2020

ILLINOIS

REGISTER

Rules of
Governmental Agencies

Volume 44, Issue 27

July 6, 2020

Pages 11,132 - 11,293

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

Printed by authority of the State of Illinois. July --- 70 I PUB35

PUBLISHED BY JESSE WHITE • SECRETARY OF STATE

TABLE OF CONTENTS

July 6, 2020 Volume 44, Issue 27

PROPOSED RULES
REVENUE, DEPARTMENT OF
Income Tax
86 Ill. Adm. Code 100….....11132
ADOPTED RULES
GAMING BOARD, ILLINOIS
Video Gaming (General)
11 Ill. Adm. Code 1800.....11134
Riverboat and Casino Gambling
86 Ill. Adm. Code 3000.....11156
STATE EMPLOYEES' RETIREMENT SYSTEM OF ILLINOIS
The Administration and Operation of the State Employees' Retirement System of Illinois
80 Ill. Adm. Code 1540.....11172
EMERGENCY RULES
HUMAN SERVICES, DEPARTMENT OF
Child Care (Emergency Amendment to Emergency Rule)
89 Ill. Adm. Code 50….....11187
REVENUE, DEPARTMENT OF
Income Tax
86 Ill. Adm. Code 100.....11208
JCAR REVIEW OF EMERGENCY RULES STATEMENTS OF OBJECTION
CHILDREN AND FAMILY SERVICES, DEPARTMENT OF
Licensing Standards for Day Care Homes
89 Ill. Adm. Code 406.....11254
Licensing Standards for Day Care Centers
89 Ill. Adm. Code 407.....11255
Licensing Standards for Group Day Care Homes
89 Ill. Adm. Code 408.....11256
REGULATORY AGENDA
POLLUTION CONTROL BOARD
Definitions and General Provisions
35 Ill. Adm. Code 211.....11257
PROPERTY TAX APPEAL BOARD
Practice and Procedure for Appeals Before the Property Tax Appeal Board
86 Ill. Adm. Code 1910.....11280
STATE BOARD OF EDUCATION, ILLINOIS
Special Education
23 Ill. Adm. Code 226.....11282

STATE UNIVERSITIES RETIREMENT SYSTEM OF ILLINOIS
Universities Retirement
80 Ill. Adm. Code 1600.....11289
EXECUTIVE ORDERS AND PROCLAMATIONS
PROCLAMATION
Juneteenth In Illinois
2020-52…….....11292

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 2020

Issue#	Rules Due Date	Date of Issue
1	December 23, 2019	January 3, 2020
2	December 30, 2019	January 10, 2020
3	January 6, 2020	January 17, 2020
4	January 13, 2020	January 24, 2020
5	January 21, 2020	January 31, 2020
6	January 27, 2020	February 7, 2020
7	February 3, 2020	February 14, 2020
8	February 10, 2020	February 21, 2020
9	February 18, 2020	February 28, 2020
10	February 24, 2020	March 6, 2020
11	March 2, 2020	March 13, 2020
12	March 9, 2020	March 20, 2020
13	March 16, 2020	March 27, 2020
14	March 23, 2020	April 3, 2020
15	March 30, 2020	April 10, 2020
16	April 6, 2020	April 17, 2020
17	April 13, 2020	April 24, 2020
18	April 20, 2020	May 1, 2020
19	April 27, 2020	May 8, 2020
20	May 4, 2020	May 15, 2020
21	May 11, 2020	May 22, 2020
22	May 18, 2020	May 29, 2020

23	May 26, 2020	June 5, 2020
24	June 1, 2020	June 12, 2020
25	June 8, 2020	June 19, 2020
26	June 15, 2020	June 26, 2020
27	June 22, 2020	July 6, 2020
28	June 29, 2020	July 10, 2020
29	July 6, 2020	July 17, 2020
30	July 13, 2020	July 24, 2020
31	July 20, 2020	July 31, 2020
32	July 27, 2020	August 7, 2020
33	August 3, 2020	August 14, 2020
34	August 10, 2020	August 21, 2020
35	August 17, 2020	August 28, 2020
36	August 24, 2020	September 4, 2020
37	August 31, 2020	September 11, 2020
38	September 8, 2020	September 18, 2020
39	September 14, 2020	September 25, 2020
40	September 21, 2020	October 2, 2020
41	September 28, 2020	October 9, 2020
42	October 5, 2020	October 16, 2020
43	October 13, 2020	October 23, 2020
44	October 19, 2020	October 30, 2020
45	October 26, 2020	November 6, 2020
46	November 2, 2020	November 13, 2020
47	November 9, 2020	November 20, 2020
48	November 16, 2020	November 30, 2020
49	November 23, 2020	December 4, 2020
50	November 30, 2020	December 11, 2020
51	December 7, 2020	December 18, 2020
52	December 14, 2020	December 28, 2020

DEPARTMENT OF REVENUE

NOTICE OF PROPOSED AMENDMENTS

1) Heading of the Part: Income Tax

2) Code Citation: 86 Ill. Adm. Code 100

3)

Section Numbers:	Proposed Actions:
100.3220	Amendment
100.3370	Amendment
100.7030	Amendment
100.7036	New Section

4) Statutory Authority: 35 ILCS 5/303, 5/304, and 5/710

5) A Complete Description of the Subjects and Issues Involved: This rulemaking implements the amendments PA 101-31 made to Sections 303, 304 and 710 of the Illinois Income Tax Act, 35 ILCS 5/303, 5/304 and 5/710. Section 303, 35 ILCS 5/303, is amended as follows. For tax years ending on or after December 31, 2019, all horse racing and casino winnings under the Illinois Horse Racing Act of 1975 and the Illinois Gambling Act (formerly the Illinois Riverboat Gambling Act) are allocable to Illinois. Section 304, 35 ILCS 5/304, is amended as follows. For tax years ending on or after December 31, 2019, all gross receipts from winnings from pari-mutuel wagering conducted at a wagering facility licensed under the Illinois Horse Racing Act of 1975 [230 ILCS 5] or from winnings from gambling games conducted on a riverboat or in a casino or organization gaming facility licensed under the Illinois Gambling Act [230 ILCS 10] are in this State. Section 710, 35 ILCS 5/710, is amended to require withholding for residents and nonresidents for payments for winnings at a pari-mutuel wagering facility or from gambling games conducted on a riverboat or in a casino or organization gaming facility provided that the person making the payment is required to withhold under Section 3402(q) of the Internal Revenue Code.

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? Yes

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

DEPARTMENT OF REVENUE

NOTICE OF PROPOSED AMENDMENTS

Section Numbers:	Proposed Actions:	*Illinois Register* Citations:
100.2430	Amendment	44 Ill. Reg. 1785; January 24, 2020
100.7390	New Section	44 Ill. Reg. 4544; March 20, 2020

11) Statement of Statewide Policy Objective: These rules do not create or enlarge a mandate as described in Section 3(b) of the 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:

Michael D. Mankowski
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: None

B) Reporting, bookkeeping or other procedures required for compliance: Ability to track and report amounts withheld from gambling winnings.

C) Types of professional skills necessary for compliance: None

14) Small Business Impact Analysis: No significant impact.

15) Regulatory Agenda on which this rulemaking was summarized: This rulemaking was not included on either of the 2 most recent agendas because the proposed rules implement a recent statutory change and were inadvertently omitted from the most recent regulatory agenda.

The full text of the Proposed Amendments is identical to that of the text of the Emergency Amendments for this Part, and begins in this issue of the *Illinois Register* on page 11208:

ILLINOIS GAMING BOARD

NOTICE OF ADOPTED AMENDMENTS

1) Heading of the Part: Video Gaming (General)

2) Code Citation: 11 Ill. Adm. Code 1800

3)

Section Numbers:	Adopted Actions:
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 (a) (3) 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: June 22, 2020

6) Does this rulemaking contain an automatic repeal date? No

7) Does this rulemaking contain an incorporation by reference? No

8) A copy of the adopted rules, including any material incorporated by reference, is on file in the principal office and is available for public inspection.

9) Notice of Proposal published in the *Illinois Register*: 43 Ill. Reg. 13488; December 2, 2019.

10) Has JCAR issued a Statement of Objection to this rulemaking? No

11) Differences between Proposal and Final Version: There are no substantive differences between the original and final version.

12) Have all the changes agreed upon by the Agency and JCAR been made as indicated in the agreement letter issued by JCAR? Yes

ILLINOIS GAMING BOARD

NOTICE OF ADOPTED AMENDMENTS

13) Will this rulemaking replace any emergency rule currently in effect? No

14) Are there any rulemakings pending on this part? Yes

Section Numbers:	Proposed Actions:	*Illinois Register* Citations:
1800.110	Amendment	44 Ill. Reg. 4265, March 20, 2020
1800.350	New Section	44 Ill. Reg. 4265, March 20, 2020
1800.140	New Section	44 Ill. Reg. 10061, June 12, 2020
1800.615	Amendment	44 Ill. Reg. 10061, June 12, 2020
1800.690	Amendment	44 Ill. Reg. 10061, June 12, 2020
1800.715	Amendment	44 Ill. Reg. 10061, June 12, 2020
1800.720	Amendment	44 Ill. Reg. 10061, June 12, 2020
1800.790	Amendment	44 Ill. Reg. 10061, June 12, 2020

15) Summary and Purpose of Rulemaking: PA 101-318, effective August 9, 2019, added Section 79.5 to the Video Gaming Act (VGA) [230 ILCS 40/79.5]. This section provides that the Illinois Gaming Board (Board) shall "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: (1) permitting any person under the age of 21 years 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 Liwuor Control Act of 1934." The present amendment implements this statutory provision.

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.

The amendments add several new sections to the Video Gaming (General) Part that do the following:

Section 1800.2110 establishes the statutory basis for the emergency rulemaking.

ILLINOIS GAMING BOARD

NOTICE OF ADOPTED AMENDMENTS

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.

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.

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 municipal 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.

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

16) Information and questions regarding these adopted rules may be addressed to:

Agostino Lorenzini
General Counsel
Illinois Gaming Board

ILLINOIS GAMING BOARD

NOTICE OF ADOPTED AMENDMENTS

160 North LaSalle Street
Chicago IL 60601

IGB.RuleComments@igb.illinois.gov

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

ILLINOIS GAMING BOARD

NOTICE OF ADOPTED AMENDMENTS

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

ILLINOIS GAMING BOARD

NOTICE OF ADOPTED AMENDMENTS

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

ILLINOIS GAMING BOARD

NOTICE OF ADOPTED AMENDMENTS

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

ILLINOIS GAMING BOARD

NOTICE OF ADOPTED AMENDMENTS

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

ILLINOIS GAMING BOARD

NOTICE OF ADOPTED AMENDMENTS

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 R: IMPLEMENTATION OF TECHNOLOGY

Section
1800.1810 Implementation of Technology

SUBPART S: INDEPENDENT TESTING LABORATORIES

Section
1800.1910 Independent Outside Testing Laboratories
1800.1920 Minimum Duties of an Independent Outside Testing Laboratory
1800.1930 Testing of Video Gaming Equipment
1800.1940 Approval of Video Gaming Equipment

SUBPART T: IN-LOCATION PROGRESSIVE GAMES

Section
1800.2010 In-location Progressive Games
1800.2020 Optional Nature of In-location Progressive Games
1800.2030 Procedures Within Licensed Video Gaming Locations
1800.2040 Payments of Progressive Jackpot Amount
1800.2050 Deductions from Progressive Jackpots
1800.2060 Progressive Jackpot Coordinator

SUBPART U: UNDERAGE GAMBLING COMPLIANCE

1800.2110 Statement of Purpose
1800.2120 Program Considerations
1800.2130 Utilization of Confidential Sources
1800.2140 Provision of Funds
1800.2150 Operational Procedures

ILLINOIS GAMING BOARD

NOTICE OF ADOPTED AMENDMENTS

1800.2160 Reporting and Evidence
1800.2170 Cooperation with Local Law Enforcement Agencies

1800.EXHIBIT A Youth Participant Consent Form
1800.EXHIBIT B Underage Gambling Participant Acknowledgment

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, 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, except for the definition of "in-location bonus jackpot game" or "in-location progressive game" and the definition of "progressive jackpot" in Section 1800.110 and except for Section 1800.250(x), suspended at 43 Ill. Reg. 11061, effective September 18, 2019; 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 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; suspension withdrawn at 44 Ill. Reg. 3583; emergency amendment to emergency rule at 44 Ill. Reg. 3568, effective February 21, 2020, for the remainder of the 150 days; amended at 43 Ill. Reg. 14099, effective November 21, 2019; amended at 44 Ill. Reg. 489, effective December 27, 2019; amended at 44 Ill. Reg. 1961, effective December 31, 2019; amended at 44 Ill. Reg. 3205, effective February 7, 2020; emergency amendment at 44 Ill. Reg. 10193, effective May 27, 2020, for a maximum of 150 days; amended at 44 Ill. Reg. 10891, effective June 10, 2020; emergency amendment at 44 Ill. Reg. 11104, effective June 15, 2020, for a maximum of 150 days; amended at 44 Ill. Reg. 11134, effective June 22, 2020.

SUBPART U: UNDERAGE GAMBLING COMPLIANCE

Section 1800.2110 Statement of Purpose

The purpose of this Subpart is to implement the underage gambling provisions of Section 79.5 of the Act, 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 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 the Act; or*

b) *furnishing alcoholic liquor to persons under 21 years of age in violation of the Liquor Control Act of 1934* [235 ILCS 5].

(Source: Added at 44 Ill. Reg. 11134, effective June 22, 2020)

Section 1800.2120 Program Considerations

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 at 44 Ill. Reg. 11134, effective June 22, 2020)

Section 1800.2130 Utilization of Confidential Sources

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:

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 at 44 Ill. Reg. 11134, effective June 22, 2020)

Section 1800.2140 Provision of Funds

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.

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 at 44 Ill. Reg. 11134, effective June 22, 2020)

Section 1800.2150 Operational Procedures

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) When 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 photocopy of the valid identification shall be made for later possible presentation at a hearing.

f) Board investigators shall be assigned to each detail team. The roles of the investigators shall be as follows:

1) Detail supervisor. For purposes of this Subpart U, "detail supervisor" means the highest ranking officer in charge of the underage compliance operation.

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.

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 after the compliance operation that no violation has been found.

(Source: Added at 44 Ill. Reg. 11134, effective June 22, 2020)

Section 1800.2160 Reporting and Evidence

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

shall be completed, including documentation of the transfer, receipt and expenditure of funds provided under Section 1800.2140.

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 at 44 Ill. Reg. 11134, effective June 22, 2020)

Section 1800.2170 Cooperation with Local law Enforcement Agencies

All Board investigators engaging in underage compliance check operations under this Subpart shall comply with the directive in Section 79 of the Act 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 at 44 Ill. Reg. 11134, effective June 22, 2020)

ILLINOIS GAMING BOARD

NOTICE OF ADOPTED AMENDMENTS

Section 1800.EXHIBIT A Youth Participant Consent Form

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.

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 in which 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 at 44 Ill. Reg. 11134, effective June 22, 2020)

ILLINOIS GAMING BOARD

NOTICE OF ADOPTED AMENDMENTS

Section 1800.EXHIBIT B Underage Gambling Participant Acknowledgement

Name of participant _____

Date of birth _____

Driver's 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.

ILLINOIS GAMING BOARD

NOTICE OF ADOPTED AMENDMENTS

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 at 44 Ill. Reg. 11134, effective June 22, 2020)

ILLINOIS GAMING BOARD

NOTICE OF ADOPTED AMENDMENT

1) Heading of the Part: Riverboat and Casino Gambling

2) Code Citation: 86 Ill. Adm. Code 3000

3) Section Number: 3000.106 — Adopted Action: New Section

4) Statutory Authority: Authority for the rulemaking comes from several paragraphs within Section 5 (b) (14) of the Illinois Gambling Act [203 ILCS 10/5 (b) (14)] which requires the Illinois Gaming Board (Board) "[t]o adopt, by rule, a code of conduct governing Board members and employees that ensure, to the maximum extent possible, that persons subject to this Code avoid situations, relationships, or associations that may represent or lead to a conflict or interest."

5) Effective Date of Rule: June 17, 2020

6) Does this rulemaking contain an automatic repeal date? No

7) Does this rulemaking contain incorporations by reference? No

8) A copy of the adopted rule, including any material incorporated by reference, is on file in the principal office and is available for public inspection.

9) Notice of Proposal published in *Illinois Register*: 44 Ill. Reg. 1752; January 24, 2020

10) Has JCAR issued a Statement of Objection to this rulemaking? No

11) Differences between Proposal and Final Version: There are no substantive differences between the original and final version.

12) Have all the changes agreed upon by the Agency and JCAR been made as indicated in the agreement letter issued by JCAR? Yes

13) Will this rulemaking replace any emergency rule currently in effect? No

14) Are there any rulemakings pending on this Part? Yes

Section Numbers:	Proposed Actions:	*Illinois Register* Citations:
3000.286	Amendment	44 Ill. Reg. 5974; April 17, 2020

ILLINOIS GAMING BOARD

NOTICE OF ADOPTED AMENDMENT

3000.520	New Section	44 Ill. Reg. 6205; April 24, 2020
3000.530	New Section	44 Ill. Reg. 6205; April 24, 2020
3000.540	New Section	44 Ill. Reg. 6205; April 24, 2020

15) Summary and Purpose of Rulemaking: This amendment enacts the Code of Conduct mandated by Section 5 (b) (14) of the Illinois Gambling Act [230 ILCS 10/5 (b) 194)]. The rulemaking identifies and prohibits specific conducts that could lead to conflicts of interest or the appearance of conflicts of interest, and provides consequences for violations.

16) Information and questions regarding this adopted rule may be addressed to:

Agostino Lorenzini
General Counsel
Illinois Gaming Board
160 North LaSalle Street
Chicago IL 60601

IGB.RuleComments@igb.illinois.gov

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

ILLINOIS GAMING BOARD

NOTICE OF ADOPTED AMENDMENT

TITLE 86: REVENUE
CHAPTER IV: ILLINOIS GAMING BOARD

PART 3000
RIVERBOAT AND CASINO GAMBLING

SUBPART A: GENERAL PROVISIONS

Section
3000.100 Definitions
3000.101 Invalidity
3000.102 Public Inquiries
3000.103 Organization of the Illinois Gaming Board
3000.104 Rulemaking Procedures
3000.105 Board Meetings
3000.106 Code of Conduct
3000.110 Disciplinary Actions
3000.115 Records Retention
3000.120 Place to Submit Materials
3000.130 No Opinion or Approval of the Board
3000.140 Duty to Disclose Changes in Information
3000.141 Applicant/Licensee Disclosure of Agents
3000.150 Owner's and Supplier's Duty to Investigate
3000.155 Investigatory Proceedings
3000.160 Duty to Report Misconduct
3000.161 Communication with Other Agencies
3000.165 Participation in Games by Owners, Directors, Officers, Key Persons or Gaming Employees
3000.170 Fair Market Value of Contracts
3000.180 Weapons on Riverboat
3000.190 Ethical Conduct

SUBPART B: LICENSES

Section
3000.200 Classification of Licenses
3000.210 Fees and Bonds
3000.220 Applications
3000.221 Other Required Forms

ILLINOIS GAMING BOARD

NOTICE OF ADOPTED AMENDMENT

3000.222 Identification and Requirements of Key Persons
3000.223 Disclosure of Ownership and Control
3000.224 Economic Disassociation
3000.225 Business Entity and Personal Disclosure Filings
3000.230 Owner's Licenses
3000.231 Distributions
3000.232 Undue Economic Concentration
3000.234 Acquisition of Ownership Interest By Institutional Investors
3000.235 Transferability of Ownership Interest
3000.236 Owner's License Renewal
3000.237 Renewed Owner's Licenses, Term and Restrictions
3000.238 Appointment of Receiver for an Owner's License
3000.240 Supplier's Licenses
3000.241 Renewal of Supplier's License
3000.242 Amendment to Supplier's Product List
3000.243 Bankruptcy or Change in Ownership of Supplier
3000.244 Surrender of Supplier's License
3000.245 Occupational Licenses
3000.250 Transferability of Licenses
3000.260 Waiver of Requirements
3000.270 Certification and Registration of Electronic Gaming Devices
3000.271 Analysis of Questioned Electronic Gaming Devices
3000.272 Certification of Voucher Systems
3000.280 Registration of All Gaming Devices
3000.281 Transfer of Registration (Repealed)
3000.282 Seizure of Gaming Devices (Repealed)
3000.283 Analysis of Questioned Electronic Gaming Devices (Repealed)
3000.284 Disposal of Gaming Devices
3000.285 Certification and Registration of Voucher Validation Terminals
3000.286 Contracting Goals for Owners Licensees
3000.287 Independent Outside Testing Laboratories
3000.288 Minimum Duties of Independent Outside Testing Laboratories

SUBPART C: OWNER'S INTERNAL CONTROL SYSTEM

Section
3000.300 General Requirements – Internal Control System
3000.310 Approval of Internal Control System
3000.320 Minimum Standards for Internal Control Systems

ILLINOIS GAMING BOARD

NOTICE OF ADOPTED AMENDMENT

3000.330 Review of Procedures (Repealed)
3000.340 Operating Procedures (Repealed)
3000.350 Modifications (Repealed)

SUBPART D: HEARINGS ON NOTICE OF DENIAL, RESTRICTION OF LICENSE, PLACEMENT ON BOARD EXCLUSION LIST OR REMOVAL FROM BOARD EXCLUSION LIST OR SELF-EXCLUSION LIST

Section
3000.400 Coverage of Subpart
3000.405 Requests for Hearings
3000.410 Appearances
3000.415 Discovery
3000.420 Motions for Summary Judgment
3000.424 Subpoena of Witnesses
3000.425 Proceedings
3000.430 Evidence
3000.431 Prohibition on Ex Parte Communication
3000.435 Sanctions and Penalties
3000.440 Transmittal of Record and Recommendation to the Board
3000.445 Status of Applicant for Licensure or Transfer Upon Filing Request for Hearing

SUBPART E: CRUISING

Section
3000.500 Riverboat Cruises
3000.510 Cancelled or Disrupted Cruises

SUBPART F: CONDUCT OF GAMING

Section
3000.600 Wagering Only with Electronic Credits, Approved Chips, Tokens and Electronic Cards
3000.602 Disposition of Unauthorized Winnings
3000.605 Authorized Games
3000.606 Gaming Positions
3000.610 Publication of Rules and Payout Ratio for Live Gaming Devices
3000.614 Tournaments, Enhanced Payouts and Give-aways
3000.615 Payout Percentage for Electronic Gaming Devices

ILLINOIS GAMING BOARD

NOTICE OF ADOPTED AMENDMENT

3000.616 Cashing-In
3000.620 Submission of Chips for Review and Approval
3000.625 Chip Specifications
3000.630 Primary, Secondary and Reserve Sets of Gaming Chips
3000.631 Tournament Chips
3000.635 Issuance and Use of Tokens for Gaming
3000.636 Distribution of Coupons for Complimentary Chips, Tokens, Vouchers, Cash and Electronic Credits
3000.640 Exchange of Chips, Tokens, and Vouchers
3000.645 Receipt of Gaming Chips or Tokens from Manufacturer or Distributor
3000.650 Inventory of Chips
3000.655 Destruction of Chips, Tokens, and Vouchers
3000.660 Minimum Standards for Electronic Gaming Devices
3000.661 Minimum Standards for Voucher Systems
3000.665 Integrity of Electronic Gaming Devices
3000.666 Bill Validator Requirements
3000.667 Integrity of Voucher Systems
3000.670 Computer Monitoring Requirements of Electronic Gaming Devices
3000.671 Computer Monitoring Requirements of Voucher Systems

SUBPART G: EXCLUSION OF PERSONS

Section
3000.700 Organization of Subpart
3000.701 Duty to Exclude
3000.705 Voluntary Self-Exclusion Policy (Repealed)
3000.710 Distribution and Availability of Board Exclusion List
3000.720 Criteria for Exclusion or Ejection and Placement on the Board Exclusion List
3000.725 Duty of Licensees
3000.730 Procedure for Entry of Names
3000.740 Petition for Removal from the Board Exclusion List
3000.745 Voluntary Self-Exclusion Policy
3000.750 Establishment of a Self-Exclusion List
3000.751 Locations to Execute Self-Exclusion Forms
3000.755 Information Required for Placement on the Self-Exclusion List
3000.756 Stipulated Sanctions for Failure to Adhere to Voluntary Self-Exclusion
3000.760 Distribution and Availability of Confidential Self-Exclusion List
3000.770 Duties of Licensees
3000.780 Request for Removal from the IGB Self-Exclusion List

ILLINOIS GAMING BOARD

NOTICE OF ADOPTED AMENDMENT

3000.782 Required Information, Recommendations, Forms and Interviews
3000.785 Appeal of a Notice of Denial of Removal
3000.786 Duties of Owner Licensees to Persons Removed from the Self-Exclusion List
3000.787 Placement on the Self-Exclusion List Following Removal
3000.790 Duties of the Board

SUBPART H: SURVEILLANCE AND SECURITY

Section
3000.800 Required Surveillance Equipment
3000.810 Riverboat and Board Surveillance Room Requirements
3000.820 Segregated Telephone Communication
3000.830 Surveillance Logs
3000.840 Storage and Retrieval
3000.850 Dock Site Board Facility
3000.860 Maintenance and Testing

SUBPART I: LIQUOR LICENSES

Section
3000.900 Liquor Control Commission
3000.910 Liquor Licenses
3000.920 Disciplinary Action
3000.930 Hours of Sale

SUBPART J: OWNERSHIP AND ACCOUNTING RECORDS AND PROCEDURES

Section
3000.1000 Ownership Records
3000.1010 Accounting Records
3000.1020 Standard Financial and Statistical Records
3000.1030 Annual and Special Audits and Other Reporting Requirements
3000.1040 Accounting Controls Within the Cashier's Cage
3000.1050 Procedures for Exchange of Checks Submitted by Gaming Patrons and Granting Credit
3000.1060 Handling of Cash at Gaming Tables
3000.1070 Tips or Gratuities
3000.1071 Admission Tax and Wagering Tax
3000.1072 Cash Reserve Requirements

ILLINOIS GAMING BOARD

NOTICE OF ADOPTED AMENDMENT

SUBPART K: SEIZURE AND DISCIPLINARY HEARINGS

Section
3000.1100 Coverage of Subpart
3000.1105 Duty to Maintain Suitability
3000.1110 Board Action Against License or Licensee
3000.1115 Complaint
3000.1120 Appearances
3000.1125 Answer
3000.1126 Appointment of Hearing Officer
3000.1130 Discovery
3000.1135 Motions for Summary Disposition
3000.1139 Subpoena of Witnesses
3000.1140 Proceedings
3000.1145 Evidence
3000.1146 Prohibition of Ex Parte Communication
3000.1150 Sanctions and Penalties
3000.1155 Transmittal of Record and Recommendation to the Board

AUTHORITY: Implementing and authorized by the Illinois Gambling Act [230 ILCS 10], Video Gaming Act [230 ILCS 40], Sports Wagering Act [230 ILCS 45], and Illinois Horse Racing Act of 1975 [230 ILCS 5].

