3) nonprofit that provides financial scholarships to children of seriously or fatally injured workers, so the children can pursue and achieve their educational goals; and,

WHEREAS, Kids' Chance in Illinois is one of 45 Kids' Chance organizations throughout the United States that make a significant difference in the lives of children affected by a workplace injury; and,

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WHEREAS, November 11-15, 2019, has been designated Kids' Chance Awareness Week in order to increase the visibility of Kids' Chance organizations across the country and to spread the word about Kids' Chance scholarship opportunities;

THEREFORE, I, JB Pritzker, Governor of the State of Illinois, do hereby proclaim November 11-15, 2019 as Kids' Chance Awareness Week in Illinois, and encourage all citizens to become familiar with the services and benefits offered by Kids' Chance Inc. of Illinois, and to support Kids' Chance organizations across the country.

Issued by the Governor October 28, 2019

Filed by the Secretary of State November 13, 2019

2019-238
Paralegal Day

WHEREAS, paralegals provide essential and vital legal support for many organizations, including law firms, corporate legal departments, and government offices; and,

WHEREAS, to meet the increasing demands for legal services in the United States, the skilled work of paralegals will grow in importance and significance for the operation of organizations and the application of American law; and,

WHEREAS, according to the United States Bureau of Labor Statistics, the paralegal profession will experience greater than average growth through the year 2026; and,

WHEREAS, created in 1972, the Illinois Paralegal Association represents more than 1,000 paralegals in Illinois with the association celebrating its 47th anniversary this year; and,

WHEREAS, the purpose of the Illinois Paralegal Association is to promote the paralegal profession and foster communication among paralegals, the legal community, and civic and professional organizations, as well as encourage the continuing education of paralegals;

THEREFORE, I, JB Pritzker, Governor of the State of Illinois, do hereby proclaim November 13, 2019, as Paralegal Day in Illinois.

Issued by the Governor October 28, 2019

Filed by the Secretary of State November 13, 2019

2019-239

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Piping Plover Day

WHEREAS, two endangered piping plovers, "Monty" and "Rose," became the first piping plovers to nest in Chicago in 64 years this past summer; and,

WHEREAS, there are only 70 pairs of endangered Great Lakes piping plovers remaining; and,

WHEREAS, Monty and Rose reared two chicks in one of the busiest parts of one of the busiest beaches in Illinois; and,

WHEREAS, nearly 200 people volunteered their time throughout the summer of 2019 to protect these birds, educating hundreds if not thousands of beach goers; and,

WHEREAS, Monty and Rose nested in Waukegan in 2018 and a film has been made about them which will debut on November 18; and,

WHEREAS, plovers are particularly susceptible to the effects of climate change and habitat loss;

THEREFORE, I, JB Pritzker, Governor of the State of Illinois, do hereby proclaim November 18, 2019, as Piping Plover Day in the state of Illinois.

Issued by the Governor October 28, 2019

Filed by the Secretary of State November 13, 2019

2019-240**Michael W. Gonzalez Day**

WHEREAS, Michael W. Gonzalez was co-founder of the largest Chicago-based Latino engineering firm; and,

WHEREAS, Mr. Gonzalez grew up in Pilsen and remained committed to the well-being of his community; and,

WHEREAS, Mr. Gonzalez was a dedicated and loyal husband to Leticia; a loving father to his daughter, Giselle; a devoted son, brother, uncle, and cousin to his extended family; and,

WHEREAS, Mr. Gonzalez advocated for Latinos to build and maintain a significant presence and participation in the construction industry as Chair of the Board of the Hispanic American Construction Industry Association (HACIA); and,

PROCLAMATIONS

WHEREAS, Mr. Gonzalez graduated with honors from St. Ignatius High School and received his bachelor's degree in Mechanical Engineering from the University of Illinois at Chicago; and,

WHEREAS, Mr. Gonzalez co-founded the nonpartisan Illinois Legislative Latino Caucus Foundation, served for many years as its Vice President, and worked tirelessly to promote higher education opportunities for Latino students through the Foundation's scholarship program; and,

WHEREAS, Mr. Gonzalez showed extraordinary courage and optimism in dealing with his terminal illness; and,

WHEREAS, Mr. Gonzalez will be eternally remembered for all he did on behalf of his family, community, and heritage;

THEREFORE, I, JB Pritzker, Governor of the State of Illinois, do hereby proclaim November 22, 2019 as Michael W. Gonzalez Day in the State of Illinois and commend the renaming of the ILLCF's Scholarship Program to the ILLCF Michael W. Gonzalez Scholarship Program.

Issued by the Governor October 30, 2019

Filed by the Secretary of State November 13, 2019

ILLINOIS ADMINISTRATIVE CODE
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