SOURCE: Emergency rule adopted at 15 Ill. Reg. 11252, effective August 5, 1991, for a maximum of 150 days; adopted at 15 Ill. Reg. 18263, effective December 10, 1991; amended at 16 Ill. Reg. 13310, effective August 17, 1992; amended at 17 Ill. Reg. 11510, effective July 9, 1993; amended at 20 Ill. Reg. 5814, effective April 9, 1996; amended at 20 Ill. Reg. 6280, effective April 22, 1996; emergency amendment at 20 Ill. Reg. 8051, effective June 3, 1996, for a maximum of 150 days; amended at 20 Ill. Reg. 14765, effective October 31, 1996; amended at 21 Ill. Reg. 4642, effective April 1, 1997; emergency amendment at 21 Ill. Reg. 14566, effective October 22, 1997, for a maximum of 150 days; emergency amendment at 22 Ill. Reg. 978, effective December 29, 1997, for a maximum of 150 days; amended at 22 Ill. Reg. 4390, effective February 20, 1998; amended at 22 Ill. Reg. 10449, effective May 27, 1998; amended at 22 Ill. Reg. 17324, effective September 21, 1998; amended at 22 Ill. Reg. 19541, effective October 23, 1998; emergency amendment at 23 Ill. Reg. 8191, effective July 2, 1999 for a maximum of 150 days; emergency expired November 28, 1999; amended at 23 Ill. Reg. 8996, effective August 2, 1999; amended at 24 Ill. Reg. 1037, effective January 10, 2000; amended at 25 Ill. Reg. 94, effective January 8, 2001; amended at 25 Ill. Reg. 13292, effective October 5,

2001; proposed amended at 26 Ill. Reg. 9307, effective June 14, 2002; emergency amendment adopted at 26 Ill. Reg. 10984, effective July 1, 2002, for a maximum of 150 days; adopted at 26 Ill. Reg. 15296, effective October 11, 2002; amended at 26 Ill. Reg. 17408, effective November 22, 2002; emergency amendment at 27 Ill. Reg. 10503, effective June 30, 2003, for a maximum of 150 days; amended at 27 Ill. Reg. 15793, effective September 25, 2003; amended at 27 Ill. Reg. 18595, effective November 25, 2003; amended at 28 Ill. Reg. 12824, effective August 31, 2004; amended at 31 Ill. Reg. 8098, effective June 14, 2007; amended at 32 Ill. Reg. 2967, effective February 15, 2008; amended at 32 Ill. Reg. 3275, effective February 19, 2008; amended at 32 Ill. Reg. 7357, effective April 28, 2008; amended at 32 Ill. Reg. 8592, effective May 29, 2008; amended at 32 Ill. Reg. 8931, effective June 4, 2008; amended at 32 Ill. Reg. 13200, effective July 22, 2008; amended at 32 Ill. Reg. 17418, effective October 23, 2008; amended at 32 Ill. Reg. 17759, effective October 28, 2008; amended at 32 Ill. Reg. 17946, effective November 5, 2008; amended at 34 Ill. Reg. 3285, effective February 26, 2010; amended at 34 Ill. Reg. 3748, effective March 11, 2010; amended at 34 Ill. Reg. 4768, effective March 16, 2010; amended at 34 Ill. Reg. 5200, effective March 24, 2010; amended at 34 Ill. Reg. 15386, effective September 23, 2010; amended at 36 Ill. Reg. 13199, effective July 31, 2012; amended at 37 Ill. Reg. 12050, effective July 9, 2013; amended at 37 Ill. Reg. 18255, effective November 1, 2013; amended at 38 Ill. Reg. 2808, effective January 8, 2014; amended at 38 Ill. Reg. 21471, effective October 29, 2014; amended at 39 Ill. Reg. 4362, effective March 10, 2015; amended at 39 Ill. Reg. 12312, effective August 18, 2015; amended at 40 Ill. Reg. 12776, effective August 19, 2016; amended at 41 Ill. Reg. 380, effective December 29, 2016; amended at 41 Ill. Reg. 12840, effective September 28, 2017; emergency amendment at 43 Ill. Reg. 9801, effective August 23, 2019, for a maximum of 150 days; emergency amendment at 43 Ill. Reg. 10512, effective September 5, 2019, for a maximum of 150 days; emergency amendment at 43 Ill. Reg. 10733, effective September 13, 2019, for a maximum of 150 days; amended at 44 Ill. Reg. 521, effective December 30, 2019; amended at 44 Ill. Reg. 3224, effective February 4, 2020; emergency amendment at 44 Ill. Reg. 6426, effective April 7, 2020, for a maximum of 150 days; amended at 44 Ill. Reg. 11156, effective June 17, 2020.

SUBPART A: GENERAL PROVISIONS

Section 3000.106 Code of Conduct

The purpose of this Code of Conduct is to assure, to the maximum extent possible, that persons subject to this Code avoid situations, relationships or associations that may lead to or represent an actual or potential conflict of interest.

a) Policy and Application

ILLINOIS GAMING BOARD

NOTICE OF ADOPTED AMENDMENT

1) Definitions
For purposes of this Section, the following terms shall have the following meanings:

"Applicant": Any person that has submitted an application or has publicly expressed an intent to submit an application for licensure under the Illinois Gambling Act, Video Gaming Act, or Sports Wagering Act [230 ILCS 45].

"Covered Person": Any of the following:

Applicants;

Licensees;

Affiliates of an applicant or licensee;

Persons with significant influence or control of an applicant or licensee as defined in 11 Ill. Adm. Code 1800.110;

Key Persons of an applicant or licensee; or

Representatives of persons or entities included in this definition.

"Employee": Any person employed full-time, part-time, or pursuant to a contract of any kind and whose employment duties are subject to the direction and control of the Board with regard to the material details of how the work is to be performed, including any State employees detailed or assigned to the Board from other State entities, contract employees, and independent contractors in the service of the Board.

"Licensee": Any person who holds a license issued pursuant to the Illinois Gambling Act, Video Gaming Act, or Sports Wagering Act.

2) Members and employees of the Board are to discharge their duties and responsibilities with undivided loyalty to the Board and in such a manner as to promote and preserve public trust and confidence in the integrity of the conduct of gaming and in the integrity and impartiality of the Board.

3) No Board member or employee shall use or attempt to use his or her official position to secure, or attempt to secure, any privilege, advantage, favor or influence for himself, herself or others.

4) Members and employees of the Board shall bear responsibility for adherence to the provisions of this Code of Conduct.

5) Provisions of this Code of Conduct applying to relatives or household members of an employee or Board member apply regardless of the nature of the relationship, including, but not limited to, relationships by blood, marriage, adoption or other relationship.

6) When evaluating the circumstances of a violation or potential violation of this Code of Conduct by a relative or household member of a Board member or employee, the level of influence held by the Board member or employee over that relative or household member shall be considered.

b) Conflict of Interest

1) Board members and employees and their respective spouses, domestic partners, boyfriends, girlfriends, parents, children and household members shall have an affirmative duty to avoid relationships that may cause or have the appearance of causing an actual or potential conflict of interest.

2) A "conflict of interest" means a situation in which a Board member's or a Board employee's private interest, whether personal, financial or otherwise, influences, or creates the appearance that it may influence, the Board member's or employee's judgment in the performance of his or her regulatory duties and responsibilities to act in a fair and impartial manner.

c) Gambling

1) Except as may be required in the conduct of official duties, Board members and employees shall not engage in gambling conducted under the Illinois Gambling Act, Video Gaming Act, Sports Wagering Act, or Illinois Horse Racing Act of 1975 [230 ILCS 5].

2) Board members and employees shall not engage in any other legalized gambling identified by Board action that, in the judgement of the Board, could represent a potential for, or the appearance of, a conflict of interest.

d) Outside Employment

1) Board members and employees shall not hold or pursue employment, office, position, business or occupation that may conflict with the official duties of that Board member or employee.

2) Employees may engage in other gainful employment that does not interfere or conflict with their duties, provided that the employment is disclosed to the Administrator and the Board and approved by the Board or, as delegated, by the Administrator.

3) Disclosure of outside employment must be made at the time of appointment to the Board or at the time the employee is hired to work for the Board or prior to accepting the outside employment.

4) Any Board member who discloses outside employment to the Board shall recuse himself or herself from any discussion and decision made by the Board relative to his or her outside employment.

5) Outside employment that, despite recusal from Board action and discussion, presents recurring or continuing possibilities for potential or actual conflicts of interest shall be grounds for removal from the Board under Section 5(a)(6) of the Act.

6) No Board member shall hold any other public office.

e) Restrictions on Receiving Gifts

1) Board members and employees and their spouses, domestic partners, boyfriends or girlfriends, children, parents, and household members may not, directly or indirectly, accept any gift, gratuity, service, compensation, travel, lodging, or thing of value from a covered person, with the exception of unsolicited items of an incidental nature.

2) This prohibition may be extended by Board action to any person who, in the judgment of the Board, could represent a potential for, or the appearance of, a conflict of interest.

f) Prohibition on Holding or Acquiring Ownership

1) Board members and employees of the Board, their spouses, domestic partners, boyfriends or girlfriends, children, parents, and household members may not, directly or indirectly, hold or acquire, or cause or encourage any other person to acquire, any actual or contingent form of ownership interest or other financial interest in a covered person.

2) The prohibition in subsection (f)(1) may extend to the holding or acquisition of an interest in any entity identified by Board action that, in the judgment of the Board, could represent the potential for, or the appearance of, a conflict of interest.

3) The holding or acquisition of an interest in these entities through an indirect means (e.g., through a mutual fund) shall not be prohibited, except that the Board may identify specific investments or funds that, in its judgment, are so influenced by gaming holdings as to represent the potential for, or the appearance of, a conflict of interest.

4) Every Board member, Board employee, and spouse or immediate family member living with that person shall be subject to applicable provisions of Section 5-45 of the State Officials and Employees Ethics Act [5 ILCS 430] (the "revolving door prohibition") for a period of two years immediately after termination of Board appointment or employment.

g) Prohibition of Economic Association

1) Notwithstanding subsections (d)(4) and (5), Board members and employees of the Board and their spouses, domestic partners, boyfriends, girlfriends, children, parents, and household members shall not have an economic association with a covered person or any race track, racing association, or any person engaged in the conducting of horse racing in the State of Illinois.

2) An "economic association" shall mean any current economic relationship, direct or indirect, representing the potential for, or the appearance of, an actual or potential conflict of interest that may exist between a Board member or Board employee and a covered person.

3) The prohibition of economic association provided by this subsection (g) may be extended to any person identified by Board action that, in the judgment of the Board, could represent the potential for, or the appearance of, a conflict of interest.

4) This prohibition on economic association may by waived by Board action for a spouse, domestic partner, boyfriend, girlfriend, child, parent, or household member of an employee of the Board.

h) Disclosure of Economic Association

1) Each Board member who owns or is employed by a firm or business entity shall, to the best of his or her ability, identify any economic association with any covered person.

2) Subject to the prohibition contained in subsection (g)(1), the Board member shall declare his or her intention to refrain from deliberations and voting on questions related to the gaming entity or individual in that economic association. This requirement may be extended by Board action to any person who, in the judgment of the Board, could represent the potential for, or the appearance of, a conflict of interest.

3) Board members shall refrain from working on any gaming-related matters on behalf of any person with whom the Board member has an economic association.

i) Recusal Process

1) Board member duties of disclosure and recusal are ongoing.

2) In advance of each Board meeting, and before engaging in any deliberations or voting, Board members must review lists provided by Board staff of all persons and locations that will come before the Board, at the upcoming Board meeting, for consideration for licensure, discipline or

any other action. This review will assist the members in determining whether recusal from a particular Board deliberation or vote is required.

3) To the extent practicable, each Board member who owns or is employed by a firm or entity shall employ a conflict check process, subject to approval by the Administrator, to determine whether any existing or new firm or entity client is, or has become, a covered person. This process will assist the Board member in discharging his or her disclosure and recusal duties.

j) Restrictions on Professional Service Agents

1) Professional service agents of the Board may be subject to terms and conditions relating to restrictions or prohibitions in representation, employment and contracting with licensees, applicants, their affiliates, persons with significant influence and control, Key Persons, and their representatives. These restrictions and prohibitions shall be contained in the professional service contracts of the Board.

2) For purposes of this subsection (j), professional service agents of the Board include any person, corporation or organization providing legal, accounting, financial, public relations, auditing, architectural, data processing, or management consulting services.

k) Disclosure Statements. Board members and employees shall complete and timely file the Statement of Economic Interest required by Article 4A of the Illinois Governmental Ethics Act [5 ILCS 420], a copy of which shall be provided to the Administrator.

l) Post-Board Affiliation or Employment. Every Board member, Board employee, and their spouse or immediate family members shall be subject to all applicable provisions of Section 5-45 of the State Officials and Employees Ethics Act [5 ILCS 430] (the "revolving door prohibition") for a period of one year after termination of Board appointment or employment.

m) Violations

1) Violation of this Code of Conduct by a member of the Board may result in sanctions up to and including removal from the Board.

ILLINOIS GAMING BOARD

NOTICE OF ADOPTED AMENDMENT

2) Violation of this Code of Conduct by an employee or agent of the Board may result in discipline up to and including termination.

(Source: Added at 44 Ill. Reg. 11156, effective June 17, 2020)

STATE EMPLOYEES' RETIREMENT SYSTEM OF ILLINOIS

NOTICE OF ADOPTED 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)

Section Numbers:	Adopted Actions:
1540.80	Amendment
1540.190	Amendment
1540.380	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

5) Effective Date of Rules: June 19, 2020

6) Does this rulemaking contain an automatic repeal date? No

7) Does this rulemaking contain incorporations by reference? No

8) A copy of the adopted rules, including any material incorporated by reference, is on file in the Agency's principal office is available for public inspection.

9) Notice of Proposal published in *Illinois Register*: 44 Ill. Reg. 3869; March 13, 2020

10) Has JCAR issued a Statement of Objection to this rulemaking? No

11) Differences between Proposal and Final Version: Technical changes recommended by JCAR were included.

12) Have all the changes agree upon by the Agency and JCAR been made as indicated in the agreement letter issued by JCAR? Yes

13) Will this rulemaking replace an emergency rule currently in effect? No

14) Are there any rulemakings pending on this Part? No

15) Summary and Purpose of Rulemaking: The adopted rules clarify the situation in which a member has accepted a refund or an annuity for service earned under the Teachers' Retirement System or the State Universities' Retirement System and applies for either a

temporary disability benefit or non-occupational disability benefit from SERS. The clarification provides that such credits earned under TRS or SURS shall not be considered for disability benefit eligibility and duration purposes.

These rules provide consistency in the method used to measure "final average compensation" for disability benefits purposes. The rules provide that the method in measuring "final average compensation" for such benefits shall be based on the date in which the member exits the payroll. This methodology is consistent with how pension benefits are calculated.

Additionally, the rules clarify that for purposes of Section 14-124.5 of the Code, reports shall mean independent medical examinations performed by licensed healthcare professionals.

These rules clarify that compensation received that represents back wages shall be assigned to the pay period in which it was earned.

Additionally, the rules provide that the System may refer debt attributable to overpaid benefit payments to the Attorney General, the Debt Collection Board, the Comptroller's Offset System, or a private collection agency.

Finally, various technical and grammatical changes are made to the "Mistake In Benefit" section.

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

Jeff Houch
Assistant to the Executive Secretary
State Employees' Retirement System
2101 South Veterans Parkway
Springfield IL 62794

jeff.houch@srs.illinois.gov
217/524-8105

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

STATE EMPLOYEES' RETIREMENT SYSTEM OF ILLINOIS

NOTICE OF ADOPTED 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

NOTICE OF ADOPTED AMENDMENTS

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
1540.400 Multiple Survivors of a Tier 2 Member

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 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. 534, effective December 27, 2019; amended at 44 Ill. Reg. 7888, effective April 27, 2020; amended at 44 Ill. Reg. 11172, effective June 19, 2020.

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 a written application on forms prescribed by the Board.

2) If a member makes a payment of contributions to SERS 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 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 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 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 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 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).

5) If a member requests to have service credits under the State Universities Retirement System (SURS) or the Teachers' Retirement System of the

State of Illinois (TRS) considered for the purposes of determining nonoccupational or temporary disability benefit eligibility under Section 14-124 or 14-123.1 of the Illinois Pension Code, or for purposes of calculating the total period of time for which benefit will be paid, SERS shall not include in its calculations any credits accrued under Article 15 or 16 of the Code that have been forfeited by acceptance of a refund or applied toward a retirement annuity and that have not been restored or otherwise reestablished in accordance with the requirements of those Articles of the Code. Credits accrued under Article 15 or 16 of the Code that have been forfeited by acceptance of a refund or applied toward a retirement annuity, and that have not been restored or otherwise reestablished in accordance with the requirements of those Articles of the Code, shall not be considered for purposes of determining eligibility for a nonoccupational or temporary disability benefit under Section 14-124 or 14-123.1 of the Code or in determining the total period of time for which such a benefit is payable.

b) Occupational Disability
Any member of SERS claiming benefits for occupational disability shall file at the Springfield Office of SERS a written application on forms prescribed by the Board.

c) Licensed Healthcare Professionals

1) Before an occupational, nonoccupational or temporary disability benefit can be approved, one statement must be received from a licensed healthcare professional attesting to the disability. An additional statement from a second licensed healthcare professional may be required by the disability examiner assigned to the case, depending on the nature of the disabling condition.

2) The term "licensed healthcare professional" shall mean any individual defined as a "licensed healthcare professional" by Section 14-103.42 of the Code. ~~All licensed physicians must submit their registration number on all reports submitted to SERS.~~

d) Report of Licensed Healthcare Professionals

1) All licensed healthcare professional'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 licensed healthcare professional's reports shall be signed by a licensed practicing healthcare professional 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 mean either of the following:

1) Any employment by or for the State of Illinois.

2) Effective January 1, 2019, any individual who exceeds $3,660 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 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. In addition, 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 purposes of this Section, "remuneration" shall 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, as opposed to a passive investment, 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 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 sale, exchange, or disposition, less the amount representing the cost to the seller in acquiring the goods or other property that is sold, exchanged, or disposed of. In applying this Section, SERS shall consider the date on which the remuneration was earned rather than when it was received. For purposes of this Section, remuneration may be earned through either self-employment or employment by others.

C) Gainful employment shall not include remuneration from income producing opportunities or activities created by the member prior to the onset of the disability, except to the extent that the remuneration level has increased through the performance of physical and/or mental activities.

D) A dependent unmarried child over age 18 who is receiving a survivor's annuity shall be considered to be engaged in substantial gainful activity if he or she is gainfully employed as defined in this subsection (e).

f) Investigation of Claims

1) The SERS Board of Trustees 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 will pay for independent medical examinations, hospital records, and activity inspection reports that it requires. SERS 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.

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 amount of a nonoccupational, occupational, or temporary disability benefit under Section 14-123, 14-123.1, or 14-125 of the Code, the "date of disability" or "time disability occurred" is the date the member is removed from payroll by virtue of being placed on disability leave.

i~~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.

j~~i~~) Definitions

"The duties of the member's position" means 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.

"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. 11172, effective June 19, 2020)

Section 1540.190 Lump Sum Salary Payments

a) Employee retirement contributions are not to be assessed against certain lump sum salary payments as provided in the Act.

b) Compensation received for unused compensatory time shall be applied to the pay

period in which it was earned, rather than when it was received.

c) Compensation received for back wages shall be applied to the pay period in which it was earned, rather than when it was received.

(Source: Amended at 44 Ill. Reg. 11172, effective June 19, 2020)

Section 1540.380 Correction of Mistakes in Benefit Payments

a) As soon as reasonably practicable after discovery that the amount of a benefit ~~being~~ paid to a recipient is incorrect, SERS~~the System~~ shall notify the recipient in writing. The written notice~~communication~~ shall indicate the correct amount of the benefit, when the amount of the corrected benefit~~amount~~ will ~~begin to~~ be paid or when the amount of the overpayment will be due, and the procedure for appealing this determination. ~~For the purposes of this Section, benefit shall include an accelerated pension benefit payment.~~

b) Upon discovering that SERS~~the System~~ has paid~~been paying~~ a benefit that is not correct, SERS~~the System~~ shall endeavor to determine whether the recipient has been underpaid or overpaid by the System.

1) If the amount of the benefit provided by SERS to the recipient is less than the amount of that benefit to be provided by the System to the recipient under the Illinois Pension Code~~the recipient has been underpaid~~, SERS~~the System~~ shall pay a lump sum amount to the recipient in the amount necessary to make the recipient whole as to the amounts that should have been paid to the recipient by SERS~~the System~~ under ~~according to the terms of~~ the Code~~Act~~. The amount payable under this subsection (b)(1) on account of an underpayment of an accelerated pension benefit payment shall be distributed from the State Pension Obligation Acceleration Bond Fund.~~If the benefit underpaid to the recipient is an accelerated pension benefit payment, the System shall follow the provisions of this subsection (b). The amount payable to the recipient in accordance with this Section shall be distributed from the State Pension Obligation Acceleration Bond Fund.~~

2) If the amount of the benefit provided by SERS to the recipient is greater than the amount of the benefit to be provided by SERS to the recipient under the Code~~the System determines the recipient has been paid more~~

~~than provided for by the Act~~, the System shall determine when the overpayment~~overpayments~~ began.

A) If the overpayment was undiscovered by SERS for three or more years after the overpayment began~~overpayments have been made by the System for more than three years~~, the recipient will not be required to reimburse SERS~~the System~~ for the amount of the overpayment~~overpayments~~ unless the overpayment is~~overpayments are~~ the result of incorrect or inaccurate information provided by the~~a~~ member, beneficiary, or his or her authorized representative.

B) If the overpayment was undiscovered by SERS~~overpayments have been made~~ for less than three years after the overpayment began, SERS~~the System~~ shall make arrangements for collection of the amount of the overpayment. The overpayment can be repaid by:

i) reductions in any subsequent benefit payment~~of the remaining payments~~ due to the recipient or his or her~~,~~ survivors and beneficiaries;

ii) repayment of the overpayment by the recipient to SERS~~the System~~;

iii) ~~such~~ other arrangement SERS~~as the System~~ makes with the recipient; or

iv) any other means legally available to SERS~~the System~~.

C) If~~No matter how long an overpayment has been made to a member or beneficiary, if~~ the overpayment is the result of incorrect or inaccurate information provided by a member, beneficiary or his or her authorized representative, SERS~~the System~~ shall make arrangements for collection of the amount of the overpayment, regardless of when the overpayment began. The overpayment can be repaid by:

i) reductions in any subsequent benefit payment~~of the remaining payments~~ due to the recipient or his or her~~,~~ survivors and beneficiaries;

ii) repayment of the overpayment by the recipient to SERS~~the System~~;

iii) ~~such~~ other arrangement SERS~~as the System~~ makes with the recipient; or

iv) any other means legally available to SERS~~the System~~.

D) If the benefit overpaid to the recipient is an accelerated pension benefit payment, SERS~~the System~~ shall follow the provisions of this Section, but amounts collected as an overpayment of the accelerated pension benefit payment~~. Amounts collected in accordance with this subsection (b)~~ shall be remitted to the State Pension Obligation Acceleration Bond Fund.

c) Nothing in this Section prevents SERS from referring any debt due SERS to the Attorney General, the Debt Collection Board, the Comptroller's Offset System, or private collection agencies at any time it deems appropriate.

d) Definitions
As used in this Section:

"Accelerated Pension Benefit Payment" means any~~an~~ accelerated pension benefit payment provided under Section~~Sections~~ 14-147.5 or~~and~~ 14-147.6 of the ~~Illinois Pension~~ Code.

"Benefit" means any retirement annuity, widow's annuity, survivor's annuity, occupational disability benefit, temporary disability benefit, nonoccupational disability benefit, death benefit, accelerated pension benefit payment, or other benefit payable under Article 14 of the Code or any portion of any proportional annuity or survivor's annuity that is payable by SERS under Article 20 of the Code.

"State Pension Obligation Acceleration Bond Fund" means the bond fund created by Section 7.7(d) of the General Obligation Bond Act [30 ILCS 330].

STATE EMPLOYEES' RETIREMENT SYSTEM OF ILLINOIS

NOTICE OF ADOPTED AMENDMENTS

"SERS" means the State Employees' Retirement System of Illinois.

(Source: Amended at 44 Ill. Reg. 11172, effective June 19, 2020)

DEPARTMENT OF HUMAN SERVICES

NOTICE OF EMERGENCY AMENDMENT TO EMERGENCY RULE

1) Heading of the Part: Child Care

2) Code Citation: 89 Ill. Adm. Code 50

3)

Section Numbers:	Emergency Actions:
50.210	Amendment
50.230	Amendment
50.235	Amendment
50.310	Amendment

4) Statutory Authority: Implementing Articles I through IXA and authorized by Section 12-13 of the Illinois Public Aid Code [305 ILCS 5/Arts. I through IXA and 12-13].

5) Effective Date of Emergency Amendments: June 18, 2020

6) If these emergency amendments are to expire before the end of the 150-day period, please specify the date on which they are to expire: These 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: June 18, 2020

8) A copy of the emergency rules, including any material incorporated by reference, is on file in the Agency's principal office and is available for public inspection.

9) Reason for Emergency: Due to the COVID-19 pandemic, DHS will be lowering parent co-payment fees to ensure that CCAP families can receive childcare benefits during this pandemic. DHS will also waive income guidelines for Priority Essential workers during the COVID-19 Gubernatorial Disaster Proclamation. This rulemaking adds language that will reduce all parent co-payment fees for CCAP families to $1.00 and waive income guidelines for Priority Essential workers during COVID-19 Gubernatorial Disaster Proclamation. As a result, this rulemaking will provide relief to CCAP families and a stable cash flow to providers. This rule is proposed as an emergency because it addresses a threat to public interest, including the safety and welfare of the citizens of Illinois.

10) A Complete Description of the Subject and Issues: The emergency amendment to the emergency rule will clarify the period during which the essential worker exemptions apply. It also states that these emergency provisions will end upon the termination of the COVID-19 Gubernatorial Disaster Proclamation or June 30, 2020, whichever comes first.

DEPARTMENT OF HUMAN SERVICES

NOTICE OF EMERGENCY AMENDMENT TO EMERGENCY RULE

Finally, it removes the emergency language that added homeless families to the category of persons eligible for "protective" child care.

11) Are there any other rulemakings pending on this Part? No

12) Statement of Statewide Policy Objective: This rulemaking does not create or expand a State mandate.

13) Information and questions regarding these emergency rules shall be directed to:

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

217/785-9772

The full text of the Emergency Amendment to Emergency Rule begins on the next page:

DEPARTMENT OF HUMAN SERVICES

NOTICE OF EMERGENCY AMENDMENT TO EMERGENCY RULE

TITLE 89: SOCIAL SERVICES
CHAPTER IV: DEPARTMENT OF HUMAN SERVICES
SUBCHAPTER a: GENERAL PROGRAM PROVISIONS

PART 50
CHILD CARE

SUBPART A: GENERAL PROVISIONS

Section
50.101 Incorporation by Reference
50.105 Definitions
50.110 Participant Rights and Responsibilities
50.120 Notification of Available Services
50.130 Child Care Overpayments and Recoveries

SUBPART B: APPLICABILITY

Section
50.210 Child Care
EMERGENCY
50.220 Method of Providing Child Care
50.230 Child Care Eligibility
EMERGENCY
50.235 Income Eligibility Criteria
EMERGENCY
50.240 Qualified Provider (Repealed)
50.250 Additional Service to Secure or Maintain Child Care
50.260 Job Search (Repealed)

SUBPART C: PAYMENT FEES

Section
50.310 Fees for Child Care Services
EMERGENCY
50.320 Maximum Monthly Income and Parent Fee by Family Size, Income Level and Number of Children Receiving Full-time Care

SUBPART D: PROVIDER REQUIREMENTS

DEPARTMENT OF HUMAN SERVICES

NOTICE OF EMERGENCY AMENDMENT TO EMERGENCY RULE

Section
50.400 Purpose
50.410 Qualified Provider
50.420 Provider Registration and Certification Requirements
50.430 Provider Background Checks
50.440 Payment for Child Care Services

SUBPART E: GREAT START PROGRAM

Section
50.510 Great START Program
50.520 Method of Providing the Wage Supplement
50.530 Eligibility
50.540 Employer Responsibility
50.550 Notification of Eligibility
50.560 Phase-in of Wage Supplement Scale
50.570 Wage Supplement Scale
50.580 Evaluation

SUBPART F: CHILD CARE COLLABORATION PROGRAM

Section
50.610 Child Care Collaboration Program
50.620 Approvable Models of Collaboration
50.630 Requirements for Approval in the Child Care Collaboration Program
50.640 Notification of Eligibility
50.650 Rules and Reporting for the Child Care Collaboration Program

SUBPART G: GATEWAYS TO OPPORTUNITY CREDENTIALS

Section
50.710 Gateways to Opportunity, the Illinois Professional Development System
50.720 Gateways to Opportunity Credentials
50.730 Application for Credentials
50.740 Framework for Gateways to Opportunity Credentials
50.750 Professional Knowledge
50.760 Gateways to Opportunity Registry

DEPARTMENT OF HUMAN SERVICES

NOTICE OF EMERGENCY AMENDMENT TO EMERGENCY RULE

SUBPART H: STAFF QUALIFICATIONS AND TRAINING STANDARDS

Section
50.800 Purpose
50.810 Applicability
50.820 Staff Qualifications for License Exempt School-Age Providers
50.830 Training Standards for License Exempt School-Age Providers

AUTHORITY: Implementing Articles I through IXA and authorized by Section 12-13 of the Illinois Public Aid Code [305 ILCS 5].

SOURCE: Emergency rules adopted at 21 Ill. Reg. 9502, effective July 1, 1997, for a maximum of 150 days; adopted at 21 Ill. Reg. 14961, effective November 10, 1997; emergency amendment at 22 Ill. Reg. 12816, effective July 1, 1998, for a maximum of 150 days; amended at 22 Ill. Reg. 21037, effective November 27, 1998; emergency amendment at 23 Ill. Reg. 10875, effective August 20, 1999, for maximum of 150 days; amended at 24 Ill. Reg. 1058, effective January 10, 2000; emergency amendment at 24 Ill. Reg. 6604, effective April 5, 2000, for a maximum of 150 days; amended at 24 Ill. Reg. 13987, effective September 1, 2000; amended at 24 Ill. Reg. 15423, effective October 10, 2000; emergency amendment at 25 Ill. Reg. 2735, effective February 5, 2001, for a maximum of 150 days; amended at 25 Ill. Reg. 8176, effective June 23, 2001; emergency amendment at 25 Ill. Reg. 8443, effective July 1, 2001, for a maximum of 150 days; amended at 25 Ill. Reg. 14854, effective October 31, 2001; emergency amendment at 25 Ill. Reg. 16116, effective December 1, 2001, for a maximum of 150 days; amended at 26 Ill. Reg. 7113, effective April 25, 2002; amended at 27 Ill. Reg. 12090, effective July 14, 2003; amended at 27 Ill. Reg. 18411, effective November 24, 2003; amended at 28 Ill. Reg. 6895, effective April 23, 2004; emergency amendment at 28 Ill. Reg. 10121, effective July 1, 2004, for a maximum of 150 days; emergency expired November 27, 2004; amended at 29 Ill. Reg. 2687, effective February 4, 2005; emergency amendment at 29 Ill. Reg. 13253, effective August 11, 2005, for a maximum of 150 days; emergency expired January 7, 2006; amended at 30 Ill. Reg. 11190, effective June 6, 2006; amended at 31 Ill. Reg. 12584, effective August 20, 2007; emergency amendment at 31 Ill. Reg. 13350, effective September 10, 2007, for a maximum of 150 days; emergency expired February 6, 2008; amended at 32 Ill. Reg. 6048, effective March 31, 2008; emergency amendment at 32 Ill. Reg. 6652, effective April 1, 2008, for a maximum of 150 days; amended at 32 Ill. Reg. 9604, effective June 20, 2008; amended at 32 Ill. Reg. 14742, effective August 28, 2008; amended at 33 Ill. Reg. 8195, effective June 8, 2009; emergency amendment at 33 Ill. Reg. 15889, effective November 1, 2009, for a maximum of 150 days; emergency amendment at 33 Ill. Reg. 16517, effective November 1, 2009, for a maximum of 150 days; emergency expired March 30, 2010; amended at 34 Ill. Reg. 5275, effective March 29, 2010; emergency amendment at 34 Ill. Reg. 8619, effective June 16, 2010, for a maximum of

150 days; emergency expired on November 12, 2010; amended at 34 Ill. Reg. 10512, effective July 8, 2010; amended at 34 Ill. Reg. 19539, effective December 6, 2010; amendment at 35 Ill. Reg. 1397, effective January 6, 2011; amended at 35 Ill. Reg. 3993, effective February 25, 2011; emergency amendment at 35 Ill. Reg. 6583, effective April 1, 2011, for a maximum of 150 days; emergency expired August 28, 2011; amended at 35 Ill. Reg. 8878, effective May 25, 2011; amended at 36 Ill. Reg. 1564, effective January 17, 2012; amended at 36 Ill. Reg. 12104, effective July 10, 2012; amended at 36 Ill. Reg. 14513, effective September 12, 2012; amended at 36 Ill. Reg. 16085, effective October 29, 2012; amended at 38 Ill. Reg. 18490, effective August 22, 2014; amended at 38 Ill. Reg. 19513, effective September 17, 2014; emergency amendment at 39 Ill. Reg. 10072, effective July 1, 2015, for a maximum of 150 days; emergency rule modified in response to JCAR objection at 39 Ill. Reg. 15158, effective November 9, 2015, for the remainder of the 150 days; amended at 39 Ill. Reg. 15540, effective November 23, 2015; emergency amendment at 41 Ill. Reg. 12890, effective October 1, 2017, for a maximum of 150 days; amended at 42 Ill. Reg. 3745, effective February 7, 2018; amended at 42 Ill. Reg. 8491, effective May 8, 2018; emergency amendment at 42 Ill. Reg. 13898, effective July 1, 2018, for a maximum of 150 days; amended at 42 Ill. Reg. 22555, effective November 27, 2018; emergency amendment at 43 Ill. Reg. 7632, effective July 1, 2019, for a maximum of 150 days; amended at 43 Ill. Reg. 11338, effective October 1, 2019; emergency amendment at 43 Ill. Reg. 14416, effective November 26, 2019, for a maximum of 150 days; amended at 44 Ill. Reg. 6951, effective April 16, 2020; emergency amendment at 44 Ill. Reg. 6442, effective April 13, 2020, for a maximum of 150 days; emergency amendment to emergency rule at 44 Ill. Reg. 11187, effective June 18, 2020, for the remainder of the 150 days.

SUBPART B: APPLICABILITY

Section 50.210 Child Care
EMERGENCY

a) To the extent resources permit, the Department shall provide child care services:

1) to parents or other relatives who are working and are unable to supervise their children;

2) to parents or other relatives who are participating in employment, training or education programs that are approved by the Department; ~~and~~

3) to teen parents to enable them to obtain a high school degree or its equivalent, to provide time to find employment after graduation, and to provide a stable learning environment for their children; and~~.~~

4) through June 30, 2020, to ~~families that fall into a Protective Services Child Care category:A)HomelessnessB)Transitioning from DCFS Intact Family ServicesC)~~Priority Essential workers working outside of the home during the COVID-19 Gubernatorial Disaster Proclamations~~during a time of declared State or Federal emergency~~. Priority Essential workers are workers that are employed by Health Care and Public Health Operations, Human Services Operations, Essential Government Functions and Essential Infrastructure as defined by Executive Order No. 2020-10 issued on March 20, 2020 and any subsequent executive order on the same policy.

b) Unless otherwise stipulated for families approved under Protective Services Child Care, in a two-parent household, both parents must be working or in an approved education and training activity and unavailable to care for the children unless one of the parents is unable to care for the children for one of the following reasons:

1) A physical or mental disability that limits the ability of the parent to provide adequate child care;

2) Participation in an alcohol or drug abuse rehabilitation program;

3) Military service away from home; or

4) Participation in a Department approved program such as a Temporary Assistance for Needy Families (TANF) Employment and WorkActivity (see 89 Ill. Adm. Code 112.78) or Teen Parent Services (TPS).

c) The applicant must furnish written documentation to verify the reason why the other parent, if living in the home, is unable to work and unable to provide care for the children that live in the home.

1) To document the other parent's physical or mental health problem or participation in a rehabilitation program, the applicant shall submit written verification from the treating physician, psychiatrist, or other appropriate licensed health care practitioner that includes details of the nature and degree of the person's disability or impairment, the reason the condition prevents the individual from providing care, and the projected length of disability.

2) To document military service away from home, the applicant must furnish a copy of the orders from the appropriate branch of the military that details the length and location of the assignment, as well as any money allowances for clothing and housing.

3) To document participation in a Department approved program (see subsection (b)(4)), child care staff shall use Department computerized case information systems. If participation in a Department approved program cannot be verified via the Department computerized case information systems, the applicant may be required to submit a copy of the Responsibility and Services Plan (RSP) (FORM 4003) or other relevant Department forms signed by the caseworker.

d) COVID-19
During the COVID-19 Gubernatorial Disaster Proclamations, and to the extent that resources permit~~During the COVID-19 pandemic~~, those applicants and clients defined as Priority Essential workers working outside of the home will be eligible for the Child Care Assistance Program without having to meet income eligibility guidelines. This subsection (d) applies through June 30, 2020.~~This will remain in place until the Governor declares the state of emergency is over.~~

(Source: Amended by emergency rulemaking at 44 Ill. Reg. 6442, effective April 13, 2020, for a maximum of 150 days; emergency amendment to emergency rule at 44 Ill. Reg. 11187, effective June 18, 2020, for the remainder of the 150 days)

Section 50.230 Child Care Eligibility
EMERGENCY

a) To the extent resources permit, it is the intent of the Department to provide child care services to all applicants that meet the eligibility requirements set forth in this Section. If it is necessary to limit participation to stay within the amounts appropriated or resources available to the Department for child care services, participation will be limited to the priority service groups specified in subsection (c)(6) and that limitation in participation shall remain until such time as sufficient resources are available to serve all eligible applicants.

b) To be eligible for child care services, a child shall at the time of eligibility determination or redetermination:

1) be under 13 years of age (if a child turns 13 years old during the eligibility period, that child shall remain eligible for CCAP for the remainder of the eligibility period); or

2) be under age 19 and under court supervision or have physical, developmental, or intellectual disabilities as documented by a statement from a local health provider or other health professional.

c) Parents and other relatives eligible to receive child care services include:

1) Clients who receive Temporary Assistance for Needy Families (TANF) under Article IV of the Public Aid Code participating in work and/or training-related activities as specified in their Responsibility and Service Plan (RSP) (see 89 Ill. Adm. Code 112.74) as approved by the Department's TANF case worker.

2) Working families, including teen parents enrolled full-time in elementary or high school or high school equivalency classes to obtain a high school diploma or its equivalent, whose monthly incomes do not exceed the following amounts by family size at the time of initial program application:

Family Size	Gross Monthly Base Income
2	$2,819
3	$3,553
4	$4,292
5	$5,029
6	$5,765
7	$6,502
8	$7,239
9	$7,975
10	$8,712

The above income guidelines will be indexed annually so that the thresholds are no less than 185% of the most current Federal Poverty Level (FPL) for each family size.

DEPARTMENT OF HUMAN SERVICES

NOTICE OF EMERGENCY AMENDMENT TO EMERGENCY RULE

3) At the end of each eligibility period, families must fall into the following income guidelines to remain eligible for another 12-month eligibility period:

Family Size	Gross Monthly Base Income
2	$3,171
3	$4,000
4	$4,829
5	$5,657
6	$6,486
7	$7,315
8	$8,144
9	$8,929

These income guidelines will be indexed annually so that the thresholds are no less than 185% of the most current FPL for each family size.

4) Any time a family's countable income exceeds 85% of the State Median Income (SMI), the case will be canceled 10 calendar days after the date the termination notice was sent to the family and providers.

Family Size	Gross Monthly Base Income
2	$4,307
3	$5,320
4	$6,333
5	$7,346
6	$8,359
7	$8,549
8	$8,739

These income guidelines will be indexed annually so that the thresholds are no less and no more than 85% of the most current SMI level for each family size.

5) If the countable income for a family is between 225% FPL and 85% SMI at the end of an eligibility period, and all other eligibility factors are met, the family will be eligible for a 90-day graduated phase-out period that begins the first day of the new eligibility period. If the family requests child care assistance at any time after the graduated phase-out period, the request must be treated as a new application and the family must have family income below 200% of FPL to qualify.

6) Through June 30, 2020, based on the COVID-19 Gubernatorial Disaster Proclamations, and to the extent that resources permit,~~Families that fall into a Protective Services Child Care category:A)HomelessnessB) Transitioning from DCFS Intact Family ServicesC)Priority Essential workers during a time of declared State of Federal emergency. During the COVID-19 state of emergency, those determined to be~~ Priority Essential workers will have income guidelines (see subsection (c)) waived. Eligibility periods may be extended for all approved families without proof that eligibility criteria are still met.

7) Families who do not receive TANF and need child care services in order to attend school or training (up to and including the acquisition of the first Bachelor's Degree) whose monthly income does not exceed the monthly income ceilings in subsection (c)(2). Clients can be approved for education/training activities that will lead to multiple certificates within a designated career path (e.g., from Certified Nursing Assistant to Licensed Practical Nurse) or Associate Degrees, but only the first Bachelor's Degree. Clients may also be approved for additional vocational certificate programs if they are beginning a new career path in a new field or if classes are required to remain certified in their current employment. Child care services approved under this Part must be reasonably related to the education or training activity, including class hours and research, study, laboratory, library and transportation time, and unpaid educationally required work activities such as student teaching, an internship, a clinical, a practicum or an apprenticeship. Teen parents enrolled full-time in elementary or high school or high school equivalency classes will be eligible for full-time, full-year child care, including summers, when using a licensed child care provider, up to and including a three-month period after graduation, in order to secure employment or to prepare for higher education. If a parent is claimed as a dependent by another person for federal income tax purposes, that parent is only eligible if his or her

income, when added to the income of the other person, does not exceed the monthly income ceiling in subsection (c)(2) for that family size. All education programs under this Part must be administered by an educational institution accredited under requirements of State law, including, but not limited to, the Barber, Cosmetology, Esthetics, Hair Braiding, and Nail Technology Act of 1985 [225 ILCS 410], the Real Estate Act of 2000 [225 ILCS 454], the Public Community College Act [110 ILCS 805], the University of Illinois Act [110 ILCS 305], the Chicago State University Law [110 ILCS 660], the Eastern Illinois University Law [110 ILCS 665], the Governors State University Law [110 ILCS 670], the Illinois State University Law [110 ILCS 675], the Northeastern Illinois University Law [110 ILCS 680], the Northern Illinois University Law [110 ILCS 685], the Western Illinois University Law [110 ILCS 690], or the Department of Financial and Professional Regulation. Social service agencies that provide recognized English as a Second Language (ESL) and other adult education courses and programs are not required to hold or maintain any separate type of accreditation, as long as the program they offer is supported by an accredited institution.

A) Below Post-Secondary Education Eligibility and Participation Requirements

This category of education includes literacy and other adult basic education, English as a Second Language, and high school equivalency examination preparation programs. Clients/applicants who have already earned a vocational certificate are still eligible for below post-secondary education activities if they have not already earned a high school diploma or high school equivalency certificate.

i) There is no work requirement for the first 24 non-consecutive months the client participates. Families eligible to receive child care services while they attend an education or training program under this Section must not already possess a Bachelor's, Master's or Doctorate Degree.

ii) From the 25th month on, the client must work at least 20 hours per week. Child care provided to a teen parent to obtain a high school diploma or its equivalent does not count against this 24-month limit. Individuals enrolled in

below post-secondary education must maintain a "C" average if this measurement is used by the institution to determine satisfactory progress. The client will be allowed one eligibility period below a "C" average to bring the grades up to a "C" average. When grades are not used, progress will be determined by the written policy of the institution to establish a comparable grade level upon completion of the academic term. The determination of satisfactory progress must be reported upon completion of each eligibility period.

B) Vocational Education Eligibility and Participation Requirements Programs in this category of education may be offered by a public community college, public or private university, or private business/technical school.

i) The program usually results in the receipt of a Certificate of Achievement or Completion and/or prepares the client for a specific job or to obtain a license required by some occupations. Families eligible to receive child care services while they attend an education or training program under this Section must not already possess a Bachelor's, Master's or Doctorate Degree. Clients/applicants may be approved for multiple vocational certificate programs if they are within a designated career path (e.g., from Certified Nursing Assistant to Licensed Practical Nurse) or are beginning a new career path in a new field, or if classes are required to remain certified in their current employment.

ii) There is no work requirement for the first 24 non-consecutive months the client participates. From the 25th month on, the client must work at least 20 hours per week. Individuals enrolled in vocational education must maintain a "C" average if this measurement is used by the institution to determine satisfactory progress. The client will be allowed one eligibility period below a "C" average to bring the grades up to a "C" average. When grades are not used, progress will be determined by the written policy of the

institution to establish a comparable grade level upon completion of the academic term. The determination of satisfactory progress must be reported upon completion of each eligibility period.

C) Post-Secondary Education

i) This category of education includes all undergraduate college level courses that could result in an Associate or the client's first Bachelor's Degree. Families eligible to receive child care services while they attend an education or training program under this Section must:

- be enrolled in a program accredited under requirements of State law as stated in subsection (c)(3).

- not already have a Bachelor's, Master's or Doctorate Degree, if requesting child care to earn an Associate Degree. Child care will not be approved for attainment of a second Associate Degree.

- not be in an, or have completed an, advanced degree program (beyond a Bachelor's Degree). Child care will not be approved for education beyond the attainment of a Bachelor's Degree.

ii) There is no work requirement for the first 48 non-consecutive months the client participates. From the 49th month on, the client must work at least 20 hours per week. Clients who do not work and who need child care to attend college must maintain a 2.5 grade point average (GPA) (on a 4.0 scale) if this measurement is used by the institution to determine satisfactory progress. Clients who work 20 hours or more per week in paid employment while they attend college must maintain a 2.0 GPA (on a 4.0 scale). In the absence of a GPA, satisfactory progress will be determined by the written policy of the institution. The determination of satisfactory progress, including test/retest

results or GPA, must be reported upon completion of each eligibility period. If the client's GPA falls below 2.5 or 2.0 for those students who work or at any time the client does not maintain satisfactory progress, the client may continue to go to school for another eligibility period. If the GPA is below 2.5 or 2.0 two eligibility periods in a row, the client will be ineligible for child care until his or her GPA is at or above 2.5 or 2.0.

D) For child care services received under education/training, a parent enrolled in web-based courses or correspondence learning from an accredited university or college is only eligible for child care assistance if both of the following are met:

i) The class is offered only at a regularly scheduled time (i.e., 11:00 a.m. every Monday and Wednesday) or the parent must leave the home to have access to a computer.

ii) The child or children for whom care is requested must be under the age of six, except during the summer or school breaks. Care shall not be authorized during the hours the child is in school or is home schooled, or if the child is in a two-parent family when the other parent is available to care for the child.

E) Study Time
Child care services may be granted for up to one hour of study time per week for each classroom hour or course credit. When possible, study periods should be arranged around regularly scheduled classes in order to provide a consistent and uninterrupted routine for children in care. Study time granted to add an extra day of care must be approved first by the Department's Bureau of Child Care and Development Policy Unit.

8) Relatives (other than parents) who receive child-only TANF benefits as a Representative Payee for children in need of care while they work.

9) Families with active CCAP cases in which all parents in the household are called into active military duty and the relative caregivers are employed or

in an approved education/training activity.

10) In the event the Department must limit participation due to insufficient appropriations or available resources, applicants included in the priority service groups are:

A) Recipients of Temporary Assistance for Needy Families as described in subsection (c)(1);

B) Teen parents enrolled full-time in elementary school, high school or high school equivalency classes to obtain a high school degree or its equivalent;

C) Families engaged in an eligible employment and/or educational activity with a special needs child and family income that does not exceed 185% of FPL for their family size;

D) Working families whose monthly incomes do not exceed 185% of the most current FPL for their family size;

E) Families that are not recipients of TANF whose monthly incomes do not exceed 185% of the most current FPL for their family size that need child care assistance to participate in education and training; and~~.~~

F) Families of Priority Essential workers working outside the home. This subsection (c)(10)(F) will apply through June 30, 2020~~that meet the CCAP criteria for Protective Services Child Care~~.

d) All families must reside in Illinois.

e) Payment for child care services to eligible parents may begin:

1) if care was provided at the time and all eligibility factors are met, on either:

A) the date of the parent's signature on the Child Care Assistance Program (CCAP) application (Form 444-3455); or

B) one week (seven calendar days) prior to the stamped date of receipt of the CCAP application (Form 444-3455) by the Department or its agents, whichever is later; or

2) on the date the child care provider actually begins providing child care services, if the application is received in advance of services being provided and all eligibility factors are met.

f) Approval of payments will cease no less than 10 calendar days after the date of the termination notice sent to the parent by the Department or its agents following a determination of ineligibility. Care will be terminated immediately if it is determined the child is no longer enrolled with the approved provider or the family requests that its case be terminated.

(Source: Amended by emergency rulemaking at 44 Ill. Reg. 6442, effective April 13, 2020, for a maximum of 150 days; emergency amendment to emergency rule at 44 Ill. Reg. 11187, effective June 18, 2020, for the remainder of the 150 days)

Section 50.235 Income Eligibility Criteria
EMERGENCY

A family is considered "income eligible" when the combined gross monthly base income (earned and unearned) (see subsection (a)) of all family members is at or below the amounts listed in Section 50.230 for the corresponding family size. In 2 parent families, both incomes must be combined to determine eligibility. Two-parent families include those with 2 or more adults living in the home, such as the applicant and his or her spouse or parents of a common child in the home. Eligibility is determined on the basis of gross monthly base income. To convert weekly income into monthly base income, multiply weekly income by 4.333. To convert bi-weekly income into monthly base income, multiply bi-weekly income by 2.1666. To convert twice monthly income into monthly base income, multiply twice monthly income by 2. Documentation must be secured for all income and maintained in the family eligibility file prior to approval for child care payments. During the COVID-19 Gubernatorial Disaster Proclamations, and to the extent resources permit,~~During the COVID-19 state of emergency, those determined to be~~ Priority Essential workers will have income guidelines (see Section 50.230(c)) waived. That waiver will apply through June 30, 2020.

a) Income Included (Non-Exempt)

1) gross base wages and salary;

2) net income from farm self-employment;

3) net income from non-farm self-employment;

4) dividends, interest, net rental income and royalties;

5) pensions and annuities;

6) alimony;

7) child support received by the family;

8) ongoing monthly adoption assistance payments from DCFS;

9) veteran's pensions;

10) unemployment compensation;

11) worker's compensation;

12) public assistance and welfare payments;

13) social security payments for all family members, including Supplemental Security Income (SSI) and pensions;

14) survivor's benefits, permanent disability payments, and railroad retirement benefits from the federal government.

b) Exempt Income

1) per capita payments to or funds held in trust for any individual in satisfaction of the Indian Claims Commission or the Court of Claims;

2) payments made pursuant to the Alaska Native Claims Settlement Act to the extent such payments are exempt from taxation under Section 21(a) of the Act (43 USC 1620(a));

3) money received from sale of property, such as stocks, bonds, a house, or a

car (unless the person was engaged in the business of selling such property, in which case the net proceeds would be counted as income from self-employment);

4) non-recurrent or inconsistent pay for overtime, incentives, bonuses, sick, vacation, travel reimbursements or other types of non-recurrent or inconsistent income that is not part of the family's base income;

5) money borrowed, including educational loans to a student who is included in the family unit as authorized in Section 50.210(c);

6) withdrawals of bank deposits;

7) tax refunds, or any Earned Income Tax Credit (EITC) payments;

8) gifts;

9) lottery winnings or proceeds obtained by gambling;

10) lump sum inheritances or insurance payments;

11) capital gains;

12) the value of the coupon allotment or Supplemental Nutrition Assistance Program (SNAP) benefits under the Food Stamp Act of 1977 (PL 95-113) or the Food and Nutrition Act of 2008 (PL 110-246), as amended;

13) the value of United States Department of Agriculture (USDA) donated foods;

14) the value of supplemental food assistance under the Child Nutrition Act of 1966 (42 USC 1771 et seq.) and the special food service for children under the National School Lunch Act (42 USC 1751 et seq.), as amended;

15) any payment received under the Uniform Relocation Assistance and Real Property Acquisition Policy Act of 1970 (42 USC 4651);

16) earnings of a child under age 21 (unless that child is the applicant);

17) grants such as scholarships, obtained and used by a student who is included in the family unit as authorized in Section 50.210(c);

18) any grant or loan to any undergraduate student for educational purposes made or insured under any program administered by the Commission of Education under the Higher Education Act of 1965 (20 USC 1001 et seq.);

19) home produce utilized for household consumption;

20) energy grants or allowances received through the Low-Income Energy Assistance Program authorized by the Low-Income Home Energy Assistance Act of 1981 (42 USC 8625);

21) any DCFS foster care board payments or clothing allowance; and

22) child support paid out of the family's income.

(Source: Amended by emergency rulemaking at 44 Ill. Reg. 6442, effective April 13, 2020, for a maximum of 150 days; emergency amendment to emergency rule at 44 Ill. Reg. 11187, effective June 18, 2020, for the remainder of the 150 days)

SUBPART C: PAYMENT FEES

Section 50.310 Fees for Child Care Services
EMERGENCY

a) All parents must share in the cost of child care as illustrated in Section 50.320, except relatives (other than parents) who receive a child-only TANF benefit for children needing care due to the relatives' employment and families with active CCAP cases in which all parents in the household are called into active military duty and the relative caregivers are employed or in an approved education/training activity. If all of the children in care are of school age and are approved for part-time (less than 5 hours per day) day care for any month September through May, the parent share is 50% of the amount shown in Section 50.320. A school age child is a child whose age is 5 to 13 years and is enrolled in school. ~~Fees may be reduced or waived for families enrolled under Protective Service Child Care policies.~~

b) All parent co-payment fees for families receiving CCAP shall be reduced to $1.00

due to repercussions of the COVID-19 disaster, to the extent resources permit~~during the COVID-19 pandemic~~. After June 30, 2020, co-payment~~Co-payment~~ fees will be reassessed to the standard levels. ~~at the end of the Emergency Rule Period or when the Governor determines that the State of Illinois is no longer in an emergency, whichever happens first.~~

(Source: Amended by emergency rulemaking at 44 Ill. Reg. 6442, effective April 13, 2020, for a maximum of 150 days; emergency amendment to emergency rule at 44 Ill. Reg. 11187, effective June 18, 2020, for the remainder of the 150 days)

DEPARTMENT OF REVENUE

NOTICE OF EMERGENCY AMENDMENTS

1) Heading of the Part: Income Tax

2) Code Citation: 86 Ill. Adm. Code 100

3)

Section Numbers:	Emergency Actions:
100.3220	Amendment
100.3370	Amendment
100.7030	Amendment
100.7036	New Section

4) Statutory Authority: 5 ILCS 100/5-45, 35 ILCS 5/303, 5/304, and 5/710

5) Effective Date of Emergency Rules: June 17, 2020

6) If these emergency rules are to expire before the end of the 150-day period, please specify the date on which it is to expire: No

7) Date Filed with the Index Department: June 17, 2020

8) A copy of the emergency rules, including any material incorporated by reference, is on file in the Agency's principal office and is available for public inspection.

9) Reason for Emergency: PA 101-31 created the Leveling the Playing Field for Illinois Retail Act which, among other things, amended Sections 303, 304 and 710 of the Illinois Income Tax Act, 35 ILCS 5/303, 5/304 and 5/710. The changes to the Income Tax Act are effective for the tax year beginning on or after January 1, 2019. Emergency rules are required to ensure that the new changes are properly implemented for the current tax year. PA 101-31 also amended Section 5-45 of the Illinois Administrative Procedures Ac by adding subsection (hh). New subsection (hh) deems that adopting rules to implement the changes made by the Leveling the Playing Field for Illinois Retail Act is necessary for the public interest, safety, and welfare.

10) A Complete Description of the Subjects and Issues Involved: This rulemaking implements the amendments PA 101-31 made to Sections 303, 304 and 710 of the Illinois Income Tax Act, 35 ILCS 5/303, 5/304 and 5/710. Section 303, 35 ILCS 5/303, is amended as follows. For tax years ending on or after December 31, 2019, all horse racing and casino winnings under the Illinois Horse Racing Act of 1975 and the Illinois Gambling Act (formerly the Illinois Riverboat Gambling Act) are allocable to Illinois. Section 304, 35 ILCS 5/304, is amended as follows. For tax years ending on or after

DEPARTMENT OF REVENUE

NOTICE OF EMERGENCY AMENDMENTS

December 31, 2019, all gross receipts from winnings from pari-mutuel wagering conducted at a wagering facility licensed under the Illinois Horse Racing Act of 1975 [230 ILCS 5] or from winnings from gambling games conducted on a riverboat or in a casino or organization gaming facility licensed under the Illinois Gambling Act [230 ILCS 10] are in this State. Section 710, 35 ILCS 5/710, is amended to require withholding for residents and nonresidents for payments for winnings at a pari-mutuel wagering facility or from gambling games conducted on a riverboat or in a casino or organization gaming facility provided that the person making the payment is required to withhold under Section 3402(q) of the Internal Revenue Code.

11) Are there any rulemakings to this Part pending? Yes

Section Numbers:	Proposed Actions:	*Illinois Register* Citations:
100.2430	Amendment	44 Ill. Reg. 1785; January 24, 2020
100.7390	New Section	44 Ill. Reg. 4544; March 20, 2020

12) Statement of Statewide Policy Objective: This rulemaking neither imposes a State mandate, nor modifies an existing mandate.

13) Information and questions regarding these emergency rules shall be directed to:

Michael D. Mankowski
Illinois Department of Revenue
101 West Jefferson
Springfield IL 62794

217/782-2844

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

DEPARTMENT OF REVENUE

NOTICE OF EMERGENCY AMENDMENTS

TITLE 86: REVENUE
CHAPTER I: DEPARTMENT OF REVENUE

PART 100
INCOME TAX

SUBPART A: TAX IMPOSED

Section
100.2000 Introduction
100.2050 Net Income (IITA Section 202)
100.2055 Standard Exemption (IITA Section 204)
100.2060 Compassionate Use of Medical Cannabis Pilot Program Act Surcharge (IITA Section 201(o))

SUBPART B: CREDITS

Section
100.2100 Replacement Tax Investment Credit Prior to January 1, 1994 (IITA Section 201(e))
100.2101 Replacement Tax Investment Credit (IITA 201(e))
100.2110 Investment Credit; Enterprise Zone and River Edge Redevelopment Zone (IITA Section 201(f))
100.2120 Jobs Tax Credit; Enterprise Zone and Foreign Trade Zone or Sub-Zone and River Edge Redevelopment Zone (IITA Section 201(g))
100.2130 Investment Credit; High Impact Business (IITA 201(h))
100.2140 Credit Against Income Tax for Replacement Tax (IITA 201(i))
100.2150 Training Expense Credit (IITA 201(j))
100.2160 Research and Development Credit (IITA Section 201(k))
100.2163 Environmental Remediation Credit (IITA 201(l))
100.2165 Education Expense Credit (IITA 201(m))
100.2170 Tax Credits for Coal Research and Coal Utilization Equipment (IITA 206)
100.2171 Angel Investment Credit (IITA 220)
100.2175 Invest in Kids Credit (IITA 224)
100.2180 Credit for Residential Real Property Taxes (IITA 208)
100.2181 Credit for Instructional Materials and Supplies (IITA Section 225)
100.2185 Film Production Services Credit (IITA Section 213)
100.2190 Tax Credit for Affordable Housing Donations (IITA Section 214)
100.2193 Student-Assistance Contributions Credit (IITA 218)

DEPARTMENT OF REVENUE

NOTICE OF EMERGENCY AMENDMENTS

100.2195 Dependent Care Assistance Program Tax Credit (IITA 210)
100.2196 Employee Child Care Assistance Program Tax Credit (IITA Section 210.5)
100.2197 Foreign Tax Credit (IITA Section 601(b)(3))
100.2198 Economic Development for a Growing Economy Credit (IITA 211)
100.2199 Illinois Earned Income Tax Credit (IITA Section 212)

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

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

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

Section
100.2300 Illinois Net Loss Deduction for Losses Occurring On or After December 31, 1986 (IITA 207)
100.2310 Computation of the Illinois Net Loss Deduction for Losses Occurring On or After December 31, 1986 (IITA 207)

100.2320 Determination of the Amount of Illinois Net Loss for Losses Occurring On or After December 31, 1986
100.2330 Illinois Net Loss Carrybacks and Net Loss Carryovers for Losses Occurring On or After December 31, 1986 (IITA Section 207)
100.2340 Illinois Net Losses and Illinois Net Loss Deductions for Losses Occurring On or After December 31, 1986, of Corporations that are Members of a Unitary Business Group: Separate Unitary Versus Combined Unitary Returns
100.2350 Illinois Net Losses and Illinois Net Loss Deductions, for Losses Occurring On or After December 31, 1986, of Corporations that are Members of a Unitary Business Group: Changes in Membership
100.2360 Illinois Net Losses and Illinois Net Loss Deductions for Losses of Cooperatives Occurring On or After December 31, 1986 (IITA Section 203(e)(2)(F))

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

Section
100.2405 Gross Income, Adjusted Gross Income, Taxable Income and Base Income Defined; Double Deductions Prohibited; Legislative Intention (IITA Section 203(e), (g) and (h))
100.2410 Net Operating Loss Carryovers for Individuals, and Capital Loss and Other Carryovers for All Taxpayers (IITA Section 203)
100.2430 Addition and Subtraction Modifications for Transactions with 80/20 and Noncombination Rule Companies
100.2435 Addition Modification for Student-Assistance Contribution Credit (IITA Sections 203(a)(2)(D-23), (b)(2)(E-16), (c)(2)(G-15), (d)(2)(D-10))
100.2450 IIT Refunds (IITA Section 203(a)(2)(H), (b)(2)(F), (c)(2)(J) and (d)(2)(F))
100.2455 Subtraction Modification: Federally Disallowed Deductions (IITA Sections 203(a)(2)(M), 203(b)(2)(I), 203(c)(2)(L) and 203(d)(2)(J))
100.2465 Claim of Right Repayments (IITA Section 203(a)(2)(P), (b)(2)(Q), (c)(2)(P) and (d)(2)(M))
100.2470 Subtraction of Amounts Exempt from Taxation by Virtue of Illinois Law, the Illinois or U.S. Constitutions, or by Reason of U.S. Treaties or Statutes (IITA Sections 203(a)(2)(N), 203(b)(2)(J), 203(c)(2)(K) and 203(d)(2)(G))
100.2480 Enterprise Zone and River Edge Redevelopment Zone Dividend Subtraction (IITA Sections 203(a)(2)(J), 203(b)(2)(K), 203(c)(2)(M) and 203(d)(2)(K))
100.2490 Foreign Trade Zone/High Impact Business Dividend Subtraction (IITA Sections 203(a)(2)(K), 203(b)(2)(L), 203(c)(2)(O), 203(d)(2)(M))

DEPARTMENT OF REVENUE

NOTICE OF EMERGENCY AMENDMENTS

SUBPART F: BASE INCOME OF INDIVIDUALS

Section
100.2510 Subtraction for Contributions to Illinois Qualified Tuition Programs (Section 529 Plans) (IITA Section 203(a)(2)(Y)
100.2565 Subtraction for Recovery of Itemized Deductions (IITA Section 203(a)(2)(I))
100.2580 Medical Care Savings Accounts (IITA Sections 203(a)(2)(D-5), 203(a)(2)(S) and 203(a)(2)(T))
100.2590 Taxation of Certain Employees of Railroads, Motor Carriers, Air Carriers and Water Carriers

SUBPART G: BASE INCOME OF CORPORATIONS

Section
100.2655 Subtraction Modification for Enterprise Zone and River Edge Redevelopment Zone Interest (IITA Section 203(b)(2)(M))
100.2657 Subtraction Modification for High Impact Business Interest (IITA Section 203(b)(2)(M-1))
100.2665 Subtraction for Payments to an Attorney-in-Fact (IITA Section 203(b)(2)(R))
100.2668 Subtraction for Dividends from Controlled Foreign Corporations (IITA Section 203(b)(2)(Z))

SUBPART H: BASE INCOME OF TRUSTS AND ESTATES

Section
100.2770 Subtraction for Recovery of Itemized Deductions of a Decedent (IITA Section 203(c)(2)(W))
100.2775 Subtraction for Refunds of Taxes Paid to Other States for Which a Credit Was Claimed (IITA Section 203(c)(2)(X))

SUBPART I: BASE INCOME OF PARTNERSHIPS

Section
100.2850 Subtraction Modification for Personal Service Income or Reasonable Allowance for Compensation to Partners (IITA Section 203(d)(2)(H))

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

Section

DEPARTMENT OF REVENUE

NOTICE OF EMERGENCY AMENDMENTS

100.3000 Terms Used in Article 3 (IITA Section 301)
100.3010 Business and Nonbusiness Income (IITA Section 301)
100.3015 Business Income Election (IITA Section 1501)
100.3020 Resident (IITA Section 301)

SUBPART K: COMPENSATION

Section
100.3100 Compensation (IITA Section 302)
100.3110 State (IITA Section 302)
100.3120 Allocation of Compensation Paid to Nonresidents (IITA Section 302)

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

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

SUBPART M: BUSINESS INCOME OF PERSONS OTHER THAN RESIDENTS

Section
100.3300 Allocation and Apportionment of Base Income (IITA Section 304)
100.3310 Business Income of Persons Other Than Residents (IITA Section 304) − In General
100.3320 Business Income of Persons Other Than Residents (IITA Section 304) − Apportionment (Repealed)
100.3330 Business Income of Persons Other Than Residents (IITA Section 304) − Allocation
100.3340 Business Income of Persons Other Than Residents (IITA Section 304)
100.3350 Property Factor (IITA Section 304)
100.3360 Payroll Factor (IITA Section 304)
100.3370 Sales Factor (IITA Section 304)
EMERGENCY
100.3371 Sales Factor for Telecommunications Services
100.3373 Sales Factor for Publishing
100.3380 Special Rules (IITA Section 304)

DEPARTMENT OF REVENUE

NOTICE OF EMERGENCY AMENDMENTS

100.3390 Petitions for Alternative Allocation or Apportionment (IITA Section 304(f))
100.3400 Apportionment of Business Income of Financial Organizations for Taxable Years Ending Prior to December 31, 2008 (IITA Section 304(c))
100.3405 Apportionment of Business Income of Financial Organizations for Taxable Years Ending on or after December 31, 2008 (IITA Section 304(c))
100.3420 Apportionment of Business Income of Insurance Companies (IITA Section 304(b))
100.3450 Apportionment of Business Income of Transportation Companies (IITA Section 304(d))
100.3500 Allocation and Apportionment of Base Income by Nonresident Partners
100.3600 Combined Apportionment for Taxpayers Using Different Apportionment Formulas (IITA Section 1501(a)(27))

SUBPART N: ACCOUNTING

Section
100.4100 Taxable Years (IITA Section 401)
100.4500 Carryovers of Tax Attributes (IITA Section 405)

SUBPART O: TIME AND PLACE FOR FILING RETURNS

Section
100.5000 Time for Filing Returns (IITA Section 505)
100.5010 Place for Filing Returns: All Taxpayers (IITA Section 505)
100.5020 Extensions of Time for Filing Returns: All Taxpayers (IITA Section 505)
100.5030 Taxpayer's Notification to the Department of Certain Federal Changes Arising in Federal Consolidated Return Years, and Arising in Certain Loss Carryback Years (IITA Section 506)
100.5040 Innocent Spouses
100.5050 Frivolous Returns
100.5060 Reportable Transactions (IITA Section 501(b))
100.5070 List of Investors in Potentially Abusive Tax Shelters and Reportable Transactions
100.5080 Registration of Tax Shelters (IITA Section 1405.5)

SUBPART P: COMPOSITE RETURNS

Section
100.5100 Composite Returns: Eligibility (IITA Section 502(f))
100.5110 Composite Returns: Responsibilities of Authorized Agent

DEPARTMENT OF REVENUE

NOTICE OF EMERGENCY AMENDMENTS

100.5120 Composite Returns: Individual Liability
100.5130 Composite Returns: Required forms and computation of Income (IITA Section 502(f))
100.5140 Composite Returns: Estimated Payments
100.5150 Composite Returns: Tax, Penalties and Interest
100.5160 Composite Returns: Credits on Separate Returns
100.5170 Composite Returns: Definition of a "Lloyd's Plan of Operation"
100.5180 Composite Returns: Overpayments and Underpayments

SUBPART Q: COMBINED RETURNS

Section
100.5200 Filing of Combined Returns
100.5201 Definitions and Miscellaneous Provisions Relating to Combined Returns
100.5205 Election to File a Combined Return
100.5210 Procedures for Elective and Mandatory Filing of Combined Returns
100.5215 Filing of Separate Unitary Returns (IITA Section 304(e))
100.5220 Designated Agent for the Members (IITA Section 304(e))
100.5230 Combined Estimated Tax Payments
100.5240 Claims for Credit of Overpayments
100.5250 Liability for Combined Tax, Penalty and Interest
100.5260 Combined Amended Returns
100.5265 Common Taxable Year
100.5270 Computation of Combined Net Income and Tax (IITA Section 304(e))
100.5280 Combined Return Issues Related to Audits

SUBPART R: PAYMENTS

Section
100.6000 Payment on Due Date of Return (IITA Section 601)

SUBPART S: REQUIREMENT AND AMOUNT OF WITHHOLDING

Section
100.7000 Requirement of Withholding (IITA Section 701)
100.7010 Compensation Paid in this State (IITA Section 701)
100.7020 Transacting Business Within this State (IITA Section 701)
100.7030 Payments to Residents (IITA Section 701)

EMERGENCY

100.7035 Nonresident Partners, Subchapter S Corporation Shareholders, and Trust Beneficiaries (IITA Section 709.5)
100.7036 Withholding of Lottery and Gambling Winnings (IITA Section 710) EMERGENCY
100.7040 Employer Registration (IITA Section 701)
100.7050 Computation of Amount Withheld (IITA Section 702)
100.7060 Additional Withholding (IITA Section 701)
100.7070 Voluntary Withholding (IITA Section 701)
100.7080 Correction of Underwithholding or Overwithholding (IITA Section 701)
100.7090 Reciprocal Agreement (IITA Section 701)
100.7095 Cross References

SUBPART T: AMOUNT EXEMPT FROM WITHHOLDING

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

SUBPART U: INFORMATION STATEMENT

Section
100.7200 Reports for Employee (IITA Section 703)

SUBPART V: EMPLOYER'S RETURN AND PAYMENT OF TAX WITHHELD

Section
100.7300 Returns and Payments of Income Tax Withheld from Wages (IITA Sections 704 and 704A)
100.7310 Returns Filed and Payments Made on Annual Basis (IITA Sections 704 and 704A)
100.7320 Time for Filing Returns and Making Payments for Taxes Required to Be Withheld Prior to January 1, 2008 (IITA Section 704)
100.7325 Time for Filing Returns and Making Payments for Taxes Required to Be Withheld On or After January 1, 2008 (IITA Section 704A)
100.7330 Payment of Tax Required to be Shown Due on a Return (IITA Sections 704 and 704A)
100.7340 Correction of Underwithholding or Overwithholding (IITA Section 704)
100.7350 Domestic Service Employment (IITA Sections 704 and 704A)

DEPARTMENT OF REVENUE

NOTICE OF EMERGENCY AMENDMENTS

100.7360 Definitions and Special Provisions Relating to Reporting and Payment of Income Tax Withheld (IITA Sections 704 and 704A)
100.7370 Penalty and Interest Provisions Relating to Reporting and Payment of Income Tax Withheld (IITA Sections 704 and 704A)
100.7380 Economic Development for a Growing Economy (EDGE) and Small Business Job Creation Credit (IITA Section 704A(g) and (h))

SUBPART W: ESTIMATED TAX PAYMENTS

Section
100.8000 Payment of Estimated Tax (IITA Section 803)
100.8010 Failure to Pay Estimated Tax (IITA Sections 804 and 806)

SUBPART X: COLLECTION AUTHORITY

Section
100.9000 General Income Tax Procedures (IITA Section 901)
100.9010 Collection Authority (IITA Section 901)
100.9020 Child Support Collection (IITA Section 901)

SUBPART Y: NOTICE AND DEMAND

Section
100.9100 Notice and Demand (IITA Section 902)

SUBPART Z: ASSESSMENT

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

SUBPART AA: DEFICIENCIES AND OVERPAYMENTS

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

SUBPART BB: CREDITS AND REFUNDS

DEPARTMENT OF REVENUE

NOTICE OF EMERGENCY AMENDMENTS

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

SUBPART CC: INVESTIGATIONS AND HEARINGS

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

SUBPART DD: JUDICIAL REVIEW

Section
100.9600 Administrative Review Law (IITA Section 1201)

SUBPART EE: DEFINITIONS

Section
100.9700 Unitary Business Group Defined (IITA Section 1501)
100.9710 Financial Organizations (IITA Section 1501)
100.9715 Transportation Companies (IITA Section 304(d))
100.9720 Nexus
100.9730 Investment Partnerships (IITA Section 1501(a)(11.5))
100.9750 Corporation, Subchapter S Corporation, Partnership and Trust Defined (IITA Section 1501)

SUBPART FF: LETTER RULING PROCEDURES

Section
100.9800 Letter Ruling Procedures

SUBPART GG: MISCELLANEOUS

Section

DEPARTMENT OF REVENUE

NOTICE OF EMERGENCY AMENDMENTS

100.9900 Tax Shelter Voluntary Compliance Program
100.9910 State Tax Preparer Oversight Act [35 ILCS 35]

100.APPENDIX A Business Income Of Persons Other Than Residents (Repealed)
100.TABLE A Example of Unitary Business Apportionment (Repealed)
100.TABLE B Example of Unitary Business Apportionment for Groups Which Include Members Using Three-Factor and Single-Factor Formulas (Repealed)

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

SOURCE: Filed July 14, 1971, effective July 24, 1971; amended at 2 Ill. Reg. 49, p. 84, effective November 29, 1978; amended at 5 Ill. Reg. 813, effective January 7, 1981; amended at 5 Ill. Reg. 4617, effective April 14, 1981; amended at 5 Ill. Reg. 4624, effective April 14, 1981; amended at 5 Ill. Reg. 5537, effective May 7, 1981; amended at 5 Ill. Reg. 5705, effective May 20, 1981; amended at 5 Ill. Reg. 5883, effective May 20, 1981; amended at 5 Ill. Reg. 6843, effective June 16, 1981; amended at 5 Ill. Reg. 13244, effective November 13, 1981; amended at 5 Ill. Reg. 13724, effective November 30, 1981; amended at 6 Ill. Reg. 579, effective December 29, 1981; amended at 6 Ill. Reg. 9701, effective July 26, 1982; amended at 7 Ill. Reg. 399, effective December 28, 1982; amended at 8 Ill. Reg. 6184, effective April 24, 1984; codified at 8 Ill. Reg. 19574; amended at 9 Ill. Reg. 16986, effective October 21, 1985; amended at 9 Ill. Reg. 685, effective December 31, 1985; amended at 10 Ill. Reg. 7913, effective April 28, 1986; amended at 10 Ill. Reg. 19512, effective November 3, 1986; amended at 10 Ill. Reg. 21941, effective December 15, 1986; amended at 11 Ill. Reg. 831, effective December 24, 1986; amended at 11 Ill. Reg. 2450, effective January 20, 1987; amended at 11 Ill. Reg. 12410, effective July 8, 1987; amended at 11 Ill. Reg. 17782, effective October 16, 1987; amended at 12 Ill. Reg. 4865, effective February 25, 1988; amended at 12 Ill. Reg. 6748, effective March 25, 1988; amended at 12 Ill. Reg. 11766, effective July 1, 1988; amended at 12 Ill. Reg. 14307, effective August 29, 1988; amended at 13 Ill. Reg. 8917, effective May 30, 1989; amended at 13 Ill. Reg. 10952, effective June 26, 1989; amended at 14 Ill. Reg. 4558, effective March 8, 1990; amended at 14 Ill. Reg. 6810, effective April 19, 1990; amended at 14 Ill. Reg. 10082, effective June 7, 1990; amended at 14 Ill. Reg. 16012, effective September 17, 1990; emergency amendment at 17 Ill. Reg. 473, effective December 22, 1992, for a maximum of 150 days; amended at 17 Ill. Reg. 8869, effective June 2, 1993; amended at 17 Ill. Reg. 13776, effective August 9, 1993; recodified at 17 Ill. Reg. 14189; amended at 17 Ill. Reg. 19632, effective November 1, 1993; amended at 17 Ill. Reg. 19966, effective November 9, 1993; amended at 18 Ill. Reg. 1510, effective January 13, 1994; amended at 18 Ill. Reg. 2494, effective January 28, 1994; amended at 18 Ill. Reg. 7768, effective May 4, 1994; amended at 19 Ill. Reg. 1839,

effective February 6, 1995; amended at 19 Ill. Reg. 5824, effective March 31, 1995; emergency amendment at 20 Ill. Reg. 1616, effective January 9, 1996, for a maximum of 150 days; amended at 20 Ill. Reg. 6981, effective May 7, 1996; amended at 20 Ill. Reg. 10706, effective July 29, 1996; amended at 20 Ill. Reg. 13365, effective September 27, 1996; amended at 20 Ill. Reg. 14617, effective October 29, 1996; amended at 21 Ill. Reg. 958, effective January 6, 1997; emergency amendment at 21 Ill. Reg. 2969, effective February 24, 1997, for a maximum of 150 days; emergency expired July 24, 1997; amended at 22 Ill. Reg. 2234, effective January 9, 1998; amended at 22 Ill. Reg. 19033, effective October 1, 1998; amended at 22 Ill. Reg. 21623, effective December 15, 1998; amended at 23 Ill. Reg. 3808, effective March 11, 1999; amended at 24 Ill. Reg. 10593, effective July 7, 2000; amended at 24 Ill. Reg. 12068, effective July 26, 2000; emergency amendment at 24 Ill. Reg. 17585, effective November 17, 2000, for a maximum of 150 days; amended at 24 Ill. Reg. 18731, effective December 11, 2000; amended at 25 Ill. Reg. 4640, effective March 15, 2001; amended at 25 Ill. Reg. 4929, effective March 23, 2001; amended at 25 Ill. Reg. 5374, effective April 2, 2001; amended at 25 Ill. Reg. 6687, effective May 9, 2001; amended at 25 Ill. Reg. 7250, effective May 25, 2001; amended at 25 Ill. Reg. 8333, effective June 22, 2001; amended at 26 Ill. Reg. 192, effective December 20, 2001; amended at 26 Ill. Reg. 1274, effective January 15, 2002; amended at 26 Ill. Reg. 9854, effective June 20, 2002; amended at 26 Ill. Reg. 13237, effective August 23, 2002; amended at 26 Ill. Reg. 15304, effective October 9, 2002; amended at 26 Ill. Reg. 17250, effective November 18, 2002; amended at 27 Ill. Reg. 13536, effective July 28, 2003; amended at 27 Ill. Reg. 18225, effective November 17, 2003; emergency amendment at 27 Ill. Reg. 18464, effective November 20, 2003, for a maximum of 150 days; emergency expired April 17, 2004; amended at 28 Ill. Reg. 1378, effective January 12, 2004; amended at 28 Ill. Reg. 5694, effective March 17, 2004; amended at 28 Ill. Reg. 7125, effective April 29, 2004; amended at 28 Ill. Reg. 8881, effective June 11, 2004; emergency amendment at 28 Ill. Reg. 14271, effective October 18, 2004, for a maximum of 150 days; amended at 28 Ill. Reg. 14868, effective October 26, 2004; emergency amendment at 28 Ill. Reg. 15858, effective November 29, 2004, for a maximum of 150 days; amended at 29 Ill. Reg. 2420, effective January 28, 2005; amended at 29 Ill. Reg. 6986, effective April 26, 2005; amended at 29 Ill. Reg. 13211, effective August 15, 2005; amended at 29 Ill. Reg. 20516, effective December 2, 2005; amended at 30 Ill. Reg. 6389, effective March 30, 2006; amended at 30 Ill. Reg. 10473, effective May 23, 2006; amended by 30 Ill. Reg. 13890, effective August 1, 2006; amended at 30 Ill. Reg. 18739, effective November 20, 2006; amended at 31 Ill. Reg. 16240, effective November 26, 2007; amended at 32 Ill. Reg. 872, effective January 7, 2008; amended at 32 Ill. Reg. 1407, effective January 17, 2008; amended at 32 Ill. Reg. 3400, effective February 25, 2008; amended at 32 Ill. Reg. 6055, effective March 25, 2008; amended at 32 Ill. Reg. 10170, effective June 30, 2008; amended at 32 Ill. Reg. 13223, effective July 24, 2008; amended at 32 Ill. Reg. 17492, effective October 24, 2008; amended at 33 Ill. Reg. 1195, effective December 31, 2008; amended at 33 Ill. Reg. 2306, effective January 23, 2009; amended at 33 Ill. Reg. 14168, effective September 28, 2009; amended at 33 Ill. Reg. 15044, effective

October 26, 2009; amended at 34 Ill. Reg. 550, effective December 22, 2009; amended at 34 Ill. Reg. 3886, effective March 12, 2010; amended at 34 Ill. Reg. 12891, effective August 19, 2010; amended at 35 Ill. Reg. 4223, effective February 25, 2011; amended at 35 Ill. Reg. 15092, effective August 24, 2011; amended at 36 Ill. Reg. 2363, effective January 25, 2012; amended at 36 Ill. Reg. 9247, effective June 5, 2012; amended at 37 Ill. Reg. 5823, effective April 19, 2013; amended at 37 Ill. Reg. 20751, effective December 13, 2013; recodified at 38 Ill. Reg. 4527; amended at 38 Ill. Reg. 9550, effective April 21, 2014; amended at 38 Ill. Reg. 13941, effective June 19, 2014; amended at 38 Ill. Reg. 15994, effective July 9, 2014; amended at 38 Ill. Reg. 17043, effective July 23, 2014; amended at 38 Ill. Reg. 18568, effective August 20, 2014; amended at 38 Ill. Reg. 23158, effective November 21, 2014; emergency amendment at 39 Ill. Reg. 483, effective December 23, 2014, for a maximum of 150 days; amended at 39 Ill. Reg. 1768, effective January 7, 2015; amended at 39 Ill. Reg. 5057, effective March 17, 2015; amended at 39 Ill. Reg. 6884, effective April 29, 2015; amended at 39 Ill. Reg. 15594, effective November 18, 2015; amended at 40 Ill. Reg. 1848, effective January 5, 2016; amended at 40 Ill. Reg. 10925, effective July 29, 2016; amended at 40 Ill. Reg. 13432, effective September 7, 2016; amended at 40 Ill. Reg. 14762, effective October 12, 2016; amended at 40 Ill. Reg. 15575, effective November 2, 2016; amended at 41 Ill. Reg. 4193, effective March 27, 2017; amended at 41 Ill. Reg. 6379, effective May 22, 2017; amended at 41 Ill. Reg. 10662, effective August 3, 2017; amended at 41 Ill. Reg. 12608, effective September 21, 2017; amended at 41 Ill. Reg. 14217, effective November 7, 2017; emergency amendment at 41 Ill. Reg. 15097, effective November 30, 2017, for a maximum of 150 days; amended at 42 Ill. Reg. 4953, effective February 28, 2018; amended at 42 Ill. Reg. 6451, effective March 21, 2018; recodified Subpart H to Subpart G at 42 Ill. Reg. 7980; amended at 42 Ill. Reg. 17852, effective September 24, 2018; amended at 42 Ill. Reg. 19190, effective October 12, 2018; amended at 43 Ill. Reg. 727, effective December 18, 2018; amended at 43 Ill. Reg. 10124, effective August 27, 2019; amended at 44 Ill. Reg. 2363, effective January 17, 2020; amended at 44 Ill. Reg. 2845, effective January 30, 2020; emergency amendment at 44 Ill. Reg. 4700, effective March 4, 2020, for a maximum of 150 days; amended at 44 Ill. Reg. 10907, effective June 10, 2020; emergency amendment at 44 Ill. Reg. 11208, effective June 17, 2020, for a maximum of 150 days.

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

Section 100.3220 Allocation of Certain Items of Nonbusiness Income by Persons Other Than Residents (IITA Section 303)
EMERGENCY

a) In General. IITA Section 303 provides rules for the allocation by any person other than a resident of Illinois of any item of capital gain or loss, and any item of income from rents or royalties from real or tangible personal property, interest,

dividends, and patent or copyright royalties, together with any item of deduction directly allocable thereto, to the extent the item constitutes nonbusiness income. For the tests as to whether any item constitutes business or nonbusiness income, see Section 100.3010.

b) *Capital Gains and Losses*

1) *Real Property. Capital gains and losses from sales or exchanges of real property are allocated to Illinois if the property is located in Illinois.* (IITA Section 303(b)(1)) Economic interests in minerals in place, such as oil or gas, are real property under IITA Section 303. Examples of these interests are royalties, overriding royalties, participating interests, production payments and working interests.

2) *Tangible Personal Property. Capital gains and losses from sales or exchanges of tangible personal property are allocated to Illinois, if at the time of the sale or exchange:*

A) *the property has its situs in Illinois; or*

B) *the taxpayer has its commercial domicile in Illinois and is not taxable in the state in which the property has its situs.* (IITA Section 303(b)(2)) For the tests of taxability in another state and commercial domicile, see Sections 100.3200 and 100.3210.

3) *Intangible Personal Property. Capital gains and losses from sales or exchanges of intangible personal property are allocated to Illinois if the taxpayer has its commercial domicile in Illinois at the time of the sale or exchange.* (IITA Section 303(b)(3)) For the tests of commercial domicile, see Section 100.3210.

c) Rents and Royalties

1) *Real Property. Rents and royalties from real property are allocated to Illinois if the property is located in Illinois.* (IITA Section 303(c)(1)) Economic interests in minerals in place, such as oil or gas, are real property under IITA Section 303. Examples of these interests are royalties, overriding royalties, participating interests, production payments and working interests.

2) *Tangible Personal Property. Rents and royalties from tangible personal property are allocated to Illinois:*

A) *if and to the extent that the property is utilized in Illinois; or*

B) *in their entirety if, at the time rents or royalties are paid or accrued, the taxpayer has its commercial domicile in Illinois and was not organized under the laws of, or is not taxable with respect to the rents or royalties in, the state in which the property is utilized.* (IITA Section 303(c)(2)) For the tests of taxability in another state and commercial domicile, see Sections 100.3200 and 100.3210. The extent of utilization of tangible personal property in a state is determined by multiplying the rents or royalties derived from the property by a fraction, the numerator of which is the number of days of physical location of the property in the state during the rental or royalty period in the taxable year and the denominator of which is the number of days of physical location of the property everywhere during all rental or royalty periods in the taxable year. If the physical location of the property during the rental or royalty period is unknown or unascertainable by the taxpayer, tangible personal property is utilized in the state in which the property is located at the time the rental or royalty payor obtains possession.

3) Examples. Section 100.3220(c) may be illustrated by the following examples:

A) EXAMPLE A. A is a resident of Missouri. A purchases an interest in oil royalty under an oil and gas lease in Illinois. During 1970, A receives $2,000 in royalty payments. Under Section 100.3010(c)(3)(B), the royalty income is presumed to be nonbusiness income. As such it is allocated to Illinois, being derived from real property located in Illinois.

B) EXAMPLE B. B is a resident of Iowa, with a summer home in Illinois. B owns a sailboat that he keeps in Iowa during the winter months and tows to Illinois by trailer for use in the summer. During 1970, B is unable to visit his summer home, and rents his

sailboat for the months of July through September to C, the owner of the adjoining property in Illinois. Under Section 100.3010(c)(3)(B), the rent is presumed to be nonbusiness income. C takes the boat from Iowa to Illinois and returns it to B in Iowa on October 1, 1970. Although the boat is physically located in Iowa during the months of January through June and October through December, the rental period is only the months of July through September. During the rental period, the boat is located in Illinois. Hence, it is utilized in Illinois and, accordingly, the rental income is allocated to Illinois.

C) EXAMPLE C. The facts are the same as in Example B, except that B rents the boat through a want ad and does not know C, nor where he uses the boat during the months of July through September. In this case, since C takes possession of the boat in Iowa, it is utilized in Iowa and, accordingly, the rental income is not allocated to Illinois.

d) *Patent and Copyright Royalties*

1) *Allocation. Patent and copyright royalties are allocated to Illinois:*

A) *if and to the extent that the patent or copyright is utilized by the payor of the royalties in Illinois; or*

B) *if and to the extent that the patent or copyright is utilized by the payor of the royalties in a state in which the taxpayer is not taxable with respect to the royalties and, at the time the royalties are paid or accrued, the taxpayer has its commercial domicile in Illinois.* (IITA Section 303(d)(1)) For the tests of taxability in another state and commercial domicile, see Sections 100.3200 and 100.3210.

2) *Utilization*

A) Patents. *A patent is utilized in a state to the extent that it is employed in production, fabrication, manufacturing or other processing in the state or to the extent that a patented product is produced in the state. If the basis of receipts from patent royalties*

does not permit allocation to states or if the accounting procedures of the royalty payor do not reflect states of utilization, the patent is utilized in Illinois if the taxpayer has its commercial domicile in Illinois. (IITA Section 303(d)(2)(A))

B) Copyrights. *A copyright is utilized in a state to the extent that printing or other publication originates in that state. If the basis of receipts from copyright royalties does not permit allocation to states or if the accounting procedures of the royalty payor do not reflect states of utilization, the copyright is utilized in Illinois if the taxpayer has its commercial domicile in Illinois.* (IITA Section 303(d)(2)(B))

3) Example. A, a resident of New York, is not in the business of being an inventor, but owns a patent on a single invention, which he licenses to a manufacturer of automatic garage door openers. Royalties are a percentage of the manufacturer's sales. The manufacturer has plants situated in Missouri, Illinois and Indiana. Under Section 100.3050(c)(2)(B), the royalty income is presumed to be nonbusiness income. If A's royalties can be allocated to Missouri, Illinois and Indiana on the basis of sales from the manufacturer's plants in each of those states, those royalties attributable to sales from the Illinois plant are allocated to Illinois. If, however, the manufacturer's accounting procedures do not reflect sales from the specific plants, but royalties are paid on the basis of total sales not broken down by plant, then, since A is not a resident of Illinois, the patent is not utilized in Illinois and none of the royalties are allocated to Illinois.

e) Taxability in another state. For the test of taxability in another state, see Section 100.3200.

f) Interest and dividends. For allocation of interest and dividends, see Section 100.3300(b)(2).

g) *Illinois Lottery Prizes. Prizes awarded under the Illinois Lottery Law* [20 ILCS 1605] *are allocable to this State. Payments received in taxable years ending on or after December 31, 2013, from the assignment of a prize under Section 13.1 of the Illinois Lottery Law, are allocable to this State.* (IITA Section 303(e))

h) *Wagering and Gambling Winnings. Payments received in taxable years ending*

on or after December 31, 2019 of winnings from pari-mutuel wagering conducted at a wagering facility licensed under the Illinois Horse Racing Act of 1975 [230 ILCS 5] *and from gambling games conducted on a riverboat or in a casino or organization gaming facility licensed under the Illinois Gambling Act* [230 ILCS 10] *are allocable to this State.* (IITA Section 303(e-1))

i) Unemployment Compensation. Unemployment compensation paid by this State is allocated to this State. (See IITA Section 303(e-5).)

(Source: Amended by emergency rulemaking at 44 Ill. Reg. 11208, effective June 17, 2020, for a maximum of 150 days)

SUBPART M: BUSINESS INCOME OF PERSONS OTHER THAN RESIDENTS

Section 100.3370 Sales Factor (IITA Section 304)
EMERGENCY

a) In General

1) IITA Section 1501(a)(21) defines the term "sales" to mean all gross receipts of the person not allocated under IITA Sections 301, 302 and 303. Thus, for the purposes of the sales factor of the apportionment formula for each trade or business of the person, the term "sales" means all gross receipts derived by the person from transactions and activity in the regular course of his or her trade or business. The following are rules for determining "sales" in various situations, except in instances in which an alternative method of determining the sales factor is prescribed in Section 100.3380. If the determination prescribed by this Section does not clearly reflect the taxpayer's business activities in Illinois (for taxable years ending before December 31, 2008) or the market for the taxpayer's goods, services or other sources of income in Illinois (for taxable years ending on or after December 31, 2008), the taxpayer may request the use of an alternative method of apportionment under Section 100.3390.

A) In the case of a person engaged in manufacturing and selling or purchasing and reselling goods or products, "sales" includes all gross receipts from the sales of those goods or products (or other property of a kind that would properly be included in the inventory of the person if on hand at the close of the tax period) held by the

person primarily for sale to customers in the ordinary course of its trade or business. Gross receipts for this purpose means gross sales less returns and allowances, and includes all interest income, service charges, carrying charges, or time-price differential charges attendant to those sales. Federal and State excise taxes (including sales taxes) shall be included as part of the receipts if the taxes are passed on to the buyer or included as part of the selling price of the product.

B) In the case of cost plus fixed fee contracts, such as the operation of a government-owned plant for a fee, "sales" includes the entire reimbursed cost, plus the fee.

C) In the case of a person engaged in providing services, such as the operation of an advertising agency, or the performance of equipment service contracts, or research and development contracts, "sales" includes the gross receipts from the performance of those services, including fees, commissions and similar items.

D) In the case of a person engaged in renting real or tangible property, "sales" includes the gross receipts from the rental, lease or licensing of the use of the property.

E) In the case of a person engaged in the sale, assignment or licensing of intangible personal property such as patents and copyrights, "sales" includes the gross receipts therefrom.

F) If a person derives receipts from the sale of equipment used in its business, those receipts constitute "sales". For example, a truck express company owns a fleet of trucks and sells its trucks under a regular replacement program. The gross receipts from the sales of the trucks shall be included in the sales factor.

2) The following gross receipts are not included in the sales factor:

A) For taxable years ending on or after December 31, 1995, *dividends; amounts included under IRC section 78; and Subpart F income* are excluded from the sales factor under IITA Section 304(a)(3)(D).

B) Gross receipts that are excluded from or deducted in the computation of federal taxable income or federal adjusted gross income, and that are not added back in the computation of base income. For example, in years ending prior to December 31, 1995, dividends received from a domestic corporation are excluded from the sales factor to the extent the taxpayer is allowed a deduction under IRC section 243 with respect to those dividends.

C) Gross receipts that are subtracted from federal taxable income or federal adjusted gross income in the computation of base income or that are eliminated in the computation of taxable income in the case of a unitary business group under Section 100.5270(b)(1). Examples of gross receipts excluded from the sales factor under this provision include:

i) Interest on federal obligations subtracted under IITA Section 203(a)(2)(N), (b)(2)(J), (c)(2)(K) or (d)(2)(G).

ii) For taxable years ending prior to December 31, 1995, dividends included in federal taxable income or federal adjusted gross income are excluded from the sales factor if eliminated in combination or to the extent subtracted under IITA Section 203(a)(2)(J), (a)(2)(K), (b)(2)(K), (b)(2)(L), (b)(2)(O), (c)(2)(M), (c)(2)(O), (d)(2)(K) or (d)(2)(M).

D) Gross receipts that are excluded from or deducted in the computation of federal taxable income or federal adjusted gross income, but are added back in the computation of base income, are included in the sales factor unless subtracted or eliminated in combination. For example:

i) Interest on State obligations excluded from federal taxable income or adjusted gross income under IRC section 103 and added back in the computation of base income under IITA Section 203(a)(2)(A), (b)(2)(A), (c)(2)(A) or (d)(2)(A) shall be included in the sales factor except in the case of interest on certain Illinois obligations that is exempt from Illinois Income Tax. (See 86 Ill. Adm. Code

100.2470(f).)

ii) Gross receipts from intercompany transactions between two corporate members of a federal consolidated group, the taxable income on which is deferred under 26 CFR 1.1502-13, shall be included in the sales factor of the recipient unless subtracted under a provision of IITA Section 203 or eliminated in combination of the two corporations as members of a unitary business group.

E) In some cases, certain gross receipts should be disregarded in determining the sales factor in order that the apportionment formula will operate fairly to apportion to this State the income of the person's trade or business. (See 86 Ill. Adm. Code 100.3380(c).)

F) For taxable years ending on or after December 31, 1999, *gross receipts from the licensing, sale, or other disposition of a patent, copyright, trademark, or similar item of intangible personal property may be included in the sales factor only if gross receipts from licenses, sales, or other dispositions of these items comprise more than 50% of the taxpayer's total gross receipts included in gross income during the tax year and during each of the 2 immediately preceding tax years; provided that, when a taxpayer is a member of a unitary business group, the determination shall be made on the basis of the gross receipts of the entire unitary business group*. (IITA Section 304(a)(3)(B-2)) For purposes of this Section:

i) "Gross receipts from the licensing, sale, or other disposition of a patent, copyright, trademark, or similar item of intangible personal property" includes amounts received as damages or settlements from claims of infringement.

ii) "Gross receipts from the licensing, sale, or other disposition of a patent" includes only amounts received from a person using the patent in the production, fabrication, manufacturing, or other processing of a product or from a

person producing, fabricating or manufacturing a product subject to the patent.

iii) "Gross receipts from the licensing, sale, or other disposition of a copyright" includes only amounts received by the taxpayer from a person engaged in printing or other publication of the material protected by the copyright, which are governed by Section 100.3373. The term does not include gross receipts from broadcasting within the meaning of IITA Section 304(a)(3)(B-7) or from publishing or advertising within the meaning of IITA Section 304(a)(3)(C-5)(iv).

iv) If a taxpayer has been in existence less than three taxable years, its gross receipts from the licensing, sale, or other disposition of patents, copyrights, trademarks or similar items of intangible personal property shall be included in its sales factor if those gross receipts comprise more than 50% of its total gross receipts during each taxable year of its existence.

v) "Patent" means a patent issued under 35 USC 151.

vi) "Copyright" means a copyright registered or eligible for registration under 17 USC 408.

vii) "Trademark" means a trademark registered or eligible for registration under 15 USC 1051.

viii) A "similar item" means an item of intellectual property that is registered or otherwise enforceable under a law equivalent to 35 USC 151, 17 USC 408 or 15 USC 1051 or that is otherwise recognized in the country under whose law the sale or license agreement would be enforced, or under which an infringement claim would be brought.

ix) In the case of a unitary business group, the "total gross receipts and gross receipts from the licensing, sale or other disposition of a patent, copyright, trademark or similar item

of intangible personal property in the two years immediately preceding the tax year" includes the gross receipts and gross receipts from the licensing, sale or other disposition of a patent, copyright, trademark or similar item of intangible personal property of all persons who are members of the unitary business group at some time during the taxable year, whether or not those persons were also members of the unitary business group in a preceding tax year, and only of those persons.

3) In filing returns with this State, if the person departs from or modifies the basis for excluding or including gross receipts in the sales factor used in returns for prior years, the person shall disclose in the return for the current year the nature and extent of the modification. If the returns or reports filed by the person with all states to which the person reports under Article IV of the Multistate Tax Compact or the Uniform Division of Income for Tax Purposes Act are not uniform in the inclusion or exclusion of gross receipts, the person shall disclose in its return to this State the nature and extent of the variance.

4) For taxable years ending prior to December 31, 2008, sales of electricity are sales other than sales of tangible personal property sourced under IITA Section 304(a)(3)(C). For taxable years ending on or after December 31, 2008 and prior to July 16, 2009, sales of electricity are sales of service sourced under IITA Section 304(a)(3)(C-5)(iv). For taxable years ending after July 15, 2009, sales of electricity are sales of tangible personal property sourced under IITA Section 304(a)(3)(B). (See Exelon Corp. v. Department of Revenue, 234 Ill 2d 266 (2009).)

b) Denominator. The denominator of the sales factor shall include the total gross receipts derived by the person from transactions and activity in the regular course of its trade or business, except receipts excluded under 86 Ill. Adm. Code 100.3380(c).

c) Numerator. The numerator of the sales factor shall include the gross receipts attributable to this State and derived by the person from transactions and activity in the regular course of its trade or business. All interest income, service charges, carrying charges, or time-price differential charges incidental to those gross receipts shall be included regardless of the place where the accounting records are

maintained or the location of the contract or other evidence of indebtedness.

1) Sales of Tangible Personal Property in this State

A) Gross receipts from the sales of tangible personal property (except sales to the United States Government) (see subsection (c)(2)) are in this State:

i) if the property is delivered or shipped to a purchaser within this State regardless of the f.o.b. (free on board) point or other conditions of sale; or

ii) if the property is shipped from an office, store, warehouse, factory or other place of storage in this State and the taxpayer is not taxable in the state of the purchaser. However, premises owned or leased by a person who has independently contracted with the taxpayer for the printing of newspapers, periodicals or books shall not be deemed to be an office, store, warehouse, factory or other place of storage.

B) Property shall be deemed to be delivered or shipped to a purchaser within this State if the recipient is located in this State, even though the property is ordered from outside this State.

EXAMPLE: A corporation, with inventory in State A, sold $100,000 of its products to a purchaser having branch stores in several states including this State. The order for the purchase was placed by the purchaser's central purchasing department located in State B. $25,000 of the purchase order was shipped directly to purchaser's branch store in this State. The branch store in this State is the "purchaser within this State" with respect to $25,000 of the corporation's sales.

C) Property is delivered or shipped to a purchaser within this State if the shipment terminates in this State, even though the property is subsequently transferred by the purchaser to another state.

EXAMPLE: A corporation makes a sale to a purchaser who

maintains a central warehouse in this State at which all merchandise purchases are received. The purchaser reships the goods to its branch stores in other states for sale. All of the corporation's products shipped to the purchaser's warehouse in this State is property "delivered or shipped to a purchaser within this State".

D) The term "purchaser within this State" shall include the ultimate recipient of the property if the person in this State, at the designation of the purchaser, delivers to or has the property shipped to the ultimate recipient within this State.

EXAMPLE: A corporation in this State sold merchandise to a purchaser in State A. The corporation directed the manufacturer or supplier of the merchandise in State B to ship the merchandise to the purchaser's customer in this State pursuant to purchaser's instructions. The sale by the corporation is "in this State".

E) When property being shipped by a seller from the state of origin to a consignee in another state is diverted while en route to a purchaser in this State, the sales are in this State.

EXAMPLE: Corporation X, a produce grower in State A, begins shipment of perishable produce to the purchaser's place of business in State B. While en route the produce is diverted to the purchaser's place of business in this State in which state Corporation X is subject to tax. The sale by the corporation is attributed to this State.

F) If the person is not taxable in the state of the purchaser, the sale is attributed to this State if the property is shipped from an office, store, warehouse, factory, or other place of storage in this State (subject to the exception noted in (c)(1)(A)(ii)).

EXAMPLE: A corporation has its head office and factory in State A. It maintains a branch office and inventory in this State. The corporation's only activity in State B is the solicitation of orders by a resident salesman. All orders by the State B salesman are sent to the branch office in this State for approval and are filled by

shipment from the inventory in this State. Since the corporation is immune under Public Law 86-272 from tax in State B, all sales of merchandise to purchasers in State B are attributed to this State, the state from which the merchandise was shipped.

2) Sales of tangible personal property to the United States Government in this State. Gross receipts from the sales of tangible personal property to the United States Government are in this State if the property is shipped from an office, store, warehouse, factory, or other place of storage in this State. For the purposes of this regulation, only sales for which the United States Government makes direct payment to the seller pursuant to the terms of the contract constitute sales to the United States Government. Thus, as a general rule, sales by a subcontractor to the prime contractor, the party to the contract with the United States Government, do not constitute sales to the United States Government.

EXAMPLE A: A corporation contracts with General Services Administration to deliver X number of trucks that were paid for by the United States Government. The sale is a sale to the United States Government.

EXAMPLE B: A corporation as a subcontractor to a prime contractor with the National Aeronautics and Space Administration contracts to build a component of a rocket for $1,000,000. The sale by the subcontractor to the prime contractor is not a sale to the United States Government.

3) For taxable years ending on or after December 31, 1999, *gross receipts from the licensing, sale, or other disposition of a patent, copyright, trademark, or similar item of intangible personal property* that are not excluded from the sales factor under subsection (a)(2)(F) are included in the numerator of the sales factor *to the extent the item is utilized in this State during the year the gross receipts are included in gross income*. (IITA Section 304(a)(3)(B-1)) For purposes of this subsection (c)(3):

A) *A patent is utilized in a state to the extent that it is employed in production, fabrication, manufacturing, or other processing in the state or to the extent that a patented product is produced in the state. If a patent is utilized in more than one state, the extent to which it is utilized in any one state shall be a fraction equal to the*

gross receipts of the licensee or purchaser from sales or leases of items produced, fabricated, manufactured, or processed within that state using the patent and of patented items produced within that state, divided by the total of the gross receipts for all states in which the patent is utilized. (IITA Section 304(a)(3)(B-1)(ii)(I))

B) *A copyright is utilized in a state to the extent that printing or other publication originates in the state*. Printing or other publication originates at the place at which the licensee of the copyright incorporates the copyrighted material into the physical medium by which it will be delivered to the purchaser of the material or, if the copyrighted material is delivered to the purchaser without use of a physical medium, the place at which delivery of the copyrighted material to the person purchasing the material from the licensee originates. *If a copyright is utilized in more than one state, the extent to which it is utilized in any one state shall be a fraction equal to the gross receipts from sales or licenses of materials printed or published in that state divided by the total of the gross receipts for all states in which the copyright is utilized.* (IITA Section 304(a)(3)(B-1)(ii)(II))

C) *Trademarks and other items of intangible personal property governed by this subsection (c)(3) are utilized in the state in which the commercial domicile of the licensee or purchaser is located.* (IITA Section 304(a)(3)(B-1)(ii)(III))

D) If the place of utilization of an item of property under subsection (c)(3)(A), (B) or (C) *cannot be determined from the taxpayer's books and records or from the books and records of any person related to the taxpayer within the meaning of IRC section 267(b), the gross receipts attributable to that item shall be excluded from both the numerator and the denominator of the sales factor*. (IITA Section 304(a)(3)(B-1)(iii))

4) *For taxable years ending on or after December 31, 2013, gross receipts from winnings under the Illinois Lottery Law* [20 ILCS 1605] *and from the assignment of a prize under Section 13-1 of the Illinois Lottery Law are received in this State.* (IITA Section 304(a)(3)(B-8))

5) *For taxable years ending on or after December 31, 2019, gross receipts from winnings from pari-mutuel wagering conducted at a wagering facility licensed under the Illinois Horse Racing Act of 1975* [230 ILCS 5] *or from winnings from gambling games conducted on a riverboat or in a casino or organization gaming facility licensed under the Illinois Gambling Act* [230 ILCS 10] *are in this State.* (IITA Section 304(a)(3)(B-9)

6) For taxable years ending prior to December 31, 2008, gross receipts from transactions not governed by the provisions of subsection (c)(1), (2), (3) or (4) and, for taxable years ending on or after December 31, 2008, from transactions involving intangible personal property when the taxpayer is not a dealer with respect to the intangible personal property, are attributed to this State if the income producing activity that gave rise to the receipts is performed wholly within this State. Also, gross receipts are attributed to this State if, with respect to a particular item of income, the income producing activity is performed in this State, based on costs of performance.

A) Income Producing Activity Defined. The term "income producing activity" applies to each separate item of income and means the transactions and activity directly engaged in by the person in the regular course of its trade or business for the ultimate purpose of obtaining gains or profit. Income producing activity does not include transactions and activities performed on behalf of a person, such as those conducted on its behalf by an independent contractor. The mere holding of intangible personal property is not, of itself, an income producing activity. Accordingly, the income producing activity includes but is not limited to the following:

i) The rendering of personal services by employees or the utilization of tangible and intangible property by the person in performing a service.

ii) The sale, rental, leasing, licensing or other use of real property.

iii) The rental, leasing, licensing or other use of tangible personal property.

iv) The sale, licensing or other use of intangible personal property.

B) Costs of Performance Defined. The term "costs of performance" means direct costs determined in a manner consistent with generally accepted accounting principles and in accordance with accepted conditions or practices in the trade or business of the person.

C) Application. Receipts sourced under this subsection (c)(6~~5~~) in respect to a particular income producing activity are in this State if:

i) the income producing activity is performed wholly within this State; or

ii) the income producing activity is performed both in and outside this State and, based on costs of performance, a greater proportion of the income producing activity is performed in this State than without this State (for taxable years ending prior to December 31, 2008) or a greater proportion of the income-producing activity of the taxpayer is performed within this State than in any other state (for taxable years ending on or after December 31, 2008).

D) Special Rules. The following are special rules for determining when receipts from the income producing activities described in this subsection (c)(6~~5~~)(D) are in this State.

i) Gross receipts from the sale, lease, rental or licensing of real property are in this State if the real property is located in this State.

ii) Gross receipts from the rental, lease, or licensing of tangible personal property are in this State if the property is located in this State. The principal cost of performance in a rental, leasing or licensing transaction is the depreciation or amortization of the tangible personal property, and the depreciation or amortization expense is

incurred in the state in which the tangible personal property is located. The rental, lease, licensing or other use of tangible personal property in this State is a separate income producing activity from the rental, lease, licensing or other use of the same property while located in another state; consequently, if property is within and without this State during the rental, lease or licensing period, gross receipts attributable to this State shall be measured by the ratio which the time the property was physically present or was used in this State bears to the total time or use of the property everywhere during that period.

EXAMPLE: Corporation X is the owner of 10 railroad cars. During the year, the total of the days each railroad car was present in this State was 50 days for a total of 500 days. The receipts attributable to the use of each of the railroad cars in this State are a separate item of income. Total receipts attributable to this State shall be determined as follows:

(10 x 50)/3650 x Total Receipts

iii) Gross receipts for the performance of personal services are attributable to this State to the extent those services are performed partly within and partly outside this State. The gross receipts for the performance of those services shall be attributable to this State only if a greater portion of the services were performed in this State, based on costs of performance. When services are performed partly within and partly outside this State and the services performed in each state constitute a separate income producing activity, the gross receipts for the performance of services attributable to this State shall be measured by the ratio that the time spent in performing the services in this State bears to the total time spent in performing the services everywhere. Time spent in performing services includes the amount of time expended in the performance of a contract or other obligation that gives rise to the gross receipts. Personal service not directly connected with the

performance of the contract or other obligation, as for example, time expended in negotiating the contract, is excluded from the computations.

EXAMPLE 1: Corporation X, a road show, gave theatrical performances at various locations in State X and in this State during the tax period. All gross receipts from performances given in this State are attributed to this State.

EXAMPLE 2: A public opinion survey corporation conducted a poll by its employees in State X and in this State for the sum of $9,000. The project required 600 man hours to obtain the basic data and prepare the survey report. Two hundred of the 600 man hours were expended in this State. The receipts attributable to this State are $3,000, calculated as follows:

200/600 x $9,000

7~~6~~) For taxable years ending on or after December 31, 2008, gross receipts from transactions not governed by the provisions of subsection (c)(1), (2), (3), ~~or~~ (4), (5) or (6) *are in this State if any of the following criteria are met*:

A) *Sales from the sale or lease of real property are in this State if the property is located in this State.* (IITA Section 304(a)(3)(C-5)(i))

B) *Sales from the lease or rental of tangible personal property are in this State if the property is located in this State during the rental period. Sales from the lease or rental of tangible personal property that is characteristically moving property, including, but not limited to, motor vehicles, rolling stock, aircraft, vessels, or mobile equipment, are in this State to the extent that the property is used in this State.* (IITA Section 304(a)(3)(C-5)(ii))

C) *In the case of interest, net gains (but not less than zero) and other items of income from intangible personal property, the sale is in this State if:*

i) *in the case of a taxpayer who:*

- *is a dealer in the item of intangible personal property within the meaning of IRC section 475, the income or gain is received from a customer in this State*. A taxpayer is a dealer with respect to an item of intangible personal property if the taxpayer is a dealer with respect to the item under IRC section 475(c)(1), or would be a dealer with respect to the item under IRC section 475(c)(1) if the item were a security as defined under IRC section 475(c)(2). *For purposes of this subsection (c)(7~~6~~)(C)(i), a customer is in this State if the customer is an individual, trust or estate who is a resident of this State and, for all other customers, if the customer's commercial domicile is in this State. Unless the dealer has actual knowledge of the residence or commercial domicile of a customer during a taxable year, the customer shall be deemed to be a customer in this State if the billing address of the customer, as shown in the records of the dealer, is in this State.* (IITA Section 304(a)(3)(C-5)(iii)(a)) A dealer shall treat the person with whom it engages in a transaction as the customer, even when that person is acting on behalf of a third party, unless the dealer has actual knowledge of the party on whose behalf the person is acting. If a taxpayer is a dealer with respect to an item of intangible personal property and recognizes gain or loss with respect to that item other than in connection with a transaction with a customer (for example, unrealized gain or loss from marking the item to market under IRC section 475), that gain or loss shall be excluded from the numerator and denominator of the sales factor; or

- is not a dealer with *respect* to the item of *intangible* personal property, *if the income-producing activity of the taxpayer is performed in this State or, if the*

income-producing activity of the taxpayer is performed both within and without this State, if a greater proportion of the income-producing activity of the taxpayer is performed within this State than in any other state, based on performance costs. (IITA Section 304(a)(3)(C-5)(iii)(b)) (See subsection (c)(65) of this Section.)

ii) For purposes of this subsection (c)(76)(C), an item of "intangible personal property" includes only an item that can ordinarily be resold or otherwise reconveyed by the person acquiring the item from the taxpayer, and does not include any obligation of the taxpayer to make any payment, perform any act, or otherwise provide anything of value to another person.

EXAMPLE 1: A ticket to attend a sporting event would not be an item of intangible personal property for the owner of the stadium who issues the ticket and is obliged to grant admission to the holder of the ticket. Rather, the sale of the ticket is a prepayment for a service to be provided. However, the ticket would be an item of intangible personal property in the hands of the original purchaser or any subsequent purchaser of the ticket, and a ticket broker engaged in the business of buying and reselling tickets would be a dealer with respect to the ticket.

EXAMPLE 2: A taxpayer selling canned computer software is selling intangible personal property. (First National Bank of Springfield v. Dept. of Revenue, 85 Ill.2d 84 (1981)) If the taxpayer sells software to customers in the ordinary course of its business, it is a dealer with respect to those sales. In contrast, a taxpayer providing programming or maintenance services to its customers is selling services rather than intangible personal property.

EXAMPLE 3: A taxpayer administers a "rewards program" for a group of unrelated businesses. Under the program, a customer of one business can earn discounts or

rebates on products and services provided by any of the businesses. As each customer earns rewards, measured in "units", from one of the businesses, that business pays a specified amount per unit to the taxpayer. When a customer uses units earned in the program to purchase products or services at a discount from a participating business, the taxpayer pays that business a specified amount per unit used by the customer. Rebates may be paid to the customer directly by the taxpayer or by one of the businesses, which is then reimbursed by the taxpayer. To the extent payments made to the taxpayer by businesses awarding units exceed the payments the taxpayer must make for discounts and rebates, the excess is payment for operating the program. The units awarded are obligations of the taxpayer to make payments to the business providing products or services at a discount or to pay rebates. Accordingly, payments received by the taxpayer from the participating businesses for units awarded are not income from sales of intangible personal property by the taxpayer.

D) *Sales of services are in this State if the services are received in this State.* (IITA Section 304(a)(3)(C-5)(iv))

i) General Rule. Gross receipts from services are assigned to the numerator of the sales factor to the extent that the receipts may be attributed to services received in Illinois.

ii) A contract that involves the provision of a service by the taxpayer and the use of property of the taxpayer by the service recipient shall be treated as a sale of service unless the contract is properly treated as a lease of property under IRC section 7701(e)(1), taking into account all relevant factors, including whether:

- the service recipient is in physical possession of the property;

- the service recipient controls the property;

- the service recipient has a significant economic or possessory interest in the property;

- the service provider does not bear any risk of substantially diminished receipts or substantially increased expenditures if there is nonperformance under the contract;

- the service provider does not use the property concurrently to provide significant services to entities unrelated to the service recipient; and

- the total contract price does not substantially exceed the rental value of the property for the contract period.

EXAMPLE: A taxpayer selling access to an online database or applications software, and who is required to perform regular update services to the database or software, retains control over the contents of the database or software, and provides access to the same database or software to multiple customers is not selling or licensing an item of intangible personal property to its customers, but rather is providing a service.

iii) Services received in this State include, but are not limited to:

- When the subject matter of the service is an item of tangible personal property, the service is received in this State if possession of the property is restored to the recipient of the service under the principles in subsection (c)(1) for determining whether a sale of that property is in this State.

  EXAMPLE 1: A customer returns a computer to the manufacturer for repair. The manufacturer performs the repairs in Indiana and ships the

computer to the customer's Illinois address. The service is received in this State.

EXAMPLE 2: Individual purchases clothing from Merchant at a store in this State, using a credit card issued by Bank A pursuant to a licensing agreement with Credit Card Company. Credit Card Company is not a financial organization required to apportion its business income under Section 100.3405. Bank A remits the purchase price to Credit Card Company, which deposits the purchase price with Merchant's bank, minus a fee or discount. All fees and discounts earned by Credit Card Company in connection with this purchase are for services received in this State.

- When the subject matter of the service is an item of real property, the service is received in the state in which the real property is located.

  EXAMPLE 3: Individual purchases a parcel of land in Illinois and constructs a house on the parcel. Services performed at an architect's office in Wisconsin regarding the design and construction of the house are received in this State.

- When the service is performed on or with respect to the person of an individual (for example, medical treatment services), the service is received in the state in which the individual is located at the time the service is performed.

- Services performed by a taxpayer that are directly connected to or in support of services received in this State are also services received in this State.

  EXAMPLE 4: Individual purchases automobile repair services from Automobile Dealership at its facility located in this State, using a credit card

issued by Bank A pursuant to a licensing agreement with Credit Card Company. Bank A remits the purchase price to Credit Card Company, which deposits the purchase price with Automobile Dealership's bank, minus a fee or discount. All fees and discounts earned by Credit Card Company in connection with this purchase are for services received in this State.

EXAMPLE 5: Services performed by an investment fund on behalf of an investor are received in this State if the investor resides in this State (in the case of an individual) or has its ordering or billing address in this State (for other investors). In the case of services provided by Taxpayer to or on behalf of the investment fund that are directly connected with services provided separately to the investors, such as preparation of communications and statements to investors, and allocations of earnings and distributions to investors, the service is also received in this State to the extent the investors reside (or have their ordering or billing address) in this State. Accordingly, receipts of Taxpayer for these services are allocated to this State on the basis of the ratio of: the average of the outstanding shares in the fund owned by shareholders, partners or other investors residing (or having their ordering or billing address) within this State at the beginning and end of each taxable year of the taxpayer; and the average of the total number of outstanding shares in the fund at the beginning and end of each year. Residence or ordering or billing address of the shareholder, partner or other investor is determined by the mailing address in the records of the investment fund or the taxpayer. Services provided to an investment fund that are not directly connected to or in support of services provided separately to investors, such as brokerage services or investment

advising, are not received by the customer at the location of its investors.

iv) Special Rules

- Under IITA Section 304(a)(3)(C-5)(iv), *if the state where the services are received is not readily determinable, the services shall be deemed to be received at the location of the office of the customer from which the services were ordered in the regular course of the customer's trade or business, or, if the ordering office cannot be determined, at the office of the customer to which the services are billed.* If the service is provided to an individual who provides a residential address as the place from which the services are ordered or to which the services are billed, rather than an office address, the residential address shall be used. For purposes of this provision, the state where services are received is not readily determinable if the facts necessary to make the determination are not contained in the books and records of the taxpayer or any person related to the taxpayer within the meaning of IRC section 267(b) or if the available facts would allow reasonable persons to reach different determinations of the state in which the services were received.

- Under IITA Section 304(a)(3)(C-5)(iv), *if the services are provided to a corporation, partnership, or trust and the services are received in a state in which the corporation, partnership, or trust does not maintain a fixed place of business* (as defined in Section 100.3405(b)(1)), *the services shall be deemed to be received at the location of the office of the customer from which the services were ordered in the regular course of the customer's trade or business, or, if the ordering office cannot be determined, at the office of the customer to which the services are billed*. For purposes of this

provision, in the case of services performed by the taxpayer as a subcontractor or as an agent acting on behalf of a principal, if either the contractor or principal has a fixed place of business in the state in which the services are received or the customer of the contractor or principal either is an individual or has a fixed place of business in the state in which the services are received, the service shall be treated as received in a state in which the customer of the taxpayer has a fixed place of business.

- Under IITA Section 304(a)(3)(C-5)(iv), *if the taxpayer is not taxable in the state in which the services are received or deemed to be received, the gross receipts attributed to those services must be excluded from both the numerator and denominator of the sales factor*. (See Section 100.3200 for guidance on determining when a taxpayer is taxable in another state.)

(Source: Amended by emergency rulemaking at 44 Ill. Reg. 11208, effective June 17, 2020, for a maximum of 150 days)

SUBPART S: REQUIREMENT AND AMOUNT OF WITHHOLDING

Section 100.7030 Payments to Residents (IITA Section 701)
EMERGENCY

a) In General~~general~~

1) Any payment to an Illinois resident as an employee or otherwise by any payer maintaining an office or transacting business in this State~~state~~ shall be subject to withholding of Illinois income tax if those~~such~~ payments are subject to withholding of federal income tax. Any payer maintaining an office or transacting business in this State~~state~~ making these~~such~~ payments shall be considered an "employer" for purposes of IITA Article 7 and these regulations and, accordingly, will be subject to the same rules and procedures governing employers withholding tax on compensation paid in Illinois. For example, these~~such~~ payers will be required to register as

withholding agents, and shall be subject to the reporting (and payment) requirements of IITA Sections 703 and 704. Also, these~~such~~ payers will be subject to the penalties prescribed in Article 10 of the Act.

2) Payments to an Illinois resident by a payer transacting business or maintaining an office in Illinois on which federal withholding is required shall be considered "compensation paid in Illinois" for purposes of IITA Article 7 and this Part~~the regulations thereunder~~. Illinois residents receiving these~~such~~ payments shall be considered "employees" for purposes of IITA Article 7 and this Part~~the regulations thereunder~~. Thus, for example, the computation of the amount of tax to be deducted and withheld shall be made pursuant to Section 100.7050 and the payee shall be entitled to a withholding exemption pursuant to Section 100.7100~~ of this Part~~.

3) Withholding shall be required on the first payment on which withholding of federal income tax is required and shall continue to be required in respect of all these~~such~~ payments until withholding of federal income tax on the~~such~~ payments terminates pursuant to the Internal Revenue Code and the regulations thereunder.

b) Payments Subject~~subject~~ to Federal Withholding~~federal withholding~~ ~~1)~~Withholding of Illinois income tax is required on all payments to Illinois residents on which withholding of tax is required under the Internal Revenue Code. This applies not only to compensation but to any other type of payment on which federal withholding of income tax is required. Withholding shall be considered required under the Internal Revenue Code if the payee is authorized either by the Internal Revenue Code or the regulations thereunder to request withholding of federal income tax on a particular type of payment and the payee and payer have entered into an agreement for~~ such~~ withholding. No authorization from the payee for Illinois withholding is necessary in this situation; the requirement of federal withholding even though voluntarily elected shall automatically impose Illinois withholding.

~~2) Income tax withholding requirements on certain gambling winnings~~

~~A) General requirements. Under IITA Section 701(b) a payer of gambling winnings maintaining an office or transacting business in Illinois must withhold Illinois income tax from such winnings if~~

~~the winnings are paid to an Illinois resident or to someone receiving them on behalf of an Illinois resident and if the winnings are subject to Federal income tax withholding.~~

~~B)~~ ~~Residents defined. The following are Illinois residents:~~

~~i)~~ ~~an individual who is in Illinois for other than a temporary or transitory purpose during the taxable year; or who is domiciled in Illinois but is absent from Illinois for a temporary or transitory purpose during the taxable year;~~

~~ii)~~ ~~the estate of a decedent who at his death was domiciled in Illinois;~~

~~iii)~~ ~~a trust created by a will of a decedent who at his death was domiciled in Illinois; and~~

~~iv)~~ ~~an irrevocable trust, the grantor of which was domiciled in Illinois at the time such trust became irrevocable (but not including "grantor trusts" under 26 USC 671 through 678).~~

~~C)~~ ~~Gambling winnings from which withholding is required. Illinois income tax withholding is required if the gambling winnings are paid to a resident of Illinois and are subject to federal income tax withholding requirements. For more specific information, and precise details regarding actual federal withholding requirements, see 26 USC 3402(q) and the instructions for U.S. Form 5754 available from the Internal Revenue Service.~~

~~D)~~ ~~Determination of winner's status as an Illinois resident – Form IL-5754. At the time the winnings are paid, Form IL-5754, Statement by Person(s) Receiving Gambling Winnings, must be completed. The person (or persons) receiving the winnings must identify himself and any other winners by indicating name, address, state of residence, taxpayer identifying number and amount won. If the person receiving the winnings is unable to properly identify any of the winners, or the state of residence of any such other winner, the amount of the winnings applicable to such other person shall be considered as having been won by the person (or persons) properly~~

~~identified. Form IL-5754 must be signed, under penalties of perjury, by the person (or persons) receiving the winnings. A copy of Form IL-5754 must be retained by the payer; it need not be submitted to the Department.~~

~~E)~~ ~~Withholding from residents. If any of the persons listed on Form IL-5754 has Illinois as his state of residence and Federal income tax withholding is required, the payer must withhold Illinois income tax at the rate of 3% from each such person's winnings except to the extent that any such person claims an exemption on Form IL-W-4G submitted to the payer prior to the payment. The payer must prepare a Form IL-W-2G for every winner from whose gambling winnings Illinois income tax is withheld and the completed Form IL-W-2G may be presented to the winner either at the time of payment of the winnings or at any time up to and including January 31 of the year following the year of payment. Regarding the exemption certificates (Forms IL-W-4G), one copy should be retained by the winner and two copies should be submitted to the payer, the payer then forwarding one copy to the Department of Revenue on or before the 15th day of the following month.~~

~~F)~~ ~~Filing and remittance obligations of the payers. Payers withholding Illinois income tax on gambling winnings are required to file returns and information statements and make remittances in accordance with the schedule established by IITA Section 704 (see Section 5 of the Illinois Withholding Guide – Form IL-700). Payment due dates will reflect the total amounts withheld under IITA Sections 701, 708, 709 and 710. For example, if, during a quarter-monthly period, an employer withholds $400 from employee's wages, $400 from gambling winnings paid to residents, and $400 from certain payments made pursuant to a personal services contract under IITA Section 708, he must remit $1,200 to the Illinois Department of Revenue by the third banking day following the close of that quarter-monthly period.~~

c) Exceptions

1) Withholding will not be required under this Section~~section~~ on any

payment to the extent the~~such~~ payment is not includable in the recipient's base income. Thus, if a payment consists partially of a return of capital, only that part of the payment that~~which~~ is not a return of capital and, hence, is income~~,~~ would be subject to withholding. Also annuity payments from qualified employee benefit plans, which are not includable in Illinois base income under IITA Section 203(a)(2)(E), would not be subject to withholding under this Section~~section~~ notwithstanding an agreement between the payor and the payee for the withholding of federal income tax on those~~such~~ payments. Similarly, if a payment consists of an amount that~~which~~ is exempt from taxation by this State either by reason of its Constitution or by reason of the Constitution, treaties or statutes of the United States (i.e., interest on obligations of the United States), the~~such~~ payment would not be subject to withholding under this Section~~section~~.

2) Withholding will not be required on any payment under this Section~~section~~, except "compensation paid in Illinois", as defined in Section 100.7010(a), ~~of this Part~~ to the extent that the payment is subjected to withholding by another state. A signed declaration by the payee to the effect that another state is withholding income tax on a payment shall relieve the payer of the requirement to withhold Illinois tax on the~~such~~ payment.

(Source: Amended by emergency rulemaking at 44 Ill. Reg. 11208, effective June 17, 2020, for a maximum of 150 days)

Section 100.7036 Withholding of Lottery and Gambling Winnings (IITA Section 710) EMERGENCY

a) In General

1) *Any person making a payment to a resident or nonresident of winnings under the Illinois Lottery Law and not required to withhold Illinois income tax from the payment under IITA Section 701(b) because those winnings are not subject to federal income tax withholding must withhold Illinois income tax from that payment at a rate equal to the percentage tax rate for individuals provided in IITA Section 201(b), provided that withhold is not required if the payment of winnings is less than $1,000.* (IITA Section 710(a)(1))

2) *In the case of an assignment of a lottery prize under Section 13.1 of the Illinois Lottery Law* [20 ILCS 1605]*, any person making a payment of the purchase price after December 31, 2013 shall withhold from the amount of each payment at a rate equal to the percentage tax rate for individuals provided in IITA Section 201(b).* (IITA Section 710(a)(2))

3) *Any person making a payment after December 31, 2019 to a resident or nonresident of winnings from pari-mutual wagering conducted at a wagering facility licensed under the Illinois Horse Racing Act of 1975* [230 ILCS 5] *or from gambling games conducted on a riverboat or in a casino or organization gaming facility licensed under the Illinois Gambling Act* [230 ILCS 10] *must withhold Illinois income tax from the payment at a rate equal to the percentage tax rate for individuals provided in IITA Section 201(b), provided that the person making the payment is required to withhold under 26 USC 3402(q).* (IITA Section 710(a)(3)) For more specific information, and precise details regarding actual federal withholding requirements, see 26 USC 3402(q) and the instructions for U.S. Form 5754 available from the Internal Revenue Service.

(Source: Added by emergency rulemaking at 44 Ill. Reg. 11208, effective June 17, 2020, for a maximum of 150 days)

JOINT COMMITTEE ON ADMINISTRATIVE RULES

ILLINOIS GENERAL ASSEMBLY

STATEMENT OF OBJECTION
TO EMERGENCY RULE

DEPARTMENT OF CHILDREN AND FAMILY SERVICES

Heading of the Part: Licensing Standards for Day Care Homes

Code Citation: 89 Ill. Adm. Code 406

Section Numbers: 406.28

Date Originally Published in the *Illinois Register*: 6/26/20
44 Ill. Reg. 11070

At its meeting on June 16, 2020, the Joint Committee on Administrative Rules objected to the Department of Children and Family Services's use of emergency rulemaking to adopt rules effective June 12, 2020 titled Licensing Standards for Day Care Homes (89 Ill. Adm. Code 406; 44 Ill. Reg. 11070 - 6/26/20) because these emergency amendments require licensees to follow policy the agency is establishing outside of rule if they choose to reopen after their COVID-19 closure. These emergency amendments subject these day care licensees to guidance published by DCFS on its website that has not been adopted as rule. The Illinois Administrative Procedure Act requires any policy affecting persons outside an agency to be adopted as rule, unless clearly and completely established by statute. Guidance established outside of rule does not have the force of law and cannot be required or enforced in the same manner.

Failure of the agency to respond within 90 days after receipt of the Statement of Objection shall be deemed a refusal. The agency's response will be placed on the JCAR agenda for further consideration.

JOINT COMMITTEE ON ADMINISTRATIVE RULES

ILLINOIS GENERAL ASSEMBLY

STATEMENT OF OBJECTION
TO EMERGENCY RULE

DEPARTMENT OF CHILDREN AND FAMILY SERVICES

Heading of the Part: Licensing Standards for Day Care Centers

Code Citation: 89 Ill. Adm. Code 407

Section Numbers: 407.600 407.605 407.610

Date Originally Published in the Illinois Register: 6/26/20
44 Ill. Reg. 11079

At its meeting on June 16, 2020, the Joint Committee on Administrative Rules objected to the Department of Children and Family Services's use of emergency rulemaking to adopt rules effective June 12, 2020 titled Licensing Standards for Day Care Centers (89 Ill. Adm. Code 407; 44 Ill. Reg. 11079 - 6/26/20) because these emergency amendments require licensees to follow policy the agency is establishing outside of rule if they choose to reopen after their COVID-19 closure. These emergency amendments subject these day care licensees to guidance published by DCFS on its website that has not been adopted as rule. The Illinois Administrative Procedure Act requires any policy affecting persons outside an agency to be adopted as rule, unless clearly and completely established by statute. Guidance established outside of rule does not have the force of law and cannot be required or enforced in the same manner.

Failure of the agency to respond within 90 days after receipt of the Statement of Objection shall be deemed a refusal. The agency's response will be placed on the JCAR agenda for further consideration.

JOINT COMMITTEE ON ADMINISTRATIVE RULES

ILLINOIS GENERAL ASSEMBLY

STATEMENT OF OBJECTION
TO EMERGENCY RULE

DEPARTMENT OF CHILDREN AND FAMILY SERVICES

Heading of the Part: Licensing Standards for Group Day Care Homes

Code Citation: 89 Ill. Adm. Code 408

Section Numbers: 408.140

Date Originally Published in the *Illinois Register*: 6/26/20
44 Ill. Reg. 11094

At its meeting on June 16, 2020, the Joint Committee on Administrative Rules objected to the Department of Children and Family Services's use of emergency rulemaking to adopt rules effective June 12, 2020, titled Licensing Standards for Group Day Care Homes (89 Ill. Adm. Code 408; 44 Ill. Reg. 11094 - 6/26/20) because these emergency amendments require licensees to follow policy the agency is establishing outside of rule if they choose to reopen after their COVID-19 closure. These emergency amendments subject these day care licensees to guidance published by DCFS on its website that has not been adopted as rule. The Illinois Administrative Procedure Act requires any policy affecting persons outside an agency to be adopted as rule, unless clearly and completely established by statute. Guidance established outside of rule does not have the force of law and cannot be required or enforced in the same manner.

Failure of the agency to respond within 90 days after receipt of the Statement of Objection shall be deemed a refusal. The agency's response will be placed on the JCAR agenda for further consideration.

POLLUTION CONTROL BOARD

JULY 2020 REGULATORY AGENDA

a) Part (Heading and Code Citation): Definitions and General Provisions (35 Ill. Adm. Code 211)

1) Rulemaking: Docket number R21-2

A) Description: Section 9.1(e) of the Environmental Protection Act [415 ILCS 5/9.1(e)] requires the Board to adopt rules that are identical-in-substance to exempt from regulation those volatile organic compounds that the United States Environmental Protection Agency (USEPA) has determined are exempt from regulation for ozone due to negligible photochemical reactivity. The Illinois definition of volatile organic material (VOM) lists the federally excluded volatile organic compounds.

USEPA codified the compounds determined by to be exempt from regulation as 40 C.F.R. § 51.100(s). 57 Fed. Reg. 3945 (Feb. 3, 1992). This codified definition includes all the compounds and classes of compounds excluded by USEPA. The Illinois definition of VOM, codified at 35 Ill. Adm. Code 211.7150, corresponds with USEPA's definition.

The Board reserved docket number R21-2 to accommodate any amendments to the 40 CFR 51.100(s) definition of VOM that USEPA may adopt between January 1, 2020 and June 30, 2020.

By about mid-August 2020, the Board will determine whether USEPA rules require any Board action in response. The Board will then propose necessary amendments to the Illinois definition of VOM using the identical-in-substance procedure or dismiss docket R21-2, as appropriate.

Section 9.1(e) requires that the Board complete amendments within one year of the date on which USEPA adopted the earliest action upon which the amendments are based. Assuming USEPA adopted an amendment that will require Board action on the first day of the update period, January 1, 2020, the due date for Board adoption of amendments in docket R21-2 would be January 1, 2021.

To meet a due date of January 1, 2021, the Board would propose amendments and publish a Notice of Proposed Amendments to in the *Illinois Register* by late September 2020. This would allow the Board to

accept public comments on the proposal for 45 days before adopting any amendments. Alternatively, if no amendment to the Illinois definition is needed, the Board will promptly dismiss the reserved docket R21-2.

B) Statutory Authority: Implementing and authorized by Sections 7.2, 9.1(e), and 27 of the Environmental Protection Act [415 ILCS 5/7.2, 9.1(e) & 27].

C) Scheduled meeting/hearing dates: None scheduled at this time. The Board would propose any amendments according to Sections 27 and 28 of the Act [415 ILCS 5/27 & 28]. The Board will then schedule and conduct at least one public hearing, as required by Section 110(a) of the federal Clean Air Act (42 USC § 7410(a)) for amendment of the Illinois ozone SIP.

D) Date Agency anticipates First Notice: Section 9.1(e) of the Environmental Protection Act [415 ILCS 5/9.1(e)] provides that this rulemaking is not subject to Section 5-35 of the APA [5 ILCS 100/5-35]. For this reason, the rulemaking is not subject to First Notice or to Second Notice review by the Joint Committee on Administrative Rules. Rather, the Board will publish a Notice of Proposed Amendments in the *Illinois Register*, and it will accept public comments on the proposal for 45 days after the date of publication, as required by section 7.3(b)(1) of the Environmental Protection Act [415 ILCS 5/7.3(b)(1)] and section 5-40 of the Administrative procedure Act [5 ILCS 100/5-40].

For the reasons above, the Board cannot now anticipate an exact date for publication.

E) Effect on small business, small municipalities or not-for-profit corporations: This rulemaking may affect any small business, small municipality or not-for-profit corporation that engages in the emission of a chemical compound that is the subject of a proposed exemption or proposed deletion from the USEPA list of exempted compounds.

F) Agency contact person for information: Address written comments concerning the substance of the rulemaking, noting docket number R21-2, as follows:

Don A. Brown, Clerk

POLLUTION CONTROL BOARD

JULY 2020 REGULATORY AGENDA

Pollution Control Board
100 West Randolph Street, Suite 11-500
Chicago IL 60601

Address questions concerning this regulatory agenda, noting docket number R21-2, as follows:

Michael J. McCambridge, Attorney
Pollution Control Board
100 West Randolph Street, Suite 11-500
Chicago IL 60601

312/814-6924
michael.mccambridge@illinois.gov

G) Related rulemakings and other pertinent information: No other rulemaking that would affect 35 Ill. Adm. Code 211 is now planned. However, if the Board receives a rulemaking proposal under 415 ILCS 5/27 and 28, it may initiate a rulemaking at any time.

Section 9.1(e) of the Environmental Protection Act [415 ILCS 5/9.1(e)] provides that Title VII of the Act and Section 5-35 of the Administrative Procedure Act (APA) [5 ILCS 100/5-35] shall not apply. Because this rulemaking is not subject to Section 5-35 of the APA, it is not subject to First Notice or to Second Notice review by the Joint Committee on Administrative Rules. Rather, the Board will publish a Notice of Proposed Amendments in the *Illinois Register*, and it will accept public comments on the proposal for 45 days after the date of publication.

b) Part (Heading and Code Citation): Definitions and General Provisions (35 Ill. Adm. Code 243)

1) Rulemaking: Docket number R21-1

A) Description: Section 10(H) to the Environmental Protection Act [415 ILCS 5/10(H)] requires the Board to adopt ambient air quality standards that are identical-in-substance to the National Ambient Air Quality Standards (NAAQS) adopted by the United States Environmental

Protection Agency (USEPA) pursuant to section 109 of the federal Clean Air Act (42 USC § 7409).

USEPA codified the primary and secondary NAAQS at 40 CFR 50, including provisions relative to methods for monitoring ambient air quality for the several contaminants (particulate matter, nitrogen oxides, sulfur oxides, ozone, carbon monoxide, and lead). Various other federal regulations relate to aspects of the NAAQS, such as 40 CFR 53 prescribing the procedure for approval of equivalent and reference methods and 40 CFR 81 designating air quality monitoring regions and setting forth their attainment/non-attainment status.

The Board reserved docket number R21-1 to accommodate any amendments to the federal NAAQS that USEPA may adopt between January 1, 2020 and June 30, 2020.

The Board is presently aware of two pertinent federal action during this update period:

> February 3, 2020 (85 Fed Reg. 5958): USEPA designated a new federal reference method (FRM) for monitoring sulfur dioxide (SO2) in ambient air.
>
> May 7, 2020 (85 Fed Reg. 27221): USEPA designated a new federal equivalent method (FEM) for monitoring nitrogen dioxide in ambient air.
>
> May 26, 2020 (85 Fed. Reg. 31378): USEPA redesignated the Lemont and Pekin areas to attainment for the 2010 NAAQS for SO2 in ambient air. The 1971 NAAQS for SO2 will no longer apply effective May 26, 2021.

By about mid-August 2020, the Board will determine whether USEPA rules require any Board action in response. The Board will then propose necessary amendments to the Illinois ambient air quality standards using the identical-in-substance procedure or dismiss this docket R21-1, as appropriate.

Section 10(H) requires that the Board complete amendments within one year of the date on which USEPA adopted the earliest action upon which the amendments are based. USEPA adopted an amendment that will require Board action on February 3, 2020, the due date for Board adoption of amendments in docket R21-1 is February 3, 2021.
To meet a due date of February 3, 2021, the Board would propose amendments and publish a Notice of Proposed Amendments to in the *Illinois Register* by early November 2020. This would be sufficiently in advance of the due date to allow the Board to accept public comments on the proposal for 45 days before acting to adopt any amendments. Alternatively, if no amendment to the Illinois definition is needed, the Board will promptly dismiss the reserved docket R21-1.

B) Statutory Authority: Implementing and authorized by Sections 7.2, 10(H), and 27 of the Environmental Protection Act [415 ILCS 5/7.2, 10(H) & 27].

C) Scheduled meeting/hearing dates: None scheduled at this time. The Board would propose any amendments according to Sections 27 and 28 of the Act [415 ILCS 5/27 & 28]. The Board may then schedule and conduct at least one public hearing, if required by Section 110(a) of the federal Clean Air Act (42 USC § 7418) for amendment of the Illinois SIP for any air contaminant, should the Board deem such authorized and required.

D) Date Agency anticipates First Notice: Section 10(H) of the Environmental Protection Act [415 ILCS 5/10(H)] provides that this rulemaking is not subject to Section 5-35 of the APA [5 ILCS 100/5-35]. For this reason, the rulemaking is not subject to First Notice or to Second Notice review by the Joint Committee on Administrative Rules. Rather, the Board will publish a Notice of Proposed Amendments in the *Illinois Register*, and it will accept public comments on the proposal for 45 days after the date of publication, as required by section 7.3(b)(1) of the Environmental Protection Act [415 ILCS 5/7.3(b)(1)] and section 5-40 of the Administrative procedure Act [5 ILCS 100/5-40].

For the reasons above, the Board cannot now anticipate an exact date for publication.

POLLUTION CONTROL BOARD

JULY 2020 REGULATORY AGENDA

To meet a due date of February 3, 2021, the Board will propose amendments and publish a Notice of Proposed Amendments in the *Illinois Register* before late November 2020. This would be sufficiently in advance of the due date to allow the Board to accept public comments on the proposal for 45 days before acting to adopt any amendments.

E) Effect on small business, small municipalities or not-for-profit corporations: This rulemaking may affect any small business, small municipality or not-for-profit corporation that engages in the emission of an air contaminant or precursor to an air contaminant that is the subject of an NAAQS.

F) Agency contact person for information: Address written comments concerning the substance of the rulemaking, noting docket number R21-1, as follows:

Don A. Brown, Clerk
Pollution Control Board
100 West Randolph Street, Suite 11-500
Chicago IL 60601

Address questions concerning this regulatory agenda, noting docket number R21-1, as follows:

Michael J. McCambridge, Attorney
Pollution Control Board
100 West Randolph Street, Suite 11-500
Chicago IL 60601

312/814-6924
michael.mccambridge@illinois.gov

G) Related rulemakings and other pertinent information: No other rulemaking that would affect 35 Ill. Adm. Code 243 is now planned. However, if the Board receives a rulemaking proposal under 415 ILCS 5/27 and 28, it may initiate a rulemaking at any time.

Section 10(H) of the Environmental Protection Act [415 ILCS 5/10(H)] provides that Title VII of the Act and Section 5-35 of the Administrative

Procedure Act (APA) [5 ILCS 100/5-35] shall not apply. Because this rulemaking is not subject to Section 5-35 of the APA, it is not subject to First Notice or to Second Notice review by the Joint Committee on Administrative Rules. Rather, the Board will publish a Notice of Proposed Amendments in the *Illinois Register*, and it will accept public comments on the proposal for 45 days after the date of publication.

c) Parts (Headings and Code Citations): Sewer Discharge Criteria (35 Ill. Adm. Code 307); Pretreatment Programs (35 Ill. Adm. Code 310)

1) Rulemaking: Docket number R21-8

A) Description: Section 13.3 of the Environmental Protection Act [415 ILCS 5/13.3] requires the Board to adopt Illinois rules that are identical-in-substance to wastewater pretreatment rules adopted by the United States Environmental Protection Agency (USEPA) under sections 307(a), (b), and (c) and 402(b)(8) and (b)(9) of the Federal Water Pollution Control Act (FWPCA) (33 U.S.C. §§ 1317(a), (b), and (c) and 1342(b)(8) and (b)(9)).

The Board has reserved docket number R21-8 to accommodate any amendments to the federal wastewater pretreatment rules, 40 CFR 400 through 499, that USEPA may adopt between January 1, 2020 and June 30, 2020.

By about mid-August 2020, the Board will determine whether USEPA rules require any Board action in response. The Board will then propose corresponding amendments to the Illinois wastewater pretreatment regulations using the identical-in-substance procedure or dismiss docket R21-8, as appropriate.

Section 13.3 of the Act requires that the Board complete amendments within one year of the date on which USEPA adopted the earliest action upon which the amendments are based. Assuming USEPA adopted an amendment that will require Board action on the first day of the update period, January 1, 2020, the due date for Board adoption of amendments in docket R21-8 would be January 1, 2021.

POLLUTION CONTROL BOARD

JULY 2020 REGULATORY AGENDA

To meet a due date of January 1, 2021, the Board would propose amendments and publish a Notice of Proposed Amendments to in the *Illinois Register* by late September 2020. This would allow the Board to accept public comments on the proposal for 45 days before adopting any amendments. Alternatively, if no amendment to the Illinois definition is needed, the Board will promptly dismiss the reserved docket R21-8.

B) Statutory Authority: Implementing and authorized by Sections 7.2, 13, 13.3, and 27 of the Environmental Protection Act [415 ILCS 5/7.2, 13, 13.3 & 27].

C) Scheduled meeting/hearing dates: None scheduled at this time. The Board would propose any amendments according to Sections 27 and 28 of the Act [415 ILCS 5/27 & 28]. No hearing is required in identical-in-substance proceedings.

D) Date Agency anticipates First Notice: Section 13.3 of the Environmental Protection Act [415 ILCS 5/13.3] provides that this rulemaking is not subject to Section 5-35 of the APA [5 ILCS 100/5-35]. For this reason, the rulemaking is not subject to First Notice or to Second Notice review by the Joint Committee on Administrative Rules. Rather, the Board will publish a Notice of Proposed Amendments in the *Illinois Register*, and it will accept public comments on the proposal for 45 days after the date of publication, as required by section 7.3(b)(1) of the Environmental Protection Act [415 ILCS 5/7.3(b)(1)] and section 5-40 of the Administrative procedure Act [5 ILCS 100/5-40].

For the reasons above, the Board cannot now anticipate an exact date for publication.

E) Effect on small business, small municipalities or not-for-profit corporations: This rulemaking may affect any small business, small municipality or not-for-profit corporation that engages in the discharge of pollutants into the collection system of a publicly-owned treatment works that is the subject of any federal amendments.

F) Agency contact person for information: Address written comments concerning the substance of the rulemaking, noting docket number R21-8, as follows:

POLLUTION CONTROL BOARD

JULY 2020 REGULATORY AGENDA

Don A. Brown, Clerk
Pollution Control Board
100 West Randolph Street, Suite 11-500
Chicago IL 60601

Address questions concerning this regulatory agenda, noting docket number R21-8, as follows:

Michael J. McCambridge, Attorney
Pollution Control Board
100 West Randolph Street, Suite 11-500
Chicago IL 60601

312/814-6924
michael.mccambridge@illinois.gov

G) Related rulemakings and other pertinent information: No other rulemaking that would affect 35 Ill. Adm. Code 307or 310 is now planned. However, if the Board receives a rulemaking proposal under 415 ILCS 5/27 and 28, it may initiate a rulemaking at any time.

Section 13.3 of the Environmental Protection Act provides that Title VII of the Act and Section 5-35 of the Administrative Procedure Act (APA) [5 ILCS 100/5-35] shall not apply. Because this rulemaking is not subject to Section 5-35 of the APA, it is not subject to First Notice or to Second Notice review by the Joint Committee on Administrative Rules. Rather, the Board will publish a Notice of Proposed Amendments in the *Illinois Register*, and it will accept public comments on the proposal for 45 days after the date of publication.

d) Part (Heading and Code Citation): Primary Drinking Water Standards (35 Ill. Adm. Code 611)

1) Rulemaking: Docket number R21-3

A) Description: Section 17.5 of the Environmental Protection Act [415 ILCS 5/17.5] requires the Board to adopt Illinois rules that are identical-in-substance to update the Illinois drinking water requirements adopted by

the United States Environmental Protection Agency (USEPA) under sections 1412(b), 1414(c), 1417(a), and 1445(a) of the federal Safe Drinking Water Act (SDWA) (42 U.S.C. §§ 300g-1(b), 300g-3(c), 300g-6(a), and 300j-4). The USEPA requirements may amend national primary drinking water regulations (NPDWRs), public notice requirements, restrictions on use of lead in plumbing, and monitoring and recordkeeping requirements.

The Board reserved docket number R21-3 to accommodate any amendments to NPDWRs, 40 CFR 141 through 143, that USEPA may adopt between January 1, 2020 and June 30, 2020.

By about mid-August 2020, the Board will determine whether USEPA rules require any Board actions required in response. The Board will then propose necessary amendments to the Illinois SDWA primary drinking water regulations using the identical-in-substance procedure or dismiss docket R21-3, as appropriate.

Section 17.5 requires that the Board complete amendments within one year of the date on which USEPA adopted the earliest action upon which the amendments are based. Assuming USEPA adopted an amendment that will require Board action on the first day of the update period, January 1, 2020, the due date for Board adoption of amendments in docket R20-7 would be January 1, 2021.

To meet a due date of January 1, 2021, the Board would propose amendments and publish a Notice of Proposed Amendments to in the *Illinois Register* by late September 2020. This would allow the Board to accept public comments on the proposal for 45 days before adopting any amendments. Alternatively, if no amendment to the Illinois definition is needed, the Board will promptly dismiss the reserved docket R20-7.

B) Statutory Authority: Implementing and authorized by Sections 17, 17.5, and 27 of the Environmental Protection Act [415 ILCS 5/17, 17.5 & 27].

C) Scheduled meeting/hearing dates: None scheduled at this time. The Board would propose any amendments according to Sections 27 and 28 of the Act [415 ILCS 5/27 & 28]. No hearing is required in identical-in-substance proceedings.

POLLUTION CONTROL BOARD

JULY 2020 REGULATORY AGENDA

D) Date Agency anticipates First Notice: Section 17.5 of the Environmental Protection Act [415 ILCS 5/17.5] provides that this rulemaking is not subject to Section 5-35 of the APA [5 ILCS 100/5-35]. For this reason, the rulemaking is not subject to First Notice or to Second Notice review by the Joint Committee on Administrative Rules. Rather, the Board will publish a Notice of Proposed Amendments in the *Illinois Register*, and it will accept public comments on the proposal for 45 days after the date of publication, as required by section 7.3(b)(1) of the Environmental Protection Act [415 ILCS 5/7.3(b)(1)] and section 5-40 of the Administrative procedure Act [5 ILCS 100/5-40].

For the reasons above, the Board cannot now anticipate an exact date for publication.

E) Effect on small business, small municipalities or not-for-profit corporations: This rulemaking may affect any small business, small municipality or not-for-profit corporation in Illinois that owns or operates a "public water supply", as defined by Section 3.28 of the Act, i.e., it has at least fifteen service connections or regularly serves an average of at least 25 individuals daily at least 60 days out of the year, or it is assisting a public water supply to demonstrate compliance.

F) Agency contact person for information: Address written comments concerning the substance of the rulemaking, noting docket number R21-3, as follows:

Don A. Brown, Clerk
Pollution Control Board
100 West Randolph Street, Suite 11-500
Chicago IL 60601

Address questions concerning this regulatory agenda, noting docket number R21-3, as follows:

Michael J. McCambridge, Attorney
Pollution Control Board
100 West Randolph Street, Suite 11-500
Chicago IL 60601

312/814-6924
michael.mccambridge@illinois.gov

G) Related rulemakings and other pertinent information: No other rulemaking that would affect 35 Ill. Adm. Code 611 is now planned. However, if the Board receives a rulemaking proposal under 415 ILCS 5/27 and 28, it may initiate a rulemaking at any time.

Section 17.5 of the Environmental Protection Act [415 ILCS 5/17.5] provides that Title VII of the Act and Section 5 of the Administrative Procedure Act (APA) shall not apply. Because this rulemaking is not subject to Section 5 of the APA, it is not subject to First Notice or to Second Notice review by the Joint Committee on Administrative Rules. Rather, the Board will publish a Notice of Proposed Amendments in the *Illinois Register*, and it will accept public comments on the proposal for 45 days after the date of publication.

e) Parts (Headings and Code Citations):

RCRA and UIC Permit Programs (35 Ill. Adm. Code 702)
UIC Permit Program (35 Ill. Adm. Code 704)
Procedures For Permit Issuance (35 Ill. Adm. Code 705)
Hazardous Waste Management System: General (35 Ill. Adm. Code 720)
Underground Injection Control Operating Requirements (35 Ill. Adm. Code 730)

1) Rulemaking: Presently reserved docket number R21-4

A) Description: Section 13(c) of the Environmental Protection Act [415 ILCS 5/13(c)] requires the Board to adopt Illinois rules that are identical-in-substance to underground injection control (UIC) rules adopted by the United States Environmental Protection Agency (USEPA) under section 1421 of the federal Safe Drinking Water Act (SDWA) (42 U.S.C. § 300h).

The Board reserved docket number R21-4 to accommodate any amendments to the federal UIC regulations, 40 CFR 144 through 147, that USEPA may adopt between January 1, 2020 and June 30, 2020.

By about mid-August 2020, the Board will determine whether USEPA rules require any Board action in response. The Board will then propose necessary amendments to the Illinois UIC regulations using the identical-in-substance procedure or dismiss docket R21-4, as appropriate.

Section 13(c) requires that the Board complete amendments within one year of the date on which USEPA adopted the earliest action upon which the amendments are based. Assuming USEPA adopted an amendment that will require Board action on the first day of the update period, on January 1, 2020, the due date for Board adoption of amendments in docket R21-4 would be January 1, 2021.

To meet a due date of January 1, 2021, the Board would propose amendments and publish a Notice of Proposed Amendments to in the *Illinois Register* by late September 2020. This would allow the Board to accept public comments on the proposal for 45 days before adopting any amendments. Alternatively, if no amendment to the Illinois definition is needed, the Board will promptly dismiss the reserved docket R21-4.

B) Statutory Authority: Implementing and authorized by Sections 7.2, 13(c) and 27 of the Environmental Protection Act [415 ILCS 5/7.2, 13(c) & 27].

C) Scheduled meeting/hearing dates: None scheduled at this time. The Board would propose any amendments according to Sections 27 and 28 of the Act [415 ILCS 5/27 & 28]. No hearing is required in identical-in-substance proceedings.

D) Date Agency anticipates First Notice: Section 13(c) of the Environmental Protection Act [415 ILCS 5/22.40(a)] provides that this rulemaking is not subject to Section 5-35 of the APA [5 ILCS 100/5-35]. For this reason, this rulemaking is not subject to First Notice or to Second Notice review by the Joint Committee on Administrative Rules. Rather, the Board will publish a Notice of Proposed Amendments in the *Illinois Register*, and it will accept public comments on the proposal for 45 days after the date of publication, as required by section 7.3(b)(1) of the Environmental Protection Act [415 ILCS 5/7.3(b)(1)] and section 5-40 of the Administrative procedure Act [5 ILCS 100/5-40].

For the reasons above, the Board cannot now anticipate an exact date for publication.

E) Effect on small business, small municipalities or not-for-profit corporations: This rulemaking may affect any small business, small municipality or not-for-profit corporation in Illinois to the extent the affected entity engages in the underground injection of waste.

F) Agency contact person for information: Address written comments concerning the substance of the rulemaking, noting docket number R21-4, as follows:

Don A. Brown, Clerk
Pollution Control Board
100 West Randolph Street, Suite 11-500
Chicago IL 60601

Address questions concerning this regulatory agenda, noting docket number R21-4, as follows:

Michael J. McCambridge, Attorney
Pollution Control Board
100 West Randolph Street, Suite 11-500
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312/814-6924
michael.mccambridge@illinois.gov

G) Related rulemakings and other pertinent information: No other rulemaking that would affect 35 Ill. Adm. Code 702, 704, 705, 720, or 730 is now planned. However, if the Board receives a rulemaking proposal under 415 ILCS 5/27 and 28, it may initiate a rulemaking at any time.

Section 13(c) of the Environmental Protection Act [415 ILCS 5/13(c)] provides that Title VII of the Act and Section 5 of the Administrative Procedure Act (APA) shall not apply. Because this rulemaking is not subject to Section 5 of the APA, it is not subject to First Notice or to Second Notice review by the Joint Committee on Administrative Rules. Rather, the Board will publish a Notice of Proposed Amendments in the

Illinois Register, and it will accept public comments on the proposal for 45 days after the date of publication.

f) Parts (Headings and Code Citations):

RCRA AND UIC Permit Programs (35 Ill. Adm. Code 702)
RCRA Permit Program (35 Ill. Adm. Code 703)
Procedures for Permit Issuance (35 Ill. Adm. Code 705)
Hazardous Waste Management System: General (35 Ill. Adm. Code 720)
Identification and Listing of Hazardous Waste (35 Ill. Adm. Code 721)
Standards Applicable to Generators of Hazardous Waste (35 Ill. Adm. Code 722)
Standards Applicable to Transporters of Hazardous Waste (35 Ill. Adm. Code 723)
Standards for Owners and Operators of Hazardous Waste Treatment, Storage, and Disposal Facilities (35 Ill. Adm. Code 724)
Interim Status Standards for Owners and Operators of Hazardous Waste Treatment, Storage, and Disposal Facilities (35 Ill. Adm. Code 725)
Standards for the Management of Specific Hazardous Waste and Specific Types of Hazardous Waste Management Facilities (35 Ill. Adm. Code 726)
Land Disposal Restrictions (35 Ill. Adm. Code 728)
Standards for Universal Waste Management (35 Ill. Adm. Code 733)
Hazardous Waste Injection Restrictions (35 Ill. Adm. Code 738)
Standards for the Management of Used Oil (35 Ill. Adm. Code 739)

1) Rulemaking: Docket number R21-6

A) Description: Section 22.4(a) of the Environmental Protection Act [415 ILCS 5/22.4(a)] requires the Board to adopt Illinois rules that are identical-in-substance to hazardous waste management standards adopted by the United States Environmental Protection Agency (USEPA) to implement sections 3001 through 3005 of Subtitle C of the federal Resource Conservation and Recovery Act (RCRA) (42 U.S.C. §§ 6921 through 6925).

The Board reserved docket number R21-6 to accommodate any amendments to the federal RCRA Subtitle C program, 40 CFR 148, 260 through 270, 273, and 279, that USEPA may adopt between January 1, 2020 and June 30, 2020.

By about mid-August 2020, the Board will determine whether USEPA rules require any Board action in response. The Board will then propose necessary amendments to the Illinois federal RCRA Subtitle C-derived hazardous waste regulations using the identical-in-substance procedure or dismiss docket R21-6, as appropriate.

Section 22.4(a) requires that the Board complete amendments within one year of the date on which USEPA adopted the earliest action upon which the amendments are based. USEPA adopted an amendment that will require Board action on January 1, 2020, the due date for Board adoption of amendments in docket R19-16 is January 1, 2021.

To meet a due date of January 1, 2021, the Board would propose amendments and publish a Notice of Proposed Amendments to in the *Illinois Register* by late September 2020. This would allow the Board to accept public comments on the proposal for 45 days before adopting any amendments. Alternatively, if no amendment to the Illinois definition is needed, the Board will promptly dismiss the reserved docket R20-4.

B) Statutory Authority: Implementing and authorized by Sections 7.2, 22.4(a), and 27 of the Environmental Protection Act [415 ILCS 5/7.2, 22.4(a) & 27].

C) Scheduled meeting/hearing dates: None scheduled at this time. The Board would propose any amendments according to Sections 27 and 28 of the Act [415 ILCS 5/27 & 28]. No hearing is required in identical-in-substance proceedings.

D) Date Agency anticipates First Notice: Section 22.4(a) of the Environmental Protection Act [415 ILCS 5/22.4(a)] provides that this rulemaking is not subject to Section 5-35 of the APA [5 ILCS 100/5-35]. For this reason, the rulemaking is not subject to First Notice or to Second Notice review by the Joint Committee on Administrative Rules. Rather, the Board will publish a Notice of Proposed Amendments in the *Illinois Register*, and it will accept public comments on the proposal for 45 days after the date of publication, as required by section 7.3(b)(1) of the Environmental Protection Act [415 ILCS 5/7.3(b)(1)] and section 5-40 of the Administrative procedure Act [5 ILCS 100/5-40].

For the reasons above, the Board cannot now anticipate an exact date for publication.

E) Effect on small business, small municipalities or not-for-profit corporations: This rulemaking may affect any small business, small municipality or not-for-profit corporation that engages in the generation, transportation, treatment, storage, or disposal of hazardous waste.

F) Agency contact person for information: Address written comments concerning the substance of the rulemaking, noting docket number R21-6, as follows:

Don A. Brown, Clerk
Pollution Control Board
100 West Randolph Street, Suite 11-500
Chicago IL 60601

Address questions concerning this regulatory agenda, noting docket number R21-6, as follows:

Michael J. McCambridge, Attorney
Pollution Control Board
100 West Randolph Street, Suite 11-500
Chicago IL 60601

312/814-6924
michael.mccambridge@illinois.gov

G) Related rulemakings and other pertinent information: No other rulemaking that would affect 35 Ill. Adm. Code 720 through 728, 733, 738, or 739 is now planned. However, if the Board receives a rulemaking proposal under 415 ILCS 5/27 and 28, it may initiate a rulemaking at any time.

Section 22.4(a) of the Environmental Protection Act [415 ILCS 5/22.4(a)] provides that Title VII of the Act and Section 5-35 of the Administrative Procedure Act (APA) [5 ILCS 100/5-35] shall not apply. Because this rulemaking is not subject to Section 5-35 of the APA, it is not subject to First Notice or to Second Notice review by the Joint Committee on

Administrative Rules. Rather, the Board will publish a Notice of Proposed Amendments in the *Illinois Register*, and it will accept public comments on the proposal for 45 days after the date of publication.

g) Part (Heading and Code Citation): Underground Storage Tanks (35 Ill. Adm. Code 731)

1) Rulemaking: Docket number R20-1

A) Description: Section 22.4(d) of the Environmental Protection Act [415 ILCS 5/22.4(d)] requires the Board to adopt Illinois rules that are identical-in-substance to underground storage tank (UST) regulations adopted by the United States Environmental Protection Agency (USEPA) pursuant to section 9003 of Subtitle I of the federal Resource Conservation and Recovery Act (RCRA) (42 U.S.C. § 6991b (2017)). The mandate specifically excludes federal amendments relating to the design, construction, installation, general operation, release detection, release reporting, release investigation, release confirmation, out-of-service systems, and closure or financial responsibilities for USTs.

The Board reserved docket number R20-1 to accommodate any amendments to the RCRA Subtitle I regulations, 40 CFR 281 through 283, that USEPA may adopt between January 1, 2020 and June 30, 2020.

By about mid-August 2020, the Board will determine whether USEPA rules require any Board action in response. The Board will then propose necessary amendments to the Illinois UST regulations using the identical-in-substance procedure or dismiss docket R20-1, as appropriate.

Section 22.4(d) requires that the Board complete amendments within one year of the date on which USEPA adopted the earliest action upon which the amendments are based. Assuming USEPA adopted an amendment that will require Board action on the first day of the update period, on January 1, 2020, the due date for Board adoption of amendments in docket R20-1 is January 1, 2021.

To meet a due date of January 1, 2021, the Board would propose amendments and publish a Notice of Proposed Amendments to in the *Illinois Register* by late September 2020. This would allow the Board to accept public comments on the proposal for 45 days before adopting any

amendments. Alternatively, if no amendment to the Illinois definition is needed, the Board will promptly dismiss the reserved docket R20-1.

B) Statutory Authority: Implementing and authorized by Sections 7.2, 22.4(d), and 27 of the Environmental Protection Act [415 ILCS 5/7.2, 22.4(d) & 27].

C) Scheduled meeting/hearing dates: None scheduled at this time. The Board would propose any amendments according to Sections 27 and 28 of the Act [415 ILCS 5/27 & 28]. No hearing is required in identical-in-substance proceedings.

D) Date Agency anticipates First Notice: Section 22.4(d) of the Environmental Protection Act [415 ILCS 5/22.4(d)] provides that this rulemaking is not subject to Section 5-35 of the APA [5 ILCS 100/5-35]. For this reason, the rulemaking is not subject to First Notice or to Second Notice review by the Joint Committee on Administrative Rules. Rather, the Board will cause a Notice of Proposed Amendments to appear in the *Illinois Register*, and it will accept public comments on the proposal for 45 days after the date of publication, as required by section 7.3(b)(1) of the Environmental Protection Act [415 ILCS 5/7.3(b)(1)] and section 5-40 of the Administrative procedure Act [5 ILCS 100/5-40].

For the reasons above, the Board cannot now anticipate an exact date for publication.

E) Effect on small business, small municipalities or not-for-profit corporations: This rulemaking may affect any small business, small municipality or not-for-profit corporation that owns or operates a UST.

F) Agency contact person for information: Address written comments concerning the substance of the rulemaking, noting docket number R20-1, as follows:

Don A. Brown, Clerk
Pollution Control Board
100 West Randolph Street, Suite 11-500
Chicago IL 60601

POLLUTION CONTROL BOARD

JULY 2020 REGULATORY AGENDA

Address questions concerning this regulatory agenda, noting docket number R20-1, as follows:

Michael J. McCambridge, Attorney
Pollution Control Board
100 West Randolph Street, Suite 11-500
Chicago IL 60601

312/814-6924
michael.mccambridge@illinois.gov

G) Related rulemakings and other pertinent information: No other rulemaking that would affect 35 Ill. Adm. Code 731 is now planned. However, if the Board receives a rulemaking proposal under 415 ILCS 5/27 and 28, it may initiate a rulemaking at any time.

Section 22.4(d) of the Environmental Protection Act [415 ILCS 5/22.4(d)] provides that Title VII of the Act and Section 5-35 of the Administrative Procedure Act (APA) [5 ILCS 100/5-35] shall not apply. Because this rulemaking is not subject to Section 5-35 of the APA, it is not subject to First Notice or to Second Notice review by the Joint Committee on Administrative Rules. Rather, the Board will publish a Notice of Proposed Amendments in the *Illinois Register*, and it will accept public comments on the proposal for 45 days after the date of publication.

h) Parts (Headings and Code Citations):

Solid Waste (35 Ill. Adm. Code 807)
Solid Waste Disposal: General Provisions (35 Ill. Adm. Code 810)
Standards for New Solid Waste Landfills (35 Ill. Adm. Code 811)
Information to Be Submitted in a Permit Application (35 Ill. Adm. Code 812)
Procedural Requirements for Permitted Landfills (35 Ill. Adm. Code 813)
Interim Standards for Existing Landfills and Units (35 Ill. Adm. Code 814)
Procedural Requirements for All Landfills Exempt from Permits (35 Ill. Adm. Code 815)

1) Rulemaking: Presently reserved docket number R21-5

A) Description: Section 22.40(a) of the Environmental Protection Act [415 ILCS 5/22.40(a)] requires the Board to adopt Illinois rules that are

identical-in-substance to municipal solid waste landfill (MSWLF) rules adopted by the United States Environmental Protection Agency (USEPA) under sections 4004 and 4010 of Subtitle D of the federal Resource Conservation and Recovery Act (RCRA) (42 U.S.C. §§ 6949 and 6949a).

The Board reserved docket number R21-5 to accommodate any amendments to the RCRA Subtitle D MSWLF regulations, 40 CFR 258, that USEPA may adopt between January 1, 2020 and June 30, 2020.

By about mid-August 2020, the Board will determine whether USEPA rules require any Board action in response. The Board will then propose necessary amendments to the Illinois RCRA Subtitle D MSWLF regulations using the identical-in-substance procedure or dismiss docket R21-5, as appropriate.

Section 22.40(a) requires that the Board complete amendments within one year of the date on which USEPA adopted the earliest action upon which the amendments are based. Assuming USEPA adopted an amendment that will require Board action on the first day of the update period, January 1, 2020, the due date for Board adoption of amendments in docket R21-5 would be January 1, 2021.

To meet a due date of January 1, 2021, the Board would propose amendments and publish a Notice of Proposed Amendments to in the *Illinois Register* by late September 2020. This would allow the Board to accept public comments on the proposal for 45 days before adopting any amendments. Alternatively, if no amendment to the Illinois definition is needed, the Board will promptly dismiss the reserved docket R21-5.

B) Statutory Authority: Implementing and authorized by Sections 7.2, 22.40(a) and 27 of the Environmental Protection Act [415 ILCS 5/7.2, 22.40(a) & 27].

C) Scheduled meeting/hearing dates: None scheduled at this time. The Board would propose any amendments according to Sections 27 and 28 of the Act [415 ILCS 5/27 & 28]. No hearing is required in identical-in-substance proceedings.

POLLUTION CONTROL BOARD

JULY 2020 REGULATORY AGENDA

D) Date Agency anticipates First Notice: Section 22.40(a) of the Environmental Protection Act [415 ILCS 5/22.40(a)] provides that this rulemaking is not subject to Section 5-35 of the APA [5 ILCS 100/5-35]. For this reason, the rulemaking is not subject to First Notice or to Second Notice review by the Joint Committee on Administrative Rules. Rather, the Board will publish a Notice of Proposed Amendments in the *Illinois Register*, and it will accept public comments on the proposal for 45 days after the date of publication, as required by section 7.3(b)(1) of the Environmental Protection Act [415 ILCS 5/7.3(b)(1)] and section 5-40 of the Administrative procedure Act [5 ILCS 100/5-40].

For the reasons above, the Board cannot now anticipate an exact date for publication.

E) Effect on small business, small municipalities or not-for-profit corporations: This rulemaking may affect any small business, small municipality or not-for-profit that engages in the land disposal of municipal solid waste.

F) Agency contact person for information: Address written comments concerning the substance of the rulemaking, noting docket number R21-5, as follows:

Don A. Brown, Clerk
Pollution Control Board
100 West Randolph Street, Suite 11-500
Chicago IL 60601

Address questions concerning this regulatory agenda, noting docket number R21-5, as follows:

Michael J. McCambridge, Attorney
Pollution Control Board
100 West Randolph Street, Suite 11-500
Chicago IL 60601

312/814-6924
michael.mccambridge@illinois.gov

POLLUTION CONTROL BOARD

JULY 2020 REGULATORY AGENDA

G) Related rulemakings and other pertinent information: No other rulemaking that would affect 35 Ill. Adm. Code 807 or 810 through 815 is now planned. However, if the Board receives a rulemaking proposal under 415 ILCS 5/27 and 28, it may initiate a rulemaking at any time.

Section 22.40(a) of the Environmental Protection Act [415 ILCS 5/22.40(a)] provides that Title VII of the Act and Section 5-35 of the Administrative Procedure Act (APA) [5 ILCS 100/5-35] shall not apply. Because this rulemaking is not subject to Section 5-35 of the APA, it is not subject to First Notice or to Second Notice review by the Joint Committee on Administrative Rules. Rather, the Board will publish a Notice of Proposed Amendments in the *Illinois Register*, and it will accept public comments on the proposal for 45 days after the date of publication.

PROPERTY TAX APPEAL BOARD

JULY 2020 REGULATORY AGENDA

a) Part (Heading and Code Citation): Practice and Procedure for Appeals Before the Property Tax Appeal Board (86 Ill. Adm. Code 1910)

1) Rulemaking:

A) Description: The Property Tax Appeal Board anticipates amending the following rules:

Section 1910.12(b) – Eliminate the requirement that a person must give 10-days advance notice of the request to address the Property Tax Appeal Board during a regularly scheduled meeting.

Section 1910.20(a) – Provide that electronic communications may sent to the Clerk of the Property Tax Appeal Board at PTA.Clerk@illinois.gov.

Section 1910.30(a) – Provide that appeals may be filed with the Property Tax Appeal Board via United States Mail, a delivery service other than the United States Mail or electronic means.

Section 1910.30(m) – To provide that when an interested taxing body files an appeal it must furnish the name and address of the property owner, the name and address of the taxpayer of the property if different than the owner, the name and address of the registered agent of the corporate owner or taxpayer, or the name and address of the any partner or registered agent of a partnership owner or taxpayer. Provide that when an interested taxing body files an appeal on property owned by a corporation it must serve a copy of the appeal petition with the registered agent of the corporation by mail. Provide that when an interested taxing body files an appeal on property owned by a partnership it must serve a copy of the appeal petition with any partner or the registered agent of the partnership by mail.

Section 1910.30 – Add a provision for the collection of a non-refundable filing fee when an appeal is filed.

Section 1910.40(a) - Provide that the board of review may submit its completed Board of Review Notes on Appeal and evidence to the Property Tax Appeal Board via United States Mail, a delivery service other than the United States Mail or electronic means.

PROPERTY TAX APPEAL BOARD

JULY 2020 REGULATORY AGENDA

Section 1910.60(a) - Provide that an intervenor may submit its Request to Intervene, resolution and evidence to the Property Tax Appeal Board via United States Mail, a delivery service other than the United States Mail or electronic means. Provide for the collection of a non-refundable filing fee to intervene in an appeal.

Section 1910.67 – To allow a hearing before the Property Tax Appeal Board to be conducted remotely through an interactive video-teleconference.

B) Statutory Authority: 35 ILCS 200/Art. 7 and 35 ILCS 200/16-160 through 16-195

C) Scheduled meeting/hearing dates: None

D) Date Agency anticipates First Notice: Winter 2020

E) Effect on small businesses, small municipalities or not-for-profit corporations: None

F) Agency contact person for information:

Mauro Glorioso
Executive Director & General Counsel
Property Tax Appeal Board
Suburban North Regional Office
9511 W. Harrison St., Suite LL-54
Des Plaines IL 60016

847/294-4121
fax: 847/294-4799
Mauro.glorioso@illinois.gov

G) Related rulemakings and other pertinent information: None

ILLINOIS STATE BOARD OF EDUCATION

JULY 2020 REGULATORY AGENDA

a) Part (Heading and Code Citation): Special Education (23 Ill. Adm. Code 226)

1) Rulemaking:

A) Description: This Part is being modified to align with the enactment of various Public Acts and to make some necessary updates to the rules. PA 101-164 makes changes to the procedures a district that is a member of a special education joint agreement must follow to withdraw from that agreement. This procedure was not previously outlined in Part 226 and was added in Section 226.780, as amended by this Public Act. PA 101-507 makes a change to the required documentation submitted by a respondent to the State Board for a State complaint under Article 14 of the School Code. A conforming change is necessary in Section 226.570. PA 100-465 makes changes to personnel reimbursement under Article 14 of the School Code. Conforming changes are necessary in Sections 226.800, 226.820, and 226.860. Changes to Sections 226.800, 226.810, and 226.820 are made to align with Learning Behavioral Specialist I and additional approvals that are no longer issued.

B) Statutory Authority: 105 ILCS 5/2-3.6, 10-22.3, 14-6.01, 14-8.02f, and 14-8.02g

C) Scheduled meeting/hearing dates: To be announced

D) Date Agency anticipates First Notice: September 2020

E) Effect on small businesses, small municipalities or not-for-profit corporations: None

F) Agency contact person for information:

Azita Kakvand
Agency Rules Coordinator
Illinois State Board of Education
100 North First Street
Springfield IL 62777

217/782-6510
rules@isbe.net

ILLINOIS STATE BOARD OF EDUCATION

JULY 2020 REGULATORY AGENDA

G) Related rulemakings and other pertinent information: None

b) Part (Heading and Code Citation): Special Education (23 Ill. Adm. Code 226)

1) Rulemaking:

A) Description: This Part is being modified to align with the enactment of PA 101-124, effective Jan. 1, 2020. This Public Act requires the State Board to adopt rules to establish criteria, standards, and competencies for bilingual interpreters who attend Individual Education Program (IEP) meetings to assist a parent who has limited English proficiency. This rulemaking creates a "qualified interpreter" position for this purpose and sets the standards for what an individual must complete to be eligible as a qualified interpreter. Other cleanup changes are made as well.

B) Statutory Authority: 105 ILCS 5/14-8.02

C) Scheduled meeting/hearing dates: To be announced

D) Date Agency anticipates First Notice: July 2020

E) Effect on small businesses, small municipalities or not-for-profit corporations: None

F) Agency contact person for information:

Azita Kakvand
Agency Rules Coordinator
Illinois State Board of Education
100 North First Street
Springfield IL 62777

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rules@isbe.net

G) Related rulemakings and other pertinent information: None

ILLINOIS STATE BOARD OF EDUCATION

JULY 2020 REGULATORY AGENDA

c) Part (Heading and Code Citation): Educator Licensure (23 Ill. Adm. Code 25)

1) Rulemaking:

A) Description: Various changes are being made to this Part to align with the enactment of Public Acts and to update provisions that are no longer applicable.

B) Statutory Authority: 105 ILCS 5/2-3.6

C) Scheduled meeting/hearing dates: To be announced

D) Date Agency anticipates First Notice: October 2020

E) Effect on small businesses, small municipalities or not-for-profit corporations: None

F) Agency contact person for information:

Azita Kakvand
Agency Rules Coordinator
Illinois State Board of Education
100 North First Street
Springfield IL 62777

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rules@isbe.net

G) Related rulemakings and other pertinent information: None

d) Parts (Heading and Code Citations): Public Schools Evaluation, Recognition and Supervision (23 Ill. Adm. Code 1) and Standards for all Illinois Teachers (23 Ill. Adm. Code 24)

1) Rulemaking:

A) Description: The most significant Part 1 rule changes focus on updating requirements to earn a bilingual education endorsement and standardizing previous qualification requirements and reporting for teachers first

ILLINOIS STATE BOARD OF EDUCATION

JULY 2020 REGULATORY AGENDA

assigned to positions prior to the current endorsement structure. Part 24 rule changes will incorporate Culturally Responsive Teaching and Leading (CRTL) standards into Illinois preparation programs. The standards were developed by the state's Diverse and Learner Ready Teacher Network, which consists of current teachers, school and district administrators, education advocacy group members, and representatives from institutions of higher education. The network was charged by ISBE to develop standards that will be used to drive educator preparation and in-service educator professional development. Culturally responsive teaching and leading are critically important in Illinois. Statewide, 52 percent of public school children are non-white, yet only 17 percent of their teachers reflect this racial diversity. ISBE is committed to ensuring all students are supported by highly prepared and effective teachers and school leaders, which includes providing students with opportunities to learn from educators who are aware and respectful of various cultures and can successfully reach all children. The CRTL standards will be incorporated into all existing and new educator preparation programs to realize this statewide vision.

B) Statutory Authority: 105 ILCS 5/2-3.6

C) Scheduled meeting/hearing dates: To be announced

D) Date Agency anticipates First Notice: August 2020

E) Effect on small businesses, small municipalities or not-for-profit corporations: None

F) Agency contact person for information:

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ILLINOIS STATE BOARD OF EDUCATION

JULY 2020 REGULATORY AGENDA

G) Related rulemakings and other pertinent information: None

e) Part (Heading and Code Citation): Vocational Education (23 Ill. Adm. Code 254)

1) Rulemaking:

A) Description: Multiple changes will be made to this Part to conform with updated federal standards and Agency practices.

B) Statutory Authority: 105 ILCS 5/2-3.6

C) Scheduled meeting/hearing dates: To be announced

D) Date Agency anticipates First Notice: October 2020

E) Effect on small businesses, small municipalities or not-for-profit corporations: None

F) Agency contact person for information:

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

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rules@isbe.net

G) Related rulemakings and other pertinent information: None

f) Part (Heading and Code Citation): Transitional Bilingual Education (23 Ill. Adm. Code 228)

1) Rulemaking:

A) Description: This Part will be updated to conform with the updated English Language Development standards published by the World-class Instructional Design and Assessment Consortium.

ILLINOIS STATE BOARD OF EDUCATION

JULY 2020 REGULATORY AGENDA

B) Statutory Authority: 105 ILCS 5/2-3.6

C) Scheduled meeting/hearing dates: To be announced

D) Date Agency anticipates First Notice: October 2020

E) Effect on small businesses, small municipalities or not-for-profit corporations: None

F) Agency contact person for information:

Azita Kakvand
Agency Rules Coordinator
Illinois State Board of Education
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Springfield IL 62777

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rules@isbe.net

G) Related rulemakings and other pertinent information: None

g) Part (Heading and Code Citation): Public Schools Evaluation, Recognition and Supervision (23 Ill. Adm. Code 1)

1) Rulemaking:

A) Description: This Part will be modified to make some necessary changes and updates to existing graduation requirements.

B) Statutory Authority: 105 ILCS 5/2-3.6

C) Scheduled meeting/hearing dates: To be announced

D) Date Agency anticipates First Notice: October 2020

E) Effect on small businesses, small municipalities or not-for-profit corporations: None

ILLINOIS STATE BOARD OF EDUCATION

JULY 2020 REGULATORY AGENDA

F) Agency contact person for information:

Azita Kakvand
Agency Rules Coordinator
Illinois State Board of Education
100 North First Street
Springfield IL 62777

217/782-6510
rules@isbe.net

G) Related rulemakings and other pertinent information: None

STATE UNIVERSITIES RETIREMENT SYSTEM

JULY 2020 REGULATORY AGENDA

a) Part (Heading and Code Citation): Universities Retirement (80 Ill. Adm. Code 1600)

1) Rulemaking:

A) Description: The System anticipates rulemaking affecting the following:

Amend Section 1600.730 – Return of Ballots and Ballot Counting Process. Amendment will address the order of priority given to elected trustees if more than the maximum number of trustees are elected from the University of Illinois campuses during an election for trustee seats that have different terms due to an election for an unexpired term occurring at the same time as an election for a full six (6) year term. Under that scenario, if more than the maximum number of annuitant or participating member candidates from the University of Illinois campuses receive the highest number of votes in an unexpired term election and in a full six-year term election, the candidate(s) running for the full six-year term(s) shall be declared the winner(s). After reaching the maximum number of trustees that are allowed to serve from the University of Illinois campuses, the candidate(s) with the next highest number of votes running for the unexpired term(s) that are not from one of the University of Illinois campuses shall be declared the winner(s).

Add Section 1600.200 Definition of Employee to implement PA 99-897, effective January 1, 2017, regarding the definition of "employee" under Section 15-107 of the Illinois Pension Code.

Amend Section 1600.300 Effective Beneficiary Designations to address electronic execution and submission of beneficiary designation forms.

Amend Section 1600.305 – Full-Time Student Survivors Insurance Beneficiaries. Amendments will clarify that a student may qualify as being a "full-time" student if the combination of credit hours earned by the student at one or more accredited educational institutions, during the same time frame, equals a full-time workload as defined by either of the accredited educational institutions attended.

Amend Section 1600.420 Making Preliminary Estimated Payments to include procedures for holding payments when the member has not

responded to informational requests, and to terminate the benefit after a period of non-compliance with the request.

Amend Section 1600.450 Overpayment Recovery to address de minimis revisions to benefit calculations and deductions for overpayments of less than $100.

Promulgate rules to establish acceptable documentary evidence for demographic information such as birth dates and marital status.

Promulgate rules to provide specific definitions and procedures to implement 40 ILCS 5/15-168 (concerning information requests necessary for the proper administration of the System and suspensions for non-compliance by members and penalties for non-compliance by employers).

B) Statutory Authority: Article 15 of the Illinois Pension Code [40 ILCS 5/15-177]

C) Scheduled meeting/hearing dates: Written comments may be submitted during the 45-day public comment period following publication of the proposed rule in the *Illinois Register*. No public hearings are anticipated.

D) Date Agency anticipates First Notice: Spring through Fall 2020

E) Effect on small businesses, small municipalities or not-for-profit corporations: None

F) Agency contact person for information:

Bianca T. Green, General Counsel
State Universities Retirement System
1901 Fox Drive
Champaign IL 61820

217/378-8825
fax: 217/378-9801
bgreen@surs.org

STATE UNIVERSITIES RETIREMENT SYSTEM

JULY 2020 REGULATORY AGENDA

G) Related rulemakings and other pertinent information: Other amendments may be necessary based on emergent issues.

PROCLAMATION

2020-52
Juneteenth in Illinois

WHEREAS, United States President Abraham Lincoln signed the Emancipation Proclamation on January 1st, 1863, ordering the freedom of all enslaved African Americans in territory held by the Confederacy; and,

WHEREAS, over 250,000 enslaved Black Americans remained in bondage in the State of Texas, as the war raged on and over 150,000 enslaved African Americans were forced into Texas as slave owners attempted to hide them from the Union; and,

WHEREAS, on June 19th, 1865, in Galveston, Texas, Union Major General Gordon Granger announced to Texans the end of the Civil War and the signing of the Emancipation Proclamation, legally freeing the last of the Confederacy's enslaved people; and,

WHEREAS, June 19th, or Juneteenth, also known as Emancipation Day or Freedom Day, commemorates the Galveston announcement and has become a celebration of the freedom of our Black brothers and sisters and the social, economic, and cultural contributions they have made to these United States of America and Illinois; and,

WHEREAS, Juneteenth takes on an even greater significance as the United States contends with immense pain and grief over the murders of George Floyd, Breonna Taylor, Ahmaud Arbery, Dominique "Rem'mie" Fells, Trayvon Martin, Laquan McDonald, Rekia Boyd, and too many others who have been tragically killed, whether at the hands of police or private citizens acting as vigilantes, in a nation that for too long has refused to contend with its racist origins or modern iterations, leading hundreds of thousands of peaceful protestors across the country to take to the streets to call for justice and change; and,

WHEREAS, in the year 2020, white supremacist and white nationalist hate groups are on the rise around the world, and this very month a sitting United States Senator blocked the renewed Emmett Till Anti-Lynching Act from passage; and,

WHEREAS, the ongoing COVID-19 pandemic has disproportionately taken Black lives and caused economic disruption disproportionately in the Black community; and,

WHEREAS, the decades and centuries of systemic racism that have permeated every aspect of our national history must be actively dismantled – pairing protest and policy – through sustained economic investment in Black communities, genuine criminal justice reform, and a fundamentally reimagined vision of policing;

PROCLAMATION

THEREFORE, I, Governor JB Pritzker, Governor of the State of Illinois, do hereby proclaim June 19th, 2020, as Juneteenth in Illinois, this date joining the ongoing COVID-19 disaster proclamation in being honored by all flags covered by the Illinois Flag Display Act flying at half-staff, and urge all Illinois residents to reflect on our history, our future, and the actions we can take, individually and collectively, to truly build ourselves into the equitable nation of our ideals – a land of freedom and opportunity for all.

Issued by the Governor June 18, 2020
Filed by the Secretary of State June 18, 2020

ILLINOIS ADMINISTRATIVE CODE
Issue Index - With Effective Dates

Rules acted upon in Volume 44, Issue 27 are listed in the Issues Index by Title number, Part number, Volume and Issue. Inquiries about the Issue Index may be directed to the Administrative Code Division at (217) 782-7017/18.

PROPOSED RULES

86 - 100 11132

ADOPTED RULES

11 - 1800 6/22/2020 11134
86 - 3000 6/17/2020 11156
80 - 1540 6/19/2020 11172

EMERGENCY RULES

89 - 50 6/18/2020 11187
86 - 100 6/17/2020 11208

JCAR REVIEW OF EXISTING RULES STATEMENT OF OBJECTIONS

89 - 406 11254
89 - 407 11255
89 - 408 11256

EXECUTIVE ORDERS AND PROCLAMATIONS

20 - 52 6/18/2020 11292

REGULATORY AGENDA

35 - 211 11257
86 - 1910 11280
23 - 226 11282
80 - 1600 11